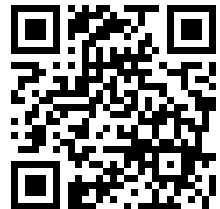

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DOCUMENTS



CODE OF FEDERAL REGULATIONS



TITLES 30-31

Revised as of January 1, 1959

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Forest Service regulations relating to mineral developments and mining in national forests: See Parks, Forests, and Memorials, 36 CFR Part 251.

General Services Administration regulations for stockpiling of strategic and critical materials: 44 CFR Part 99.

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Sources: §§ 1.1 to 1.21 appear at 14 F. R. 7760, Dec. 29, 1949; 15 F. R. 5, Jan. 4, 1950, except as otherwise noted.

§ 1.1 *Definitions.* (a) "Act" means the act authorizing the conservation, production, exploitation, and sale of helium gas, approved September 1, 1937 (50 Stat. 885; 50 U. S. C. 161, 163-166).

(b) "Special helium-production fund" means the fund referred to in subsection (c) of section 3 of this act.

(c) "Bureau" means the Bureau of Mines of the Department of the Interior.

(d) "Purchaser" means a person, firm, corporation, association or political authority, other than an agency of the United States Government, purchasing helium from the Bureau for medical, scientific, or commercial use, or using helium containers supplied by the Bureau.

(e) "Purity of helium" means the percentage by volume of the gaseous element, helium, in a mixture of that element and other gases.

(f) "Contained helium" means the actual quantity, by volume, of helium in a mixture of that element and other

AUTHORITY: §§ 1.1 to 1.21 issued under sec. 3, 43 Stat. 1111, as amended; 50 U. S. C. 164.

gases. The volume of the contained helium bears the same proportion to the volume of the mixture that the purity of the helium bears to 100 percent.

(g) "Unit of helium" means 1,000 cubic feet of contained helium measured at, or reduced to, a pressure of 14.7 pounds per square inch absolute and a temperature of 70° Fahrenheit.

(h) "Standard-type cylinder" means a cylinder of approximately 1.5 cubic feet internal volume, designed for a filling pressure of 1,800 pounds per square inch gage or more, which will stand vertically without external support with the center of the valve outlet not less than 50½ inches nor more than 58½ inches above the floor, equipped with a standard-type cylinder valve and valve-protective cap, or a similar cylinder acceptable to the Bureau as a standard type.

(i) "Standard-type cylinder valve" means a valve acceptable to the Bureau in all respects, having an outlet conforming to following specifications: U. S. standard form left-hand threads, 14 threads per inch, threaded portion ¾ inch in length; major diameter not more than 0.830 nor less than 0.824 inch; pitch diameter not more than 0.784 nor less than 0.780 inch; outlet opening drilled to have a diameter of not more than 0.504 nor less than 0.500 inch and a depth of not less than ¾ nor more than ½ inch; inside edge of opening rounded out to a radius of ¼ inch to permit insertion of a male connection tapered at an angle of 30 degrees: *Provided*, That at the Bureau's option valves with outlets conforming to other specifications may be accepted as alternative standards. Each cylinder valve shall be equipped with an outlet-port cap.

(j) "Helium tank car" means a railroad car of the type used by the Army and Navy for transporting helium, on which cylinders designed to hold helium under high pressure are mounted permanently.

(k) "Helium semi-trailer" means a vehicle without motive power of a type used by the Army or Navy for transportation of helium by road, on which cylinders designed to hold helium under high pressure are mounted permanently.

(l) "Free time" means the following periods or parts thereof included within the time between the placement of a helium tank car on the purchaser's track

or in other specified discharge position, and removal therefrom by the carrier for return shipment:

(1) The first Sunday following placement; the first legal national, state, or municipal whole-day holiday following placement; and the Monday following any such holiday that falls on Sunday.

(2) The period between placement and the end of the first 48-hour period (exclusive of any period falling within a Sunday, legal national, state, or municipal whole-day holiday, or Monday following such a holiday that falls on Sunday) after the first 7:00 a. m. subsequent to the placement.

(3) Any period during which the car is ready for removal and the carrier has been notified that it is ready for removal, and the time of removal.

(4) Any period during which the car cannot be unloaded or moved because of unserviceable conditions not caused by any fault of the purchaser.

§ 1.2 *Purchase price of helium.* (a) The purchase price per unit of helium, at a helium plant to be selected by the Bureau, for helium of normal plant purity of 99.5 percent or more delivered at pressures not exceeding the normal plant pressure of approximately 2,500 pounds per square inch gage, shall be \$19.00.

(b) *Minimum charge.* Notwithstanding the provisions of paragraph (a) of this section, the minimum charge for the helium delivered under any one contract shall be \$380.00.

[19 F. R. 788, Feb. 11, 1954]

§ 1.3 *Service charges.* The following charges for services and for use of equipment supplied by the Bureau shall be paid by the purchaser, in addition to the purchase price:

(a) *For filling standard-type cylinders.* \$2 per unit of helium delivered.

(b) *For work performed on standard-type cylinders supplied by the purchaser.*

(1) For hydrostatic testing and stenciling test date: \$1.30 per cylinder.

(2) Sealing cylinder valves: \$0.05 per cylinder.

(3) Stenciling serial numbers: \$0.10 per letter or figure.

(4) Installing valves supplied by purchaser in cylinders received without valves: \$0.25 per cylinder.

(5) Resetting valves, or removing valves and replacing with valves supplied by purchaser: \$0.50 per cylinder.

(c) *For extraordinary expenses.* Such expenses incurred in connection with any contract or delivery, including costs of repairing, cleaning, painting, or drying purchasers' containers, filling containers of types other than those referred to in § 1.1 (h), (j), and (k), compressing or purifying helium beyond normal plant pressure or purity, delivering helium at a point other than a helium plant selected by the Bureau, and unusual handling, transportation and communications, may be determined by the Bureau, on the basis of the cost of rendering the services, making due allowance for contingencies, overhead expense, commercial common-carrier rates, and intangible factors, and charged to the purchaser as they arise.

(d) *For use of helium containers supplied by the Bureau.* (1) Standard-type cylinders: \$0.45 per cylinder per month or fraction of month; or, in lots of 500 or more, \$3 per cylinder per year: *Provided*, That upon the written approval of the Bureau, purchasers may themselves give such cylinders the quinquennial hydrostatic test required by the Interstate Commerce Commission, and for each cylinder so tested will be allowed a credit of \$0.75 on the rental charge: *And provided further*, That the minimum net charge under any one container contract shall be \$45.

(2) For each round trip of a helium tank car:

(i) A fixed charge of \$88, plus

(ii) A charge of \$0.11 for each whole mile, or major fraction thereof, of the total round-trip mileage between the helium plant at which the car is filled and the helium delivery destination, according to the official mileage tariffs of the railroads concerned and via the shortest rail route by which the car could be routed between the two terminals in accordance with established routing practices and with proper regard to clearance and weight limitations, whether the car actually travels that route or a longer route, plus

(iii) A charge of \$22 per day or fraction thereof for the time between placement on the purchaser's tracks or in other specified discharge position, and removal therefrom by the carrier for return shipment, less "free time" as defined in § 1.1 (l).

(3) For each helium semi-trailer: \$10 for the first two days or part thereof, and \$5 for each day or part thereof in excess of two days.

(e) *For use of tractor.* For a tractor with driver and fuel supplied by the Bureau for transportation of a helium semi-trailer: \$40 for each day or part thereof plus \$0.20 for each mile traveled pulling the semi-trailer and \$0.12 for each mile traveled by the tractor without the semi-trailer.

(f) *Computation of time periods.* The time periods of days, months, or years, referred to in paragraph (d) (1) and (3) and paragraph (e) of this section, shall begin the day following that in which the standard-type cylinder, semi-trailer, or tractor is placed in service for the purchaser, and shall end the day it is returned to the Bureau's service, except in the case of such containers or tractors placed in a purchaser's service and returned to the Bureau's service the same day. Any fractional period, including the period of use of a standard-type cylinder, semi-trailer or tractor placed in a purchaser's service and returned to the Bureau's service the same day, shall count as a whole period: *Provided*, That if a standard-type cylinder used at the annual rate is returned on the Bureau's demand pursuant to § 1.10 (b) (3), or is returned at the purchaser's option after it has been in the purchaser's continuous service for more than one year, a fractional year shall be prorated on a basis of months, each month or fractional month being charged for at \$0.25. A standard-type cylinder, semi-trailer, or tractor shall not be considered to be returned to the Bureau's service until it is returned to the Bureau's point of origin or some other point designated by the Bureau, and, in the case of a standard-type cylinder used in making repeated shipments to the same purchaser, until it is released from that service. Seven o'clock, a. m. standard time, is the dividing line between days. The charge for the use of a standard-type cylinder, semi-trailer, or tractor shall abate during any period when it is out of service because of unserviceable condition not caused by any fault of the purchaser.

§ 1.4 *Settlements under existing contracts.* Uncompleted portions of contracts for the purchase of helium and for the use of containers in effect when the regulations in this part become effec-

tive may be performed and settled under the regulations in this part, by written agreement between the Bureau and the purchaser; but in the absence of such agreement shall be performed and settled under the terms of such contracts and of the regulations as they were in effect at the time such contracts were entered into.

§ 1.5 *Applications*—(a) *Applications to purchase helium*. Sales of helium will be made only upon a written application, signed by the applicant, setting forth all of the information and conditions required by the Bureau's form entitled "Application to Purchase Helium".¹ Such forms will be furnished by the Bureau upon request. If the application is deemed sufficient by the Bureau for that purpose, and the requirements for cash advance and bond (if required) are complied with, it shall become the contract of sale upon the written acceptance thereof by the Bureau.

(b) *Applications to use helium containers*. If a purchaser desires that containers be supplied by the Bureau, he may make application therefor on the Bureau's form entitled "Application to Use Helium Containers".¹ Such forms will be furnished by the Bureau upon request. If the desired containers are available, and if said application is deemed sufficient by the Bureau for that purpose, and the requirements for cash advance and deposit or bond are complied with, it shall become the contract for use of containers upon the written acceptance thereof by the Bureau.

§ 1.6 *Advances, deposits, bonds*—(a) *Advances and bonds for purchase of helium*. No helium will be delivered or services performed under the regulations in this part except against cash paid in advance on account of the purchase price and services, and, when applicable, a bond or bonds as provided in §§ 1.8, 1.14 and 1.18.

(b) *Advances, deposits, bonds for use of containers*. No containers or tractors will be furnished by the Bureau under the regulations in this part except against cash paid in advance on account of their use and, unless waived by the Bureau, a cash deposit or bond to guarantee the return of all Government owned containers in satisfactory condi-

tion, or the repair or replacement of, or payment for, any containers lost or damaged, and payment of any other charges that may become due.

(c) *Purchaser to maintain adequate credits and bonds*. The purchaser shall at all times maintain with the Bureau a cash credit sufficient to cover all or as much as the Bureau may require of the purchase price of the helium together with such charges for services and use of containers or tractors as may accrue, and, unless waived by the Bureau, a cash deposit or bond adequate to save the Bureau harmless from loss of or damage to containers and to guarantee payment of all charges.

(d) *Initial and supplemental advances, deposits, bonds*. Applicants for helium and for use of containers or tractors may estimate the amounts of the total and initial cash advances and deposits or bonds from the Bureau's established purchase prices, service charges, and container values, and make the necessary payments with their application, or may await a determination and statement of these items by the Bureau after the filing of the application. If the Bureau at any time deems any advance, deposit, or bond insufficient, it may require that it be made sufficient as a condition to further deliveries of helium or use of containers or tractors.

(e) *Computation of cash advance when method of shipment is uncertain*. If the type of container in which helium is to be shipped has not been decided at the time an application is made, the cash advance shall include the service charge for filling standard-type cylinders as specified in § 1.3 (a), but in adjusting accounts pursuant to § 1.9, filling charges will not be made for units shipped in helium tank cars or helium semi-trailers.

(f) *Form of checks for advances and deposits*. All cash advances, deposits, and additions thereto shall be made in the form of certified checks or cashier's checks payable to the Treasurer of the United States, unless this requirement is waived by the Bureau. A separate check shall be furnished for the amount due under each contract.

(g) *Advances and deposits to be credited to special helium-production fund*. All cash advances, deposits, and other moneys received under the regulations in this part shall be credited to and deposited in the special helium-production fund.

¹ Filed with the Federal Register Division as part of the original document.

§ 1.7 *Initial advance for purchase of helium.* The initial cash advance for purchase of helium may be computed as follows:

(a) *On account of purchase price.*

(1) With applications for 500 units of helium or less: The full purchase price (not less than \$380).

(2) With applications for more than 500 units of helium: \$9,500, but the Bureau may require more.

(b) *On account of services.* The full amount of the estimated charges for the services to be rendered, not including charges for use of containers or tractors furnished by the Bureau.

[19 F. R. 788, Feb. 11, 1954]

§ 1.8 *Initial advance and guarantee for containers.* Unless the Bureau indicates some other or different requirements, the initial cash advance and the deposit or bond for use of containers may be determined as follows:

(a) *Cash advance for use of containers.* (1) \$1.35 for each standard-type cylinder, but not less than \$135 for cylinders contracted for on a monthly basis.

(2) \$3 for each standard-type cylinder, but not less than \$1,500 for cylinders contracted for on an annual basis.

(3) \$300 for each round trip by a helium tank car.

(4) \$50 for each round trip by a helium semi-trailer.

(5) \$200 for each round trip by a tractor, if supplied by the Bureau to haul a helium semi-trailer.

(b) *Cash deposit or bond as guarantee for containers and charges.* (1) \$25 for each of the first 500 standard-type cylinders, \$10 for each of the second 500 of such cylinders, and \$2 for each cylinder in excess of 1000.

(2) \$50,000 for one helium tank car; or \$100,000 for more than one but fewer than five helium tank cars, and an additional \$10,000 for each helium tank car in excess of four, to be in the purchaser's service at any one time.

(3) \$10,000 for one helium semi-trailer; or \$20,000 for more than one but fewer than five helium semi-trailers, and an additional \$2,000 for each helium semi-trailer in excess of four, to be in the purchaser's service at any one time.

§ 1.9 *Adjustment of accounts—(a) Delivery which fulfills contract.* The delivery of a quantity of helium within

plus or minus five percent of that contracted for shall constitute performance on the part of the Bureau, but payments for the helium shall be on the basis of the number of units delivered.

(b) *Refunds to purchasers.* As contracts of sale are performed by the Bureau by the delivery of helium, and as contracts for use of containers are performed by the purchaser by the return of containers and other equipment furnished by the Bureau, the Bureau may make refunds from time to time to the purchaser, from any credits to the purchaser's account in the special helium-production fund, to the extent that the Bureau deems such credit or credits to be in excess of the amounts that may be required to secure the performance of any outstanding contract or contracts of that purchaser; and, in any event, upon full performance by both the Bureau and the purchaser of any contract of sale or contract for use of containers, the Bureau shall refund to the purchaser any balance left to the purchaser's credit on account of such contract: *Provided*, That the Bureau, at its option, may transfer any such credit or any debit remaining on account of any particular contract to the account of any uncompleted contract with the same purchaser.

§ 1.10 *Shipping containers—(a) Containers may be provided by the purchaser or the Bureau.* The applicant may provide containers, as indicated by the Application to Purchase Helium, or may request the Bureau to provide them, as indicated by the Application to Use Helium Containers. Containers provided by the applicant must be satisfactory to the Bureau in all respects, must be free internally from oil or water, and shall comply with the requirements for shipment in interstate commerce. The Bureau will not use or fill any container which in its opinion is unsafe or unsuitable.

(b) *Provisions applicable to all types of containers supplied by the Bureau.* (1) Agencies of the Federal Government requisitioning helium from the Bureau will have preference in the use of containers.

(2) The purchaser shall make every effort to prevent loss of or damage to containers supplied by the Bureau; shall not use such containers for any purpose other than transportation or storage of helium purchased from the Bureau; and

shall not permit any substance to be compressed or injected into such containers without the Bureau's written consent.

(3) The purchaser shall keep account of all containers supplied by the Bureau (by serial number if a container is so numbered and if the Bureau makes written request for such record) and shall return such containers (including attached valves and other parts) to the helium plant or other point from which they were shipped to the purchaser, or to such other point as may be specified in writing by the Bureau, at no greater cost to the purchaser. Notwithstanding any other provisions of the regulations in this part, the purchaser shall return standard-type cylinders within 80 days and shall return helium tank cars and helium semi-trailers within 30 days after receipt of notice that their return is required.

(4) The purchaser shall not, without written approval of the Bureau of Mines, remove, obliterate or obscure any of the Government's stamped or painted markings on such containers, nor stamp, paint or otherwise apply permanent markings on the metal of such containers, except records of hydrostatic tests stamped into the metal thereof in the manner prescribed by the Interstate Commerce Commission if the making of such tests by the purchaser is authorized by the Bureau: *Provided*, That the purchaser may place temporary markings on said containers if such markings are applied in a manner that will in no way affect the metal of or paint on said containers or attached fittings, but any such temporary markings not authorized by the Bureau in writing shall be removed before return of the containers to the Bureau.

(5) Title to all containers supplied to purchasers under the regulations in this part shall remain in the United States. Payment by the purchaser for a container rendered unserviceable or not returned shall not vest title to such container in the purchaser.

(6) The purchaser shall pay to the carrier all transportation charges and demurrage fees resulting from shipment of the containers and their contents to the purchaser and return of the containers to the Bureau, unless the Bureau has agreed in writing to pay such transportation charges and fees.

(7) In the event that the Bureau pays any transportation costs (other than

haulage of a helium semi-trailer by a tractor furnished by the Bureau) on containers in the service of a purchaser, the purchaser shall reimburse the Bureau for such transportation at commercial common-carrier rates for the kind of transportation used, whether or not the transportation was by common carrier, or the cost incurred by the Bureau, whichever shall be the higher.

(8) The purchaser shall not remove containers furnished by the Bureau from the continental limits of the United States without specific permission of the Bureau, except for continuous passage through Canada en route between locations in the United States, which passage shall be in accordance with all laws and regulations applying to such passage through Canada.

(9) Any use or operation by the purchaser of containers furnished by the Bureau shall be in full compliance with all applicable Federal and State laws.

(10) The purchaser shall completely indemnify the Government and hold it harmless from any loss or expense arising from claims of third persons in connection with personal injuries or damage to property or otherwise arising from any Government-owned container while in the service or custody of the purchaser.

(c) *Provisions applicable to standard-type cylinders supplied by the Bureau.*

(1) If any standard-type cylinder supplied by the Bureau is not returned within 80 days after receipt of notice that its return is required, or is rendered unserviceable by defects or failure to pass a quinquennial hydrostatic test as a result of mistreatment or damage beyond the effects of ordinary wear, tear, and age, occurring during the period commencing with the delivery or shipment of such cylinder to the purchaser and ending with the return of such cylinder to the Bureau, the purchaser shall be charged and shall pay to the Bureau, or cause to be paid to the Bureau, the value thereof as determined by the Bureau, which value, however, shall not be more than \$30 nor less than \$15. The entry of such charge on account of any cylinder not returned shall terminate the charge for the use thereof as of the end of the current month or year for which charge is made pursuant to § 1.3 (d), but if said cylinder subsequently is returned in serviceable condition, the Bureau shall credit or refund to the purchaser, from the special

helium-production fund, the amount charged for the cylinder less \$0.45 for each month or part thereof if the charge for use of the cylinder was on a monthly basis, or less \$0.25 for each month or part thereof if the charge for the use of the cylinder was on a yearly basis, during the period from the date when the use charge was terminated to the date of the return of the cylinder.

(2) The purchaser shall be charged with and shall pay to the Bureau, or cause to be paid to the Bureau, the cost of repairing the damage (as estimated by the Bureau if immediate repair is not made) to any returned cylinder which, although serviceable, has suffered damage beyond that attributable to ordinary wear, tear, and age, during the period while it was in the service of the purchaser.

(d) *Provisions applicable to helium tank cars supplied by the Bureau.* (1) All movements of helium tank cars, full and empty, shall be under such Shipment Orders and in accordance with such Route Orders as the Bureau may direct.

(2) The purchaser shall be charged with any excess empty mileage of helium tank cars for which the purchaser is responsible and which has been paid by or charged to the Federal Government.

(3) At the discretion of the Bureau, the purchaser may be charged the amount of any bill received by the Bureau or other Government agency from a railroad for repair of damage incurred by a helium tank car at a discharge terminal while in the custody of the purchaser.

(e) *Provisions applicable to helium tank cars and helium semi-trailers supplied by the Bureau.* (1) Bills of lading issued by the purchaser for shipment of helium tank cars and helium semi-trailers shall be in such form and shall bear such notations as the Bureau may direct.

(2) The purchaser shall not remove the cylinders of helium tank cars or helium semi-trailers from their mountings without specific authority of the Bureau in each case.

(3) The purchaser shall make good or cause to be made good, to the Government, by replacement of materials or by financial reimbursement, as may be appropriate and satisfactory to the Bureau, all losses and damages, not caused by any fault or negligence of the Government, to any helium tank car or helium semi-trailer during any period when such car

or semi-trailer is in the service or custody of the purchaser. Financial reimbursement shall be satisfactory to the Bureau and to any other Governmental agency having jurisdiction over the equipment lost or damaged, but shall not exceed the purchase price for which the Government purchased the equipment and its parts, including costs of assembly.

§ 1.11 *Repurchase rights of Government.* The Government shall have the right to repurchase helium that has been sold by the Bureau and that has not been lost or dissipated, when needed for Government use, upon the following terms and conditions:

(a) *Price for repurchase.* The price to be paid by the Government per unit of helium, for delivery at the place of use or storage, for helium of 99.5 percent purity or better, shall be the higher of either of the following:

(1) The price at which said helium was purchased from the Bureau, less one-half of one percent of said price for each month or fraction thereof since the said helium was purchased from the Bureau, or

(2) The highest price per unit for helium purchased from the Bureau for commercial use during the fiscal year immediately preceding the repurchase.

(b) *Adjustment for purity.* For repurchased helium of less than 99.5 percent purity the unit price to be paid by the Government shall be the price as above determined less one percent thereof for each one percent that the purity is below 99.5 percent.

§ 1.12 *Reservations with respect to sales and deliveries.* The Bureau reserves the absolute right and discretion to limit or defer sales and deliveries under contracts to conform to the needs and requirements of the Government, and to give such preferences as between sales for medical, scientific, and commercial use, and requisitions by Government agencies, as it deems proper: *Provided*, That in all cases requirements for Government use shall have first preference. All furnishing of services and supplying of containers and tractors under the regulations in this part shall be at the Bureau's option.

§ 1.13 *Determinations of purity and quantity.* Determinations of purity and quantity of helium shall be by methods prescribed by or acceptable to the Bureau.

§ 1.14 *Special restrictions*—(a) *Sales for the inflation of airships.* Helium produced by the Bureau shall not be sold or used for the inflation of airships except such airships as operate in or between the United States and its territories and possessions, or between the United States or its territories and possessions and foreign countries. Helium produced by the Bureau shall not be sold or used for the inflation of any airship operating between two foreign countries notwithstanding such airship may also touch at some point in the United States. Any application for the purchase of helium for the purpose of inflating any airship shall show that fact on the face of the application.

(b) *Exportation of helium.* The act places certain restrictions and conditions upon the exportation of helium, and neither the regulations in this part nor any sale or contract of sale pursuant to the regulations in this part is intended to authorize or shall be construed as authorizing the exportation of helium. Any application for the purchase of helium for exportation shall show that fact on the face of the application.

(c) *Liquidated damages.* The Bureau may require in any contract for the purchase of helium a provision for the payment by the purchaser of liquidated damages, in an amount to be fixed by the Secretary of the Interior, in the event of failure by the purchaser faithfully to comply with the act and the regulations in this part and with the terms of the contract; if such a provision is required, the contract shall be accompanied by a domestic corporate surety bond, satisfactory to the Secretary of the Interior, in like amount conditioned upon faithful compliance by the purchaser with the act and the regulations in this part and with the terms of the contract. Such bond shall continue in force as long as any of the helium delivered under such contract shall remain in captivity, or for a period of three years whichever shall be the longer.

§ 1.15 *Power of inspection.* Authorized representatives of the United States may enter and inspect at all reasonable times the place (including places in foreign countries) where any helium produced by the Bureau is stored or used, to the extent reasonably necessary to ascertain whether it is being used or is likely to be used in violation of restrictions in

the act or the regulations in this part on the exportation of helium or its use for the inflation of airships.

§ 1.16 *Implied agreements.* Every purchaser and every re-purchaser, possessor, or user of helium produced by the Bureau, shall be deemed to have expressly consented and agreed to comply with and be bound by the act and the regulations in this part, including the power of inspection provided for in § 1.15, all restrictions on the exportation of helium and its use for the inflation of airships, and the Government's right of repurchase set out in § 1.11.

§ 1.17 *Violations and penalties.* For violation of any of the provisions of the act or of the regulations in this part, the Bureau, in addition to any other penalties provided by law, may cancel all future deliveries and forfeit all deposits under existing contracts of purchasers responsible for or in any manner aiding or participating in such violations, and may deny all pending or future applications from applicants who are or have been responsible for or who have participated in or in any way aided such violations. Likewise, any liquidated damages provided for on account of such violations shall become due and payable.

§ 1.18 *Purchaser's bonds.* As a condition to the acceptance of any application for the purchase of helium, the Bureau may require the applicant to give a domestic corporate surety bond upon the condition that none of the helium applied for shall be used in violation of the regulations in this part or the act, in such amount and upon such further terms and conditions as the Bureau may deem suitable.

§ 1.19 *Cancellation and assignment of contracts.* Contracts for the purchase of helium or for the use of containers may not be canceled, assigned or otherwise transferred without the written consent of the Bureau.

§ 1.20 *Federal agencies not affected.* The regulations in this part have no application to requisitions of helium by agencies of the Federal Government, nor to the use of helium by such agencies.

§ 1.21 *Forms.* Forms of applications and contracts for purchase of helium and for use of helium containers will be furnished by the Bureau upon request. The Bureau may make alterations in or addi-

tions to said forms, and may require the execution of a contract in a different form.

Part 9—Payments Required From Owners of Private Lands Upon Which the Bureau of Mines Performs Exploration or Development Work To Investigate Known Coal Deposits

§ 9.1 *Reasonable percentage determined.* It is hereby determined that 5 mills per ton of 2000 pounds of coal is a reasonable percentage of the total value of minerals that may be produced from private property upon which the Bureau of Mines performs exploration or development work to investigate known coal deposits, to be paid by owners of such property.

(60 Stat. 373) [11 F. R. 14485, Dec. 18, 1946]

Part 10—Coal Analysis for Non-Federal Applicants

Sec.

- 10.1 Policy governing coal analyses.
- 10.2 Applications.
- 10.3 Coal samples and fees.
- 10.4 Schedule of fees.

AUTHORITY: §§ 10.1 to 10.4 issued under sec. 5, 36 Stat. 370, as amended; 30 U. S. C. 7.

SOURCE: §§ 10.1 to 10.4 appear at 16 F. R. 9504, Sept. 19, 1951, except as otherwise noted.

§ 10.1 *Policy governing coal analyses.* The Bureau of Mines makes analyses of coals primarily on behalf of Federal agencies. However, the Bureau will make analyses of coals for a non-Federal applicant in the following instances when such work can be done without hindrance to other Bureau functions:

(a) To check laboratory techniques, methods, and results at the request of a laboratory engaged in coal analysis.

(b) In cases involving disputes where the laboratory analyses previously obtained by the parties are in conflict.

(c) In cases where non-Federal applicants are investigating coal deposits by core drilling and other geologic methods, provided the data from such investigations are to be published, either by the Bureau or the applicant.

(d) In any other cases which the Director, Bureau of Mines, determines to be in the public interest.

§ 10.2 *Applications.* Requests of non-Federal applicants for coal analyses should be sent in duplicate to the Regional Director, Region V, Bureau of Mines, Central Experiment Station, 4800 Forbes Street, Pittsburgh 13, Pennsylvania.

§ 10.3 *Coal samples and fees.* When an applicant has been notified that his application has been approved, he should send the requisite samples and fees as follows:

(a) Samples of coal should be collected and shipped in the manner approved by the Bureau of Mines. (See Bureau of Mines Technical Paper 1, "The Sampling of Coal in the Mine," by Joseph A. Holmes; and Bureau of Mines Revision of Technical Paper 133 (1950), "Handbook on Coal Sampling", by N. H. Snyder.) Samples should be sent, transportation charges prepaid, to the Regional Director, Region V, Bureau of Mines, Central Experiment Station, 4800 Forbes Street, Pittsburgh 13, Pennsylvania. Each sample of coal should be accompanied by identification showing the name of the applicant, the name of the coal bed and of the mine from which the coal came, the exact location where the sample originated in case of mine or core drill sample, the place of delivery in case of a sample of delivered coal, the State and county in which the mine (or coal bed in case of core drill sample) is located, and the shipping point or town nearest the mine or drill site.

(b) Every non-Federal applicant except a State governmental agency must pay the fees specified in § 10.4 by check, bank draft, or money order payable to the order of the Treasurer of the United States. All fees should be transmitted to the Regional Director, Region V, Bureau of Mines, Central Experiment Station, 4800 Forbes Street, Pittsburgh 13, Pennsylvania.

[16 F. R. 9504, Sept. 19, 1951, as amended at 19 F. R. 3006, May 25, 1954]

§ 10.4 *Schedule of fees.* (a) The following fees are charged for analysis of each sample:

- 1. Moisture and ash, or sulfur, or volatile matter, or free-swelling index. \$4.00
- 2. Proximate analysis (moisture, ash, and volatile matter)----- 6.00
- 3. B. t. u.----- 7.50
- 4. Proximate analysis, sulfur, and B. t. u.----- 11.00

5. Ultimate analysis (moisture, ash, carbon, hydrogen, sulfur, and nitrogen)	\$17.00
6. Ultimate analysis and B. t. u.	21.00
7. Proximate and ultimate analyses, and B. t. u.	22.00

8. Fusibility of ash	\$10.00
9. Hardgrove grindability index	10.00

(b) Fees for special tests will be computed on the basis of the work involved.

[28 F. R. 7909, Oct. 14, 1958]

SUBCHAPTER B—RESPIRATORY PROTECTIVE APPARATUS; TESTS FOR PERMISSIBILITY; FEES

Part 11—Self-Contained Breathing Apparatus

Sec.	
11.1	Definition of "permissible."
11.2	Conditions under which apparatus will be tested.
11.3	Fees for testing.
11.4	General requirements.
11.5	Construction.
11.6	Character and general description of tests.
11.7	Detailed procedure of tests.
11.8	Approval of regenerators.
11.9	Notification of approval or disapproval.
11.10	Approval plates and markings for permissible apparatus and for approved supplemental parts.
11.11	Changes subsequent to approval.
11.12	Withdrawal of approval.

AUTHORITY: § 11.1 to 11.12 issued under sec. 5, 36 Stat. 370, as amended, sec. 212, 66 Stat. 709; 30 U. S. C. 7, 482. Interpret or apply secs. 2, 3, 36 Stat. 370, as amended; 30 U. S. C. 3, 5.

SOURCE: §§ 11.1 to 11.12 contained in Schedule 13D, 21 F. R. 7234, Sept. 22, 1956.

§ 11.1 *Definition of "permissible."* The Bureau of Mines considers a self-contained breathing apparatus to be permissible for use in irrespirable and poisonous gases if all the details of construction and materials are the same in all respects as those of a self-contained breathing apparatus that has passed the tests for safety, practicability, and efficiency in accordance with standards established by the Bureau and described in this part.

§ 11.2 *Conditions under which apparatus will be tested.* The conditions under which the Bureau of Mines will examine and test a self-contained breathing apparatus to establish its permissibility follow:

(a) (1) Application for inspection, examination, and testing shall be made in duplicate to the Central Experiment

Station, Bureau of Mines, 4800 Forbes Street, Pittsburgh 13, Pa., and shall be accompanied by (i) a check, bank draft, or money order (see § 11.3) payable to the order of the United States Bureau of Mines; (ii) a complete written description of the apparatus in duplicate; and (iii) a set of drawings in duplicate showing full details of construction of the apparatus. If an apparatus operates with a regenerator, the application shall be accompanied by a complete written description of the regenerator and a set of drawings showing full details of its construction, all in duplicate. The application shall state, among other things, whether the apparatus is ready to be marketed.

(2) Applicants, manufacturers, or their representatives may visit or communicate with the Central Experiment Station, Bureau of Mines, 4800 Forbes Street, Pittsburgh 13, Pa., to obtain criticism of proposed designs or to discuss the requirements covering the approval of self-contained breathing apparatus. No charge is made for such consultation.

(b) The examination, inspection, and test shall be made at the Central Experiment Station, Bureau of Mines, Pittsburgh, Pa.

(c) The applicant, submitting the self-contained breathing apparatus for inspection, examination, and test, will be required to provide two sets of apparatus, prepaid to the Central Experiment Station, Bureau of Mines, 4800 Forbes Street, Pittsburgh 13, Pa. If the apparatus successfully passes all the tests and requirements specified in this section, one set of the apparatus will be retained by the Bureau of Mines as a laboratory exhibit and the other set will be returned to the applicant. If the apparatus does not pass all of the Bureau's tests or requirements, both sets of apparatus will be returned to the applicant at his expense.

(d) Each self-contained breathing apparatus submitted for test shall have marked on it in a distinct manner the name and address of the manufacturer and the name, letter, or number by which the apparatus is designated for trade purposes.

(e) (1) For tests of self-contained oxygen breathing apparatus utilizing a supply of compressed gaseous oxygen, the oxygen will be supplied by the Bureau of Mines and will be of the purity specified in contracts by the Bureau for use in its own self-contained breathing apparatus, namely, at least 98 percent oxygen and the remainder nitrogen. The applicant shall supply such regenerators or regenerating materials as are necessary to operate the apparatus during the tests as hereinafter described.

(2) For tests of self-contained breathing apparatus utilizing a supply of compressed air, the applicant shall supply the compressed air (in suitable containers) necessary in making the hereafter described tests. The compressed air shall not contain any amount of gaseous, liquid, or solid substance that is harmful to a wearer of the apparatus under any condition of use. The applicant shall furnish a written statement setting forth the method used to compress the air and the controls used to prevent contamination of the compressed air by any gaseous, liquid, or solid substance that is harmful to a human being.

(3) For tests of self-contained breathing apparatus utilizing a supply of oxygen that is generated by a chemical reaction when using the apparatus, the applicant shall supply the oxygen-generating chemicals (in suitable containers) in amounts necessary to conduct the hereafter described tests. The oxygen shall not contain any amount of gaseous, liquid, or solid substance that is harmful to a wearer of the apparatus under any condition of use. The applicant shall furnish a written statement setting forth the method by which the oxygen is generated and the chemical reaction involved for this purpose during the use of the apparatus. Furthermore, this statement shall set forth how the chemicals in the oxygen generator have been manufactured so as to prevent contamination of the oxygen by any gaseous, liquid, or solid substance in amounts or proportions harmful to a human being.

(f) On receipt of the self-contained breathing apparatus for which application has been made for examination, inspection, or test, the applicant will be notified whether the apparatus meets the requirements of these regulations and whether additional spare parts are necessary to facilitate making a proper test of the apparatus. The applicant will be required to provide additional parts, if needed, and also to alter the apparatus, if necessary.

(g) No self-contained breathing apparatus will be tested unless it is in the complete form in which it is to be marketed.

(h) As soon as possible after the formal application for the test and the apparatus to be tested have been received, the applicant will be notified of the date on which the test will begin and if any additional material is required.

(i) Tests will be made in the order of receipt of application, provided that the applicant has furnished the necessary apparatus and material.

(j) Self-contained breathing apparatus in course of development may be submitted by manufacturers and inventors for preliminary test or inspection to ascertain defective construction or misapplication of safety principles. The Bureau will determine the nature of such test or inspection and the fee, if any. If a fee is to be charged, it shall be paid before the test or inspection is undertaken.

(k) No one shall be present during any part of the formal investigation, conducted by the Bureau, that leads to approval except the necessary Government personnel, representatives of the applicant, and such other persons as may be mutually agreed upon by the applicant and the Bureau. When a self-contained breathing apparatus is approved as permissible, the Bureau will announce that such approval has been granted and may thereafter conduct from time to time, in its discretion, public demonstrations of the tests of approved self-contained breathing apparatus. Those who attend any part of the investigation, or any public demonstration, shall be present solely as observers; the conduct of the investigation and of any public demonstration shall be controlled wholly by the Bureau's personnel. The results of chemical analyses and all information contained in the drawings, specifications,

and instructions shall be deemed confidential, and the Bureau will appropriately safeguard them against disclosure.

(l) Breathing apparatus will be tested for manufacturers or accredited agents of manufacturers and for inventors.

(m) The Bureau of Mines will make public from time to time a list of permissible self-contained breathing apparatus and data on tests of such equipment.

§ 11.3 Fees for testing.

	Apparatus with separate regenerator	Oxygen generating apparatus	Demand-type apparatus
Complete 2-hour self-contained breathing apparatus inspection and tests.....	\$1,500	\$1,500	\$1,500
Complete 1-hour self-contained breathing apparatus inspection and tests.....	1,390	1,390	1,390
Complete ¾-hour self-contained breathing apparatus inspection and tests.....	1,390	1,390	1,390
Complete ½-hour self-contained breathing apparatus inspection and tests.....	1,390	1,390	1,390
Separate preliminary 2-hour apparatus inspection and tests.....	230	230	230
Separate preliminary 1-hour apparatus inspection and tests.....	230	230	230
Separate preliminary ¾-hour apparatus inspection and tests.....	230	230	230
Separate preliminary ½-hour apparatus inspection and tests.....	230	230	230
Separate supplementary facepiece assembly.....	230	230	-----
Separate regenerator 2-hour apparatus inspection and tests.....	165	-----	-----
Separate regenerator 1-hour apparatus inspection and tests.....	165	-----	-----
Separate regenerator ¾-hour apparatus inspection and tests.....	165	-----	-----
Separate regenerator ½-hour apparatus inspection and tests.....	165	-----	-----
Special reducing valve inspection and tests, all models.....	165	165	165
Separate auxiliary parts inspection and tests, each part.....	110	110	110

Fees for testing unusually complicated types of self-contained breathing apparatus and for extensions of approval will be based on the actual cost of testing, as determined by the Bureau of Mines in advance; the applicant will be notified and the fees paid before the tests are begun.

§ 11.4 *General requirements.* To receive approval of the Bureau of Mines for any type of self-contained breathing apparatus described under types A, B, C, or D in the following, the apparatus must comply with the requirements specified. Four general types of self-contained breathing apparatus will be tested—type A, ½-hour; type B, ¾-hour; type C, 1-hour; and type D, 2-hour. To be approved each type of breathing apparatus must pass satisfactorily all of the tests specified for the respective type in § 11.7. The Bureau considers that the A, ½-hour, and B, ¾-hour, types are suitable for mine rescue and recovery work as auxiliary equipment only.

(a) The amount of oxygen or air supplied by the apparatus must meet the needs of the wearer at all times.

(b) The apparatus shall be free from mechanical obstructions so that the wearer can breathe freely at all times.

(c) The temperature of the inspired atmosphere shall not exceed 110° F. when the temperature of the atmosphere external to the apparatus does not exceed 85° F. The Bureau will not test self-contained breathing apparatus when the temperature external to the apparatus exceeds 85° F. or is less than 60° F.

(d) The apparatus shall be durable in construction, and all vital parts shall be so protected as to prevent damage or excessive wear during the tests to which it will be subjected.

(e) (1) For an apparatus, equipped with a mouth-breathing device in which the expired atmosphere is recirculated and which utilizes a supply of compressed oxygen and a regenerator, the regenerating material (absorbent) shall absorb carbon dioxide from the expired atmosphere. Samples of the atmosphere within the apparatus shall be taken for analytical determination of carbon dioxide content. The atmosphere within the apparatus shall be sampled as near to the point of inspiration as practicable, only while the wearer is inhaling, over a period covering several inhalations, and at uniform intervals of time. None of the samples so taken shall contain more than 2½ percent of carbon dioxide. The average carbon dioxide content of all atmospheric samples taken from within the apparatus during the test shall not exceed 1 percent.

(2) For an apparatus, equipped with a facepiece, in which the expired atmosphere is recirculated and which utilizes a supply of compressed oxygen and a regenerator, the regenerating material (absorbent) shall absorb carbon dioxide from the expired atmosphere. Samples of the atmosphere within the apparatus shall be taken for analytical determination of carbon dioxide content. The atmosphere within the apparatus shall be sampled only when the wearer is inhaling, over a period covering several inhalations, and at uniform intervals of time. None of the samples so taken shall contain more than 2½ percent of carbon dioxide. Samples of the atmosphere within the apparatus shall be taken from the inhalation side of the apparatus as near as possible to the facepiece; the average carbon dioxide content of such samples shall not exceed 1 percent during the test. Samples of the atmosphere within the apparatus also shall be taken from within the facepiece as near as practicable to the nose and mouth of the wearer; the average carbon dioxide content of such samples shall not exceed 2 percent during the test.

(3) For an oxygen-generating apparatus, equipped with a mouth-breathing device, in which the expired atmosphere is recirculated and in which a chemical change is effected so that carbon dioxide is absorbed concurrently with the generation of oxygen, samples of the atmosphere within the apparatus shall be taken for analytical determination of carbon dioxide content. The atmosphere within the apparatus shall be sampled as near to the point of inspiration as practicable, only while the wearer is inhaling, over a period covering several inhalations, and at uniform intervals of time. None of the samples so taken shall contain more than 2½ percent of carbon dioxide. The average carbon dioxide content of all atmospheric samples taken from within the apparatus during the test shall not exceed 1 percent.

(4) For an oxygen-generating apparatus, equipped with a facepiece, in which the expired atmosphere is recirculated and in which a chemical change is effected so that carbon dioxide is absorbed concurrently with the generation of oxygen, samples of the atmosphere within the apparatus shall be taken for analytical determination of carbon dioxide content. The atmosphere within the appa-

ratus shall be sampled only when the wearer is inhaling, over a period covering several inhalations, and at uniform intervals of time. None of the samples so taken shall contain more than 2½ percent of carbon dioxide. Samples of the atmosphere within the apparatus shall be taken from the inhalation side of the apparatus as near as possible to the facepiece; the average carbon dioxide content of such samples shall not exceed 1 percent during the test. Samples of the atmosphere within the apparatus also shall be taken from within the facepiece as near as practicable to the nose and mouth of the wearer; the average carbon dioxide content of such samples shall not exceed 2 percent during the test.

(5) For an apparatus, equipped with a mouth-breathing device, in which the expired atmosphere is not recirculated, as in open-circuit (demand) apparatus, and which utilizes a supply of compressed oxygen or compressed air, samples of the atmosphere within the apparatus shall be taken for analytical determination of carbon dioxide content. The atmosphere within the apparatus shall be sampled as near to the point of inspiration as practicable, only while the wearer is inhaling, over a period covering several inhalations, and at uniform intervals of time. None of the samples so taken shall contain more than 2½ percent of carbon dioxide. The average carbon dioxide content of all atmospheric samples taken from within the apparatus during the test shall not exceed 1 percent.

(6) For an apparatus, equipped with a facepiece, in which the expired atmosphere is not recirculated, as in open-circuit (demand) apparatus, and which utilizes a supply of compressed oxygen or compressed air, samples of the atmosphere within the apparatus shall be taken for analytical determination of carbon dioxide content. The atmosphere within the apparatus shall be sampled only when the wearer is inhaling, over a period covering several inhalations, and at uniform intervals of time. None of the samples so taken shall contain more than 2½ percent of carbon dioxide. Samples of the atmosphere within the apparatus shall be taken from the inhalation side of the apparatus as near as possible to the facepiece; the average carbon dioxide content of such samples shall not exceed 1 percent during the test. Samples of the atmosphere within

the apparatus also shall be taken from within the facepiece as near as practicable to the nose and mouth of the wearer; the average carbon dioxide content of such samples shall not exceed 2 percent during the test.

(f) All parts of a self-contained breathing apparatus, including the source of the breathed atmosphere, shall be carried on the body of the wearer.

§ 11.5 *Construction.* (a) When worn in irrespirable air, the apparatus shall, without recharging, meet the needs of the wearer for not less than the number of minutes for which it was designed.

(b) The mechanical construction of the apparatus shall be such that every part can be tested, inspected, and repaired by persons that are skilled in such work, and all parts that require sterilizing shall be readily accessible for this purpose.

(c) All parts of the apparatus subject to or liable to be subjected to pressures in excess of 5 pounds per square inch shall be so constructed and equipped with safety devices that the safety of the wearer shall be assured, as determined by the 15 tests described in § 11.7.

(d) In apparatus equipped with a breathing bag or bags, or their equivalent, the inhalation and exhalation compartments shall have a combined capacity of at least 8 liters. If a single breathing bag is used, it shall have a capacity of at least 5 liters.

(e) In apparatus equipped with a breathing bag that is used in conjunction with operation of an oxygen- or air-admission valve, the bag shall have a capacity of at least 3 liters after the admission valve is closed. After 3 liters of oxygen or air is introduced into the breathing bag, the water-gage pressure shall not exceed 3 inches.

(f) All parts enclosing the breathed atmosphere of a self-contained breathing apparatus shall consist of material that will exclude gases external to the apparatus and be impervious to gasoline vapor for at least a 2½-hour period. The material shall be of good strength and be flexible, and the joints or seams shall be either cemented and sewed or vulcanized or bound in such manner that the part or parts will not become separated at the joints or seams when the apparatus is in use. Such part or parts may be made in one piece without joints or seams.

(g) The apparatus shall not have in its circulatory system any zone of constant negative pressure, or a positive pressure at the mouthpiece or facepiece of more than 3 inches water gage after a 2½-liter exhalation.

(h) A self-contained breathing apparatus in which the expired atmosphere is recirculated shall be provided with a release valve that is operated manually or automatically and is placed at some point in the circulatory system of the apparatus. The function of this valve shall be to permit the escape to the outside atmosphere of a part of the atmosphere in the circulatory system of the apparatus. The valve shall be so designed that the outside atmosphere cannot be drawn into the apparatus.

(i) When apparatus is equipped with high-pressure gas container(s) the applicant shall furnish therewith a certificate of test required by the Interstate Commerce Commission under Specifications No. 3-A or equivalent specifications or shall give evidence satisfactory to the Bureau that such high-pressure gas container(s) were tested in accordance with Interstate Commerce Commission Specifications No. 3-A or equivalent specifications.

(j) (1) When an apparatus is equipped with a high-pressure gas container charged with compressed oxygen or compressed air to a pressure 10 percent in excess of its marked service pressure, the container shall be equipped with a perforated safety cap attached to the main closing valve. The perforated safety cap shall contain a frangible disk, without fusible metal backing, and the disk shall have a bursting pressure of 2,650 to 3,000 pounds per square inch.

(2) When an apparatus is equipped with a high-pressure gas container charged with compressed oxygen or compressed air at a pressure not in excess of its marked service pressure, the container shall be equipped with a perforated safety cap attached to the main closing valve. The perforated safety cap shall contain a frangible disk, without fusible metal backing, having a bursting pressure of 2,650 to 3,000 pounds per square inch. As an alternate, when the high-pressure gas container is charged at a pressure not in excess of its marked service pressure, the container may be equipped with a perforated safety cap attached to the main closing valve and the safety cap provided with a plain

copper disk and fiber gasket and filled with a metal (such as Rose's metal) having a fusing temperature of approximately 94° C. Such fusible metal shall not be forced from the perforated safety cap by a pressure less than 2,250 pounds per square inch.

(k) (1) The closing valve of the high-pressure gas container shall be provided with a device to prevent the wearer of the apparatus from screwing the stem entirely out of the valve. The closing valve shall also be provided with a device to enable the wearer to lock the valve stem open when the valve has been opened to the desired point. The valve-closing device shall be operable by hand without use of wrenches or external levers.

(2) Main and bypass valves that control the flow of compressed oxygen or compressed air from the source of supply shall be so located that they can be manipulated readily by the wearer when the apparatus is being worn.

(l) When an apparatus is equipped with a gage for recording time or pressure of compressed-oxygen or compressed-air supply, the Bureau of Mines will test such a gage for accuracy of calibration. A variation of 3 atmospheres (approximately 45 pounds per square inch) will be allowed in comparison with the pressure shown by the Bureau of Mines standard pressure gage.

(m) (1) Apparatus having a separate pressure-gage connection shall be equipped with a valve to shut off the compressed-oxygen or compressed-air supply from the gage. The gage-connection valve shall be so placed that it can be manipulated readily by the wearer without interfering with the flow of compressed oxygen or compressed air from the high-pressure gas container to the circulatory system of the apparatus.

(2) An oxygen-generating, self-contained breathing apparatus shall be equipped with a timing device that will indicate accurately the number of minutes a person may continue to wear the apparatus with safety.

(n) Any pressure gage or timing device shall be so located that it can be read easily by the wearer.

(o) Apparatus equipped with a reducing valve giving a constant or automatic flow of oxygen or air shall be provided with a bypass valve that will permit compressed oxygen or compressed air to flow freely from the high-pressure gas

container to the circulatory system of the apparatus, independent of the reducing valve.

(p) When the compressed-oxygen or compressed-air supply of the apparatus is controlled by automatic devices, such devices shall adjust themselves readily to the needs of the wearer.

(q) Apparatus in which the expired atmosphere is recirculated and which is equipped with either a mouth-breathing device or a facepiece shall be provided with an adequate saliva or moisture trap and release valve at the exhalation side of the inhalation and exhalation valve assembly and shall be so designed that, while the saliva or moisture trap and release valve are functioning, any atmosphere that may be external thereto cannot be drawn into the apparatus.

(r) Apparatus equipped with a mouth-breathing device shall be provided with a suitable nose clip properly attached to the apparatus. The suitability of the nose clip will be determined by the tests to which the apparatus will be subjected.

(s) Self-contained breathing apparatus submitted for testing and approval shall not weigh more than 40 pounds when completely assembled and fully charged.

(t) Apparatus equipped with a facepiece shall meet the following requirements:

(1) The facepiece shall be so constructed as to assure quick, gastight fit on persons of widely varying facial dimensions and contours.

(2) The eyepiece(s) of the facepiece shall be of the nonshatter type and be so designed as to provide a satisfactory field of vision for persons of widely varying facial dimensions and contours. Air or oxygen shall enter the facepiece in such manner as will prevent excessive accumulation of moisture on the eyepiece(s). If fog-preventing solutions or other substances are applied to or furnished for application to the lenses of the eyepiece(s), such solutions or substances shall be nonirritating, odorless, and nonflammable.

(3) A facepiece shall be provided with elastic headbands that are adjustable and replaceable.

(4) If a facepiece is equipped with an exhalation valve, the valve shall be guarded to prevent distortion and injury.

(5) For self-contained breathing apparatus, approved before the effective

date of this part and for which a facepiece is approved as supplemental equipment, the facepiece shall weigh not more than 3 pounds complete with inhalation and exhalation valve assembly, breathing tubes, and fittings.

(6) A facepiece approved as supplemental equipment shall be distinctively and permanently marked to identify it as a supplemental part of a specific type of self-contained breathing apparatus.

§ 11.6 *Character and general description of tests.* (a) After the self-contained breathing apparatus to be tested for permissibility has been thoroughly inspected for adequacy of its mechanical principles, a series of 15 tests will be made, as described in § 11.7. At the beginning of the series of tests, if a high-pressure gas container is used on the apparatus, it shall first be charged with oxygen or air to a pressure of 10 atmospheres (approximately 150 pounds per square inch) and the oxygen or air permitted to escape into the atmosphere. Any high-pressure gas container used in the tests shall be fully charged at the beginning of each test at a pressure prescribed by the applicant or manufacturer of the apparatus.

(b) If an apparatus using compressed oxygen or compressed air is equipped with one or more breathing bags, the breathing bag or bags shall be deflated at the beginning of each test to expel any contained nitrogen.

(c) A single test must be continuous, without removal of the apparatus from the wearer during the test.

(d) Samples of the atmosphere from an apparatus in which the atmosphere is recirculated and which is equipped with a mouth-breathing device or a facepiece shall be taken from the inhalation side of the circulatory system as near as possible to the mouthpiece or facepiece, as the case may be. Samples of the atmosphere from a regenerating- or recirculating-type apparatus equipped with a facepiece also shall be taken from the interior of the facepiece as near as practicable to the nose and mouth of the wearer of the apparatus and shall be taken only when the wearer is inhaling. Samples of the atmosphere from an apparatus in which the atmosphere is not recirculated, such as in open-circuit (demand) equipment, and which is equipped with a mouth-breathing device shall be taken from the inhalation side

of the apparatus as near as possible to the mouthpiece. Samples of the atmosphere from an apparatus in which the atmosphere is not recirculated, such as in open-circuit (demand) equipment, and which is equipped with a facepiece shall be taken from the interior of the facepiece as near as practicable to the nose and mouth of the wearer and shall be taken only when the wearer is inhaling. The first sample shall be taken from the source of supply of compressed oxygen or compressed air immediately before the beginning of the test. The second sample shall be taken after the apparatus has been adjusted to the wearer and compressed oxygen or compressed air has been turned on and after the wearer has inhaled at least three times and has exhaled to the atmosphere outside of the apparatus. Samples shall be taken as indicated in Tables 1-5, inclusive, of § 11.7 for ½-hour, A types; ¾-hour, B types; 1-hour, C types; and 2-hour, D types; respectively. The physiological effects of the apparatus on the wearer will be noted during each test; they include the comfort of the wearer, ease of breathing, and lack of interference with normal body functioning, as determined by questioning the wearer of the apparatus during and after testing.

(e) Not more than 1 test of 2 hours' duration will be made on any day. The tests will be completed within 60 days from date of beginning, unless prevented by conditions that are beyond the control of the Bureau.

All tests of apparatus will be conducted in a specially equipped gallery filled with an irrespirable atmosphere, at the Central Experiment Station, Bureau of Mines, Pittsburgh, Pa.

(f) Before each test is begun, the apparatus shall be examined and tested to make certain that no leakage is present under working conditions.

(g) The apparatus under test will be worn during each and all of the periods of the 15 tests by qualified Bureau of Mines personnel assigned to such test work. Immediately before participation in any of these tests the prospective wearer of the apparatus being tested shall pass, satisfactorily, a physical examination by a qualified physician. If it is impossible to complete any one of these tests solely because of the poor physical condition of the wearer, when such condition has been brought about through no fault of the apparatus being

tested, such test shall be disregarded, and the apparatus shall not be penalized or disqualified thereby.

(h) At the conclusion of each test a record shall be made of the general physical condition of the wearer and of the apparatus and of the amount of compressed oxygen or compressed air, if any, remaining in the container. The schedule of work to be performed by the wearer of the apparatus in each of the 15 tests is described in § 11.7.

§ 11.7 Detailed procedure of tests.

(a) The tests are designed to represent conditions and work to which the wearer of a self-contained breathing apparatus may be subjected while wearing apparatus under actual conditions in a mine or plant.

(b) The distances specified for walking, running, crawling, and carrying material, with the exception of the distance when carrying material over the overcast, are to be over a level, measured course free from obstructions.

(c) Atmospheric samples and temperature readings from within the apparatus and the pulse and respiration of the wearer of the apparatus will be taken during a 2-minute period at the beginning and at the end of each test. In addition, atmospheric samples and read-

ings of temperature, pulse, and respiration will be taken during 2-minute periods, indicated in Tables 1-5, inclusive, as "Sampling and readings," for each type of apparatus.

(d) Test 1.

TABLE 1—DURATION OF SPECIFIC ACTIVITIES FOR TEST 1

Activity	Self-contained breathing apparatus			
	¼-hour A type	¼-hour B type	1-hour C type	2-hour D type
Sampling and readings.....	Minutes 2	Minutes 2	Minutes 2	Minutes 2
Wearer walks at 3 miles per hour.....	8	13	18	28
Sampling and readings.....	2	2	2	2
Wearer walks at 3 miles per hour.....	8	12	17	28
Sampling and readings.....	2	2	2	2
Wearer walks at 3 miles per hour.....	6	12	17	28
Sampling and readings.....	2	2	2	2
Wearer walks at 3 miles per hour.....				26
Sampling and readings.....				2
Total.....	30	45	60	120

(e) Tests 2, 3, and 4. The work schedule for Test 1, given in Table 1, is repeated for each of these tests.

(f) Test 5.

TABLE 2—DURATION OF SPECIFIC ACTIVITIES FOR TEST

Activity	Self-contained breathing apparatus			
	¼-hour A type	¼-hour B type	1-hour C type	2-hour D type
Sampling and readings.....	2 minutes.....	2 minutes.....	2 minutes.....	2 minutes.....
Wearer walks at 3 miles per hour.....	2 minutes.....	3 minutes.....	6 minutes.....	10 minutes.....
Carries 50-pound weight over overcast.....	2 times in 4 minutes.....	3 times in 6 minutes.....	4 times in 8 minutes.....	5 times in 10 minutes.....
Walks at 3 miles per hour.....	2 minutes.....	4 minutes.....	4 minutes.....	10 minutes.....
Sampling and readings.....	2 minutes.....	2 minutes.....	2 minutes.....	2 minutes.....
Carries 45-pound weight and walks at 3 miles per hour.....	2 minutes.....	3 minutes.....	4 minutes.....	8 minutes.....
Raises 45-pound weight 5 feet vertically.....	30 times in 2 minutes.....	45 times in 3 minutes.....	60 times in 4 minutes.....	75 times in 5 minutes.....
Saws wood as indicated.....	2 minutes.....	6 minutes.....	10 minutes.....	15 minutes.....
Sampling and readings.....	2 minutes.....	2 minutes.....	2 minutes.....	2 minutes.....
Carries 50-pound weight over overcast.....	3 times in 6 minutes.....	4 times in 8 minutes.....	5 times in 10 minutes.....	10 times in 20 minutes.....
Walks at 3 miles per hour.....	2 minutes.....	4 minutes.....	6 minutes.....	8 minutes.....
Sampling and readings.....	2 minutes.....	2 minutes.....	2 minutes.....	2 minutes.....
Walks at 3 miles per hour.....				24 minutes.....
Sampling and readings.....				2 minutes.....
Total.....	30 minutes.....	45 minutes.....	60 minutes.....	120 minutes.....

(g) Tests 6, 7, and 8. The work schedule for Test 5, given in Table 2, is repeated for each of these tests.

(h) Test 9.

TABLE 3—DURATION OF SPECIFIC ACTIVITIES FOR TEST 9

Activity	Self-contained breathing apparatus			
	¼-hour A type	¾-hour B type	1-hour C type	2-hour D type
Sampling and readings.....	2 minutes.....	2 minutes.....	2 minutes.....	2 minutes.....
Wearer walks at 3 miles per hour.....	2 minutes.....	3 minutes.....	4 minutes.....	5 minutes.....
Crawls as indicated.....	25 feet in 3 minutes.	40 feet in 4 minutes.	60 feet in 6 minutes.	100 feet in 10 minutes.
Lies on his side.....	2 minutes.....	4 minutes.....	5 minutes.....	10 minutes.....
Lies on his back.....	1 minute.....	2 minutes.....	3 minutes.....	5 minutes.....
Sampling and readings.....	2 minutes.....	2 minutes.....	2 minutes.....	2 minutes.....
Walks at 3 miles per hour.....	2 minutes.....	6 minutes.....	6 minutes.....	10 minutes.....
Runs at 6 to 8 miles per hour.....	300 feet in 1 minute.	400 feet in 2 minutes.	600 feet in 3 minutes.	600 feet in 3 minutes.
Walks at 3 miles per hour.....	3 minutes.....	4 minutes.....	7 minutes.....	15 minutes.....
Sampling and readings.....	2 minutes.....	2 minutes.....	2 minutes.....	2 minutes.....
Walks at 3 miles per hour.....	2 minutes.....	3 minutes.....	6 minutes.....	10 minutes.....
Carries 50-pound weight over overcast.....	2 times in 4 minutes.	3 times in 6 minutes.	4 times in 8 minutes.	5 times in 10 minutes.
Walks at 3 miles per hour.....	2 minutes.....	3 minutes.....	4 minutes.....	8 minutes.....
Sampling and readings.....	2 minutes.....	2 minutes.....	2 minutes.....	2 minutes.....
Walks at 3 miles per hour.....	.....	.....	.....	24 minutes.....
Sampling and readings.....	.....	.....	.....	2 minutes.....
Total.....	30 minutes.....	45 minutes.....	60 minutes.....	120 minutes.....

(i) Tests 10 and 11. The work schedule for Test 9, given in Table 3, is repeated for each of these tests.

(j) Test 12.

TABLE 4—DURATION OF SPECIFIC ACTIVITIES FOR TEST 12

Activity	Self-contained breathing apparatus			
	¼-hour A type	¾-hour B type	1-hour C type	2-hour D type
Sampling and readings.....	2 minutes.....	2 minutes.....	2 minutes.....	2 minutes.....
Wearer walks at 3 miles per hour.....	1 minute.....	2 minutes.....	2 minutes.....	8 minutes.....
Runs at 6 to 8 miles per hour.....	300 feet in 1 minute.	300 feet in 1 minute.	600 feet in 2 minutes.	600 feet in 2 minutes.
Raises 45-pound weight 5 feet vertically.....	30 times in 2 minutes.	45 times in 3 minutes.	60 times in 4 minutes.	75 times in 5 minutes.
Carries 45-pound weight as indicated.....	200 feet in 1 minute.	400 feet in 2 minutes.	400 feet in 2 minutes.	1,000 feet in 5 minutes.
Carries 50-pound weight over overcast.....	2 times in 4 minutes.	2 times in 4 minutes.	4 times in 8 minutes.	5 times in 10 minutes.
Sampling and readings.....	2 minutes.....	2 minutes.....	2 minutes.....	2 minutes.....
Walks at 3 miles per hour.....	2 minutes.....	2 minutes.....	4 minutes.....	8 minutes.....
Carries 50-pound weight over overcast.....	2 times in 3 minutes.	6 times in 9 minutes.	8 times in 12 minutes.	10 times in 15 minutes.
Raises 45-pound weight 5 feet vertically.....	30 times in 2 minutes.	45 times in 3 minutes.	60 times in 4 minutes.	75 times in 5 minutes.
Sampling and readings.....	2 minutes.....	2 minutes.....	2 minutes.....	2 minutes.....
Walks at 3 miles per hour.....	2 minutes.....	3 minutes.....	4 minutes.....	8 minutes.....
Raises 45-pound weight 5 feet vertically.....	30 times in 2 minutes.	45 times in 3 minutes.	60 times in 4 minutes.	75 times in 5 minutes.
Walks at 3 miles per hour.....	2 minutes.....	5 minutes.....	6 minutes.....	15 minutes.....
Sampling and readings.....	2 minutes.....	2 minutes.....	2 minutes.....	2 minutes.....
Walks at 3 miles per hour.....	.....	.....	.....	24 minutes.....
Sampling and readings.....	.....	.....	.....	2 minutes.....
Total.....	30 minutes.....	45 minutes.....	60 minutes.....	120 minutes.....

(k) Tests 13 and 14. The work schedule for Test 12, given in Table 4, is repeated for each of these tests.

(l) Test 15.

TABLE 5—DURATION OF SPECIFIC ACTIVITIES FOR TEST 15

Activity	Self-contained breathing apparatus			
	½-hour A type	¾-hour B type	1-hour C type	2-hour D type
Sampling and readings.....	Minutes 2	Minutes 2	Minutes 2	Minutes 2
Wearer sits quietly.....	8	13	18	28
Sampling and readings.....	2	2	2	2
Wearer sits quietly.....	8	13	18	28
Sampling and readings.....	(1) 2	(1) 2	(1) 2	(1) 2

¹ Continue sitting quietly and take samples and readings at the same listed intervals until the supply of compressed oxygen or compressed air is exhausted; record the time when the supply is exhausted.

(m) Test 15 is made to determine the maximum length of time that the apparatus will supply the needs of the wearer when in a quiescent state. The wearer will remain as far as possible in a sitting posture throughout the test and perform no work. He will be allowed to manipulate the devices controlling the compressed-oxygen or compressed-air supply to conserve such compressed-oxygen or compressed-air supply to the greatest advantage.

§ 11.8 *Approval of regenerators.* (a) The Bureau will, on application, make separate tests, identical with the foregoing tests, of regenerators manufactured for use with any breathing apparatus that it has approved under the regulations of this part.

(b) Regenerators that fulfill the requirements of the foregoing tests will be approved for use only with that particular type of apparatus for which they are designed and that has previously been approved by the Bureau.

§ 11.9 *Notification of approval or disapproval.* (a) After the Bureau has considered the results of the investigation and suitable drawings and specifications have been placed on file, it will supply the applicant with a formal written notification of approval or disapproval of the self-contained breathing apparatus. If the breathing apparatus meets all requirements of this part, the notification will not be accompanied by test data or detailed results of tests. If the

apparatus fails to meet any requirements of this part, the notification will be accompanied by details of the failure, with a view to possible remedying of the defect or defects in self-contained breathing apparatus submitted for testing and approval in the future. Results of tests of self-contained breathing apparatus that fail to meet the requirements will not be made public by the Bureau.

(b) When an application for testing an apparatus is received and within a period not exceeding 10 days one or more additional applications for testing apparatus are received from sources different from the first application, the Bureau will not announce approval of the first apparatus unless approval can be announced for the other apparatus within a period not exceeding the interval of time between receipt of the first and subsequent applications. This exception is contingent upon the apparatus submitted with each application successfully meeting all of the requirements prescribed in this part. If an apparatus does not meet all of the requirements prescribed in this part it will not delay announcement of approval of such apparatus as have met the requirements.

(c) When an applicant or manufacturer receives formal notification of approval, he shall be free to advertise the type of successfully tested self-contained breathing apparatus as "permissible" and to use the approval inscription described in § 11.10.

§ 11.10 *Approval plates and markings for permissible apparatus and for approved supplemental parts.* (a) Manufacturers of self-contained breathing apparatus that has been approved by the Bureau as permissible and is to be offered for sale as such are required to attach to each apparatus a plate or marking bearing the following inscription:

Permissible Breathing Apparatus, United State Bureau of Mines Approval No.

(b) When a supplemental part, such as a facepiece, is approved for use with an approved self-contained breathing apparatus, it shall be plainly and permanently marked to identify the apparatus for which it is a supplemental part, substantially as follows:

U. S. B. M. Approval No. for use with Breathing Apparatus (Trade name)

U. S. B. M. Approval No.

The inscription shall be stamped, cast, or molded into the supplemental part of the

breathing apparatus or shall be on a plate attached to the supplemental part.

§ 11.11 *Changes subsequent to approval.* All approvals are granted with the understanding that the manufacturer will make the approved self-contained breathing apparatus according to final drawings and specifications submitted to the Bureau. Therefore, before making any change in an approved apparatus, the manufacturer shall first obtain the Bureau's approval of the change. This procedure is as follows:

(a) The manufacturer shall write to the Central Experiment Station, Bureau of Mines, 4800 Forbes Street, Pittsburgh 13, Pa., requesting an extension of the original approval and stating the change or changes desired. He shall send 2 sets of revised drawings and specifications showing the changes in detail, and 1 each of the apparatus parts affected to the Central Experiment Station.

(b) The Bureau will consider the application and inspect the drawings and parts to determine whether it will be necessary to make tests.

(c) If tests are unnecessary, the applicant will be notified formally by the Bureau of the approval or disapproval of the change.

(d) If tests are necessary, the applicant will be notified of the fee and material required.

§ 11.12 *Withdrawal of approval.* The Bureau reserves the right to rescind for cause any approval granted under the regulations of this part.

Part 12—Supplied-Air Respirators

Sec.	
12.1	Definition of a permissible supplied-air respirator.
12.2	Types of supplied-air respirators.
12.3	Purpose of testing for permissibility.
12.4	Conditions under which supplied-air respirators will be tested.
12.5	Requirements for Bureau of Mines approval.
12.6	Changing details of tests.
12.7	Notification of approval or disapproval.
12.8	Approval markings.
12.9	Material required for Bureau of Mines record.
12.10	Changes subsequent to approval.
12.11	Withdrawal of approval.

AUTHORITY: §§ 12.1 to 12.11 issued under sec. 5, 36 Stat. 370, as amended, sec. 212, 66

Stat. 709; 30 U. S. C. 7, 482. Interpret or apply secs. 2, 3, 36 Stat. 370, as amended; 30 U. S. C. 3, 5.

SOURCE: §§ 12.1 to 12.11 contained in Schedule 19B, 20 F. R. 2564, Apr. 19, 1955; 20 F. R. 6552, Sept. 7, 1955.

§ 12.1 *Definition of a permissible supplied-air respirator.* (a) A supplied-air respirator is permissible for use in harmful or objectionable atmospheres encountered in its field of industrial usage if all the materials and details of construction are the same as and its performance in all respects is equal to or better than that required by applicable portions of this part.

(b) Bureau of Mines approval applies only to a complete supplied-air respirator and not to the integral parts thereof.

(c) The devices are designated by names other than the usual trade names. This change provides logical nomenclature for such devices, obviating dependence on a multiplicity of trade names, and provides for the naming of devices developed in this field in the future. The manufacturer, of course, may continue to advertise his device as a hose mask, air-line respirator, or abrasive blasting device.

§ 12.2 *Types of supplied-air respirators.* With regard to design and approval, supplied-air respirators are subdivided into the following types:

(a) *Type A supplied-air respirator.*

(1) The type A supplied-air respirator is commonly called hose mask. This respirator is designed to require the presence of a man (blower operator) in addition to the wearer; to permit the wearer to inspire air through the hose, connections, and air-supply device (blower) by his lungs alone when the blower is not operated; and to permit the wearer to be drawn to safety by a life line or, if necessary, the hose in case of accident. It is the only supplied-air respirator that will be approved for use in immediately harmful atmospheres or those from which the wearer could not escape without the aid of the respirator.

(2) The principal parts of a type A supplied-air respirator are: A hand operated blower that shall permit free entrance of air to the hose when the blower is not operated; a strong, large-diameter hose having a low resistance to flow of air; a strong harness to which the hose and life line are attached; and a tight-fitting facepiece.

(b) *Type B supplied-air respirator.* (1) The type B supplied-air respirator is similar to the type A, with the main exception that it has no blower.

(2) It will not be approved for use in immediately harmful atmospheres or those from which the wearer could not escape without the aid of the device.

(3) The principal parts of a type B supplied-air respirator are: A strong, large-diameter hose having a low resistance to flow of air; a harness to which the hose is attached; and a tight-fitting facepiece.

(c) *Type C supplied-air respirator.* (1) The type C supplied-air respirator is designed for routine use in protecting workers against harmful or objectionable atmospheres that are not immediately dangerous to life or from which the wearer could escape without the aid of the respirator. It may be used with either a low- or high-pressure air-supply system. It is the responsibility of the user to provide respirable air either by a compressor that does not use an internal lubricant that could produce gases or mists that may be objectionable or injurious to health, or by one that is protected by suitable filters, temperature regulators, and alarms.

(2) Type C supplied-air respirators are divided into two classes: (i) Continuous flow class, and (ii) demand class. Type C respirators of the continuous flow class supply respirable air to the respiratory-inlet covering continuously, even when the wearer exhales. Type C respirators of the demand class supply respirable air to the respiratory-inlet covering only when the wearer inhales.

(3) The principal parts of a type C supplied-air respirator, continuous-flow class, are: A positive-pressure air-supply system; a hose; a detachable coupling; a control valve or orifice; an arrangement for attaching hose to wearer; and a respiratory-inlet covering. Where the supply pressure exceeds 125 pounds per square inch gage, a pressure-release mechanism is required.

(4) The principal parts of a type C supplied-air respirator, demand class, are: A positive pressure air-supply system; a hose; a detachable coupling; a demand valve; an arrangement for attaching the respirator to the wearer; and a tight-fitting respiratory-inlet covering. A maximum air pressure of 125 pounds per square inch gage is allowed at the

point of attachment of the air-supply hose to the air-supply system.

(5) The general term "respiratory-inlet covering" is used for the covering worn over the face or head by the wearer of the respirator, when otherwise it would be necessary to use an expression such as "facepiece, half facepiece, helmet, or hood."

(d) *Types AE, BE, and CE supplied-air respirators.* Supplied-air respirators may be modified for use in abrasive blasting. The letter E added to the regular-type letter indicates that the type of respirator designated by the first letter has been modified or provided with additional equipment to make it suitable for use in abrasive blasting. Such changes or additions consist primarily of providing a suitable covering to protect the head and neck against impact and abrasion by the rebounding material.

§ 12.3 *Purpose of testing for permissibility.* (a) The Bureau of Mines conducts tests of supplied-air respirators for the purpose of determining their permissibility for use in air containing contaminants such as harmful gases, vapors, and particulate matter.

(b) This part is for the information and guidance of those who may desire to submit supplied-air respirators for approval and also to inform consumers and other interested persons regarding the qualities the Bureau of Mines believes such devices should have.

§ 12.4 *Conditions under which supplied-air respirators will be tested—*(a) *Consultation.* Manufacturers or their representatives may visit or communicate with the Central Experiment Station, Bureau of Mines, 4800 Forbes Street, Pittsburgh 13, Pennsylvania, to obtain criticisms of proposed designs or to discuss the requirements of this part in connection with a device to be submitted. No charge is made for this consultation and no written report will be made to the manufacturer.

(b) *Application.* An application for investigation under this part shall be in the form of a letter (in duplicate) addressed to the Central Experiment Station, Bureau of Mines, 4800 Forbes Street, Pittsburgh 13, Pennsylvania, which contains: (1) Duplicate descriptions and complete drawings of the device (supplemented with any available printed matter); (2) a statement that the device is completely developed and

of the design and materials which the manufacturer believes suitable for a finished marketable device; (3) a statement that the device has been subjected to inspections and tests of the nature described in this part and that it has met these requirements when tested by the applicant or his testing agency; (4) two copies of the results of the applicant's inspection and tests; (5) a statement describing the nature, adequacy, and continuity of control of the quality of the respirator (see paragraph (e) of this section); (6) a request that the necessary inspections and tests leading to approval be made; and (7) a check, draft, or money order, payable to the United States Bureau of Mines, to cover the fee for inspection and tests. The fee will be placed on special deposit in the Treasury of the United States, pending disposal as specified in this section. No supplied-air respirator will be accepted for permissibility tests unless it is substantially in the completed form in which it is to be marketed. Application for tests shall be indicative of this understanding by the applicant. One complete specimen of the device, for which approval is desired, shall be sent to the Central Experiment Station. On receipt of this application, fee, descriptive material, test data, and specimen to be tested, the manufacturer will be notified by the Bureau of its action on the application, the material required for test, and any additional information or specifications that are deemed necessary.

(c) *Fees for testing supplied-air respirators.* The following fees are charged for testing respirators under this part:

(1) Types A or AE supplied-air respirators (complete)-----	\$250
(i) Blower, single outlet-----	85
(ii) Each blower outlet more than one (at time of blower testing)----	10
(iii) Air-supply line (hose)-----	90
(iv) Body harness-----	15
(v) Respiratory-inlet covering (face-piece)-----	80
(2) Types B or BE supplied-air respirators (complete)-----	205
(i) Air-supply line (hose)-----	70
(ii) Body harness-----	15
(iii) Respiratory-inlet covering (face-piece)-----	80
(3) Types C or CE supplied-air respirators, continuous-flow class (complete)-----	215
(i) Air-supply line (hose)-----	65
(ii) Respiratory-inlet covering (face-piece)-----	85
(4) Types C or CE supplied-air respirators, demand class (complete)---	225

(1) Air-supply line (hose)-----	\$75
(ii) Respiratory-inlet covering (face-piece)-----	85
(5) Additional examination and tests of respirator in connection with other tests, per man-day required..	30
(6) Fees for tests of unusually complicated apparatus or for unusual tests or other tests not included in this list or for portions of tests that may be required for extensions of approval will be based on the actual costs of testing, which shall be determined by the Bureau, and the applicant will be notified of the fee before the tests are begun.	

If a respirator fails to pass any of the specified tests and the applicant notifies the Bureau to terminate further consideration of the device, the Bureau will return the fee to the applicant, less such portion of the fee as the Bureau determines is sufficient to cover the work done. If the applicant resubmits the respirator for approval after the necessary improvements have been made, an additional fee will be required. The amount of the fee charged will be proportional to the additional tests that must be made and will be specified in writing to the applicant in advance of further testing of the respirator.

(d) *Drawings and specifications required.* (1) Respirators submitted for approval will not be inspected or tested until a complete description and two full sets of drawings showing all the details of construction have been delivered to the Central Experiment Station, Bureau of Mines, 4800 Forbes Street, Pittsburgh 13, Pennsylvania.

(2) The Bureau of Mines will not be responsible for any disclosures of ideas, principles, or patentable features because, under the terms of the application for tests, it is understood that the device is ready for release to public market. Caution will be exercised to prevent disclosure of details of the device to the public during approval testing.

(e) *Control-test requirements.* To maintain the quality of protection equal to that required by this part, the manufacturer must maintain adequate control of the production of the device and make tests of assembled devices to insure the fit of parts, freedom from air leakage, and general suitability. Each application for permissibility tests shall be accompanied by a statement showing the nature, adequacy, and continuity of the control provided by the applicant. Upon

request of the Bureau, the applicant shall grant permission for a representative of the Bureau to inspect the control-test equipment and control-test records and to interview the personnel conducting the control tests. Tests for approval will be made only after the Bureau is satisfied that such control is effective, and approvals once granted will remain in force only while the control is sustained.

(f) *Material required for approval testing.* The number of complete respirators and replacement parts required will depend on the type and design of the device. After application for test is received, the applicant will be notified concerning the material that it will be necessary for him to submit. All materials for tests shall be delivered gratis, with transportation charges prepaid by the applicant to the Central Experiment Station, Bureau of Mines, 4800 Forbes Street, Pittsburgh 13, Pennsylvania. The Bureau of Mines may retain as its own property any or all material submitted by the applicant that may be required for record. Material not required for record will be available to the applicant and will be returned at his expense on shipping instructions made in writing to the Central Experiment Station.

(g) *Where investigations will be conducted.* All investigations are conducted at the Bureau of Mines Central Experiment Station, 4800 Forbes Street, Pittsburgh 13, Pennsylvania.

(h) *Date for conducting tests.* The tests will be made in the order of fulfillment of pretest conditions. The applicant will be notified of the date on which tests will be begun. If a device fails to meet any of the requirements it shall lose its order of precedence. Tests will be resumed following completion of other approval work which is in progress at the time both the request and the material for retesting are received. Exceptions may be made only for minor tests and inspections which may be performed simultaneously with other work in the laboratory.

(i) *Observers at formal investigations and demonstrations.* No one shall be present during any part of the formal investigation conducted by the Bureau which leads to approval for permissibility except the necessary Government personnel, representatives of the applicant, and such other persons as may be

mutually agreed upon by the applicant and the Bureau. Upon granting approval for permissibility, the Bureau will announce that such approval has been granted to the device and may thereafter conduct, from time to time in its discretion, public demonstrations of the tests conducted on the approved device. Those who attend any part of the investigation, or any public demonstration, shall be present solely as observers; the conduct of the investigation and of any public demonstration shall be controlled wholly by the Bureau's personnel. Results of chemical analyses of materials and all information contained in the drawings, specifications, and instructions shall be deemed confidential and their disclosure will be appropriately safeguarded by the Bureau.

§ 12.5 *Requirements for Bureau of Mines approval.* To obtain the approval of the Bureau of Mines, a supplied-air respirator must pass the following inspection and tests:

(a) *Container and markings.* (1) If deemed necessary for the protection, proper maintenance, and storage of the respirator, a substantial and durable container may be required.

(2) Each respirator and required container shall be marked distinctly with the name of the manufacturer; the type of device, such as "Type A supplied-air respirator"; and the name, letter, or number by which the device is designated for trade purposes.

(b) *Materials.* (1) The respirator must be constructed in all its parts of materials which are suitable for the purpose they must serve; this applies to the fabric, rubber, metal, and other parts. All parts (especially rubber) that come into contact with the skin must be of nonirritating composition. All materials used in the construction of respiratory-inlet coverings and hose shall be of a nature that will withstand disinfection by methods recommended by the manufacturer and approved by the Bureau of Mines. These approved methods for disinfection shall be described in the instructions for use of the device as supplied by the manufacturer.

(2) Metal parts of Type A and Type B supplied-air respirators (except those parts that remain in uncontaminated air) should be of such composition or structure as to minimize the possibility of ignition of flammable atmospheres by sparks.

(c) *Design and construction.* Excellence of design, mechanical construction, durability, and workmanship will be considered with regard to the safety of the wearer, the freedom of his movements, his range and clearness of vision, the fit of the respiratory-inlet covering, and the comfort afforded under all conditions of use. The ease with which parts of necessarily short life or period of use may be replaced by new or reconditioned parts, and the tightness of the whole apparatus, with a view to insuring the wearer against leaks of contaminated air both before and after such changes have been made, will also be considered.

(d) *General requirements.* (1) Each supplied-air respirator, when supplied with respirable air, must protect the wearer in the particular kinds of atmospheres for which it is approved. The Types A and AE supplied-air respirators may be approved for respiratory protection in essentially any atmosphere. The other types of supplied-air respirators may be approved for protection in any atmosphere that is not immediately dangerous to life or from which the wearer could escape without the aid of the device. These devices are approved only when used with respirable air and at the pressures and quantities required.

(2) The main parts of supplied-air respirators are as follows: Air-supply device (except Types B and BE); air-supply line; harness; and respiratory-inlet covering. Since the types AE, BE, and CE respirators for abrasive blasting differ from the corresponding supplied-air respirators only in the kind of respiratory-inlet covering, special requirements for the parts of these respirators are given only in the section on respiratory-inlet covering.

(3) The requirements for the complete respirators of the various types are grouped wherever possible.

(e) *Requirements and tests for air-supply device.*—(1) *Type A supplied-air respirator (hose mask).* Each Type A supplied-air respirator shall be provided with a hand-operated air blower. No multiple system, whereby more than one man is supplied by one blower, will be approved unless each hose line is connected directly to a manifold at the blower. Power-driven blowers will not be approved. The blower shall permit free entrance of air to the hose when the blower is not operated, and it shall deliver the amount of air hereinafter speci-

fied with either direction of rotation, except when the construction of the blower is such that it cannot be operated in other than the proper direction for delivering the required amount of air.

The blower will be tested by attaching it to a mechanical drive and operating it continuously 6 to 8 hours daily for 100 hours at the speed required to deliver 50 liters of air per minute through the respirator, when assembled with the kind and maximum length of hose for which the device is to be approved, connected to each blower or manifold outlet designed for hose connections. During this test period the blower will be oiled and given attention and care. It must operate throughout the period without failure or indication of excessive wear of bearings or other working parts. The crank speed required to deliver the specified 50 liters of air per minute must not exceed 50 revolutions per minute; the power required must not exceed one-sixtieth horsepower; and the torque must not exceed a force of 5 pounds on an 8-inch crank, the torque and power to be measured as hereinafter stated.

When assembled with the facepiece and 50 feet of the hose for which it is to be approved connected to one outlet, with all other outlets closed, and operated at any practical speed up to 50 revolutions of the crank per minute, the amount of air delivered into the respiratory-inlet covering shall not exceed 150 liters per minute, and the pressure at the hose connection to the blower or manifold shall not exceed the equivalent of 5 inches of water. If relief valves at the blower are employed to fulfill this requirement they must operate automatically and be simple in design, durable, and foolproof against failure to operate.

(1) *Method of measuring power and torque required to operate blowers.* As shown in figure 1, the blower crank is replaced by a wooden drum, *a* (5 inches in diameter is convenient). This drum is wound with about 40 feet of No. 2 picture cord, *b*. A weight, *c*, of sufficient mass to rotate the blower at the desired speed is suspended from this wire cord. A mark is made on the cord about 10 to 15 feet from the weight, *c*. Another mark is placed at a measured distance (20 to 30 feet is convenient) from the first. These are used to facilitate timing.

To determine the torque or horsepower required to operate the blower the drum is started in rotation manually at or slightly above the speed at which the

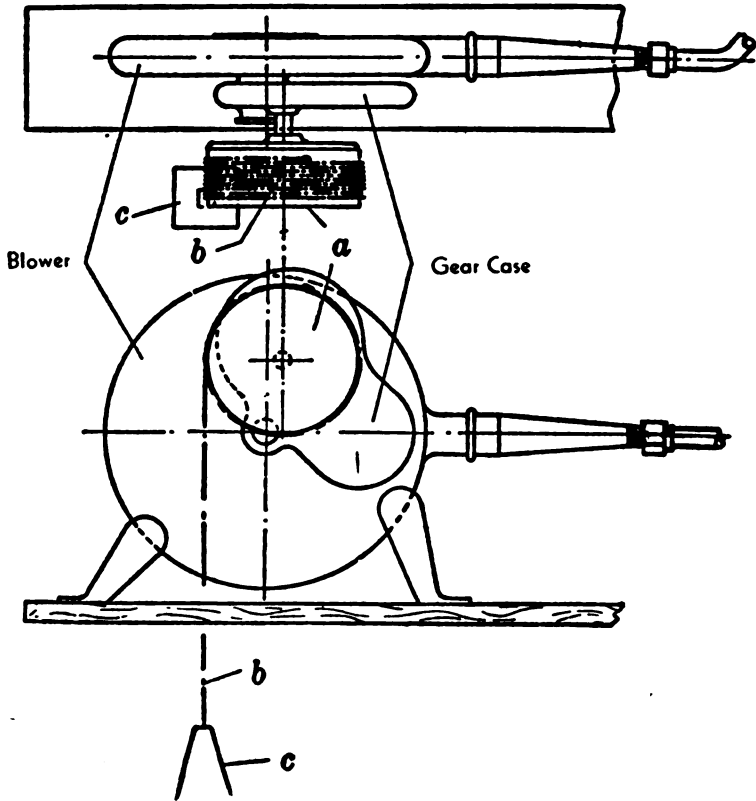


FIGURE 1—Apparatus for measuring power required to operate blowers.

power measurement is to be made. The blower is then permitted to assume constant speed, and then as the first mark on the wire leaves the drum a stopwatch is started. The watch is stopped when the second mark leaves the drum. From these data the foot-pounds per minute and the torque may be calculated readily.

(2) *Type B supplied-air respirator.* No Type B supplied-air respirator will be approved for use with a blower or for connection to an air-supply device at positive pressures. Instead, the inlet to the hose shall have a terminal fitting or chamber which provides for drawing the air through a suitable arrangement that will remove material larger than 0.149 mm. in diameter (149 microns, 100-mesh, U. S. standard sieve of corrosion resisting material). This terminal fitting shall be provided also with means for fastening or anchoring it to a fixed position in a zone of respirable air.

(3) *Type C supplied-air respirators, continuous-flow class.* The air-supply device is the responsibility of the user. The respirators are approved, however, only when used with respirable air and at the pressures and quantities required. The pressure at the hose connection to the blower or manifold shall not exceed 125 pounds per square inch gage. If, however, the pressure at any point in the supply system exceeds 125 pounds per square inch gage, the user must provide a pressure-release mechanism that will prevent the pressure at the hose connection from exceeding 125 pounds per square inch gage under any conditions.

(4) *Type C supplied-air respirators, demand class.* (1) The air supply is the responsibility of the user. It may be an air-compressing system or a reservoir of compressed air. The respirator is approved, however, only when used with respirable air at the pressures and quantities required.

(ii) The manufacturer may specify the range of air pressure at the point of attachment of the air-supply hose to the air-supply system, and the range of hose length for the respirator. For example, he might specify that the respirator be used with compressed air at pressures ranging from 40 to 80 pounds per square inch with from 15 to 250 feet of air-supply hose. The specified air pressure at the point of attachment of the hose to the air-supply system shall not exceed 125 pounds per square inch gage. Should the pressure in the air-supply system exceed this value, the user must provide a pressure-reducing and pressure-release mechanism that will prevent the pressure at this point from exceeding this value. However, the pressure-release mechanism may be set to operate at a pressure not more than 20 percent above the manufacturer's highest specified pressure. For example, if the highest specified pressure is 80 or 125 pounds per square inch, the pressure-release mechanism would be set to operate at 96 or 150 pounds per square inch, respectively.

(f) *Requirements and tests for air-supply lines.* The requirements and tests of the air-supply lines are given in table 1 of this section.

(g) *Requirements and tests for harness.* Each supplied-air respirator shall be provided with a harness, the primary purpose of which is to prevent a pull on the connecting hose from exerting a pull on the face or head covering. The secondary purpose of the harness of the Type A supplied-air respirator is to hold the wearer while he is drawn to safety. The harness of supplied-air respirators having rigid or semi-rigid head coverings may be used to assist in holding the covering in place.

(1) *Type A supplied-air respirators.* The harness may be made of leather, fabric webbing, or equivalent material. Shoulder straps will be tested for strength of material and of joints or seams and must separately withstand a pull of 250 pounds without failure. Belts, rings, and attachments for life lines must withstand a pull of 300 pounds without failure. The hose must be firmly attached to the harness so as to withstand a pull of 250 pounds without separating, and the hose attachments must be arranged so that the pull or drag of the hose behind an advancing wearer does not disarrange the harness

or exert pull upon the facepiece. Harness should be adjustable to various sizes. The arrangement and suitability of the accessories and fittings will be considered.

(2) *Type B supplied-air respirators.*

(1) The harness shall consist of at least a belt made of leather, fabric webbing, or equivalent material. The harness shall not interfere with the movements of the wearer, and it shall not be disturbing or uncomfortable to wear. It shall be adjustable to various sizes. The arrangement and suitability of the accessories and fittings will be considered.

(ii) The hose must be attached to the harness in a manner that will withstand a pull of 100 pounds without separating or showing signs of failure. The design of the harness and attachment of the line shall permit dragging the maximum length of hose considered for approval over a concrete floor without disarranging the harness or exerting a pull on the facepiece.

(3) *Type C supplied-air respirators.*

(1) The harness for this respirator may be similar to that of the type B, or it may consist of a simple arrangement for attaching the hose to a part of the wearer's clothing in a practical manner that prevents a pull equivalent to dragging the maximum length of the hose over a concrete floor from exerting pull upon the respiratory-inlet covering.

(ii) In the case of supplied-air respirators having rigid or partly rigid head coverings a suitable harness may be required to assist in holding this covering in place.

(h) *Requirements and tests for breathing tubes—(1) Type A supplied-air respirator.* One or two flexible rubber breathing tubes of the nonkinking type shall extend from the facepiece to a connecting hose coupling attached to the belt or harness. These tubes shall permit free head movement and freedom from closing off by kinking or by chin or arm pressure, and they shall not create a pull that will loosen the facepiece or disturb the wearer.

(2) *Type B supplied-air respirator.* Same as for type A.

(3) *Type C supplied-air respirator, continuous flow class.* Same as for type A, except that an extension of the connecting hose may take the place of the previously described breathing tubes.

(4) *Type C supplied-air respirator, demand class.* A flexible rubber breathing tube of the nonkinking type shall extend from the facepiece to the demand valve. This tube shall permit free head movement and freedom from closing off by kinking or by chin or arm pressure, and shall not create a pull that will loosen the facepiece or disturb the wearer.

(1) *Requirements and tests for respiratory-inlet covering—(1) Type A supplied-air respirator.* (i) Only full- or Tissot-type facepieces that form a pocket over the face and allow breathing through the nose and mouth will be approved. Head coverings or hoods that require a continuous stream of air to prevent inhalation of irrespirable atmospheres will not be approved. The eyeglasses shall not interfere with satisfactory vision, and they shall be of the nonshatter type. The air shall enter

the facepiece in a manner that will keep the eyeglasses free of moisture. Elastic headbands shall be adjustable and replaceable.

(ii) An exhalation valve or valves shall be provided in the facepiece to allow escape of exhaled air and any excess air delivered by the blower. The exhalation valve or valves shall be guarded to prevent distortion and injury.

(iii) A check valve shall be included in the connection to the facepiece or in the hose fitting near the facepiece to allow flow of fresh air toward the facepiece only.

(2) *Type AE supplied-air respirator.* The requirements for the respiratory-inlet covering of this respirator are similar to those for type A, with the exception that a suitable additional covering shall be provided to protect the head and

TABLE 1—AIR-SUPPLY LINE REQUIREMENTS AND TESTS

Specific requirements	Requirements for the air-supply lines of the indicated types of supplied-air respirators		
	Type A	Type B	Type C
Length of hose...	Maximum of 150 feet, in multiples of 25-foot sections.	Maximum of 75 feet, in multiples of 25-foot ¹ sections.	Maximum of 250 feet in multiples of 25-foot ¹ sections.
Air flow.....	None.....	None.....	The air-supply hose with air-regulating valve or orifice must permit a minimum flow of at least 115 liters (4 cubic feet) per minute to tight-fitting, and 170 liters (6 cubic feet) per minute to loose-fitting respiratory-inlet coverings through the maximum length of hose for which approval is granted and at the minimum specified air supply pressure. The maximum flow shall not exceed 566 liters (20 cubic feet) per minute at the maximum specified supply pressure, with the minimum length of hose approved. The air-supply hose, detachable coupling, and demand valve of the type C supplied-air respirator, demand class, must be capable of delivering respirable air at a rate of at least 115 liters (4 cubic feet) of air per minute to the respiratory-inlet covering at an inhalation resistance not in excess of 50 millimeters (2 inches) of water column height measured at the respiratory-inlet covering with any combination of air-supply pressure and length of hose within the manufacturer's specified range of pressure and hose length. The air-flow rate and resistance to inhalation shall be measured while the demand valve is being actuated 20 times per minute by a source of intermittent suction. The maximum rate of flow to the respiratory-inlet covering shall not exceed 566 liters (20 cubic feet) of air per minute under the specified operating conditions.
Air-regulating valve.	None.....	None.....	If an air-regulating valve is provided, it must be of a design that will remain at a particular adjustment unaffected by ordinary movement of the wearer. The friction between packing and a valve stem will not satisfy this requirement. The valve must be so constructed that the air supply with the maximum length of hose and minimum specified air supply pressure will not be less than 2 cubic feet per minute for any adjustment of the valve.

¹It will be permissible for the manufacturer to supply hose of the approved type of shorter length than 25 feet provided it meets the requirements of this part.

TABLE 1—AIR-SUPPLY LINE REQUIREMENTS AND TESTS—Continued

Specific requirements	Requirements for the air-supply lines of the indicated types of supplied-air respirators		
	Type A	Type B	Type C
Air-regulating valve—Con.	None.....	None.....	The demand valve takes the place of the air-regulating valve. It shall be connected to the air supply at the maximum requested air pressure by means of the minimum requested length of air-supply hose. The exit of the demand valve shall be connected to a source of intermittent suction, so that the demand valve is actuated at a nominal rate of 20 times per minute for a total of 100,000 inhalations. To expedite this test, the actuation rate may be increased if mutually agreeable to the manufacturer and the Bureau. During this test the valve shall function without failure and there shall be no undue wear of the moving parts. The demand valve shall not be damaged in any way when it is subjected to a pressure or suction of 10 inches of water gage, at the outlet for 2 minutes.
None collapsibility.	The hose must not collapse or show apparent permanent deformation when a force of 200 pounds is applied between 2 planes 3 inches wide on opposite sides of the hose.	Same as for type A.	None.
Nonkinkability..	None.....	None.....	A 25-foot section of the hose will be placed on a horizontal plane surface and shaped into a one-loop coil with one end of the hose connected to an air flow meter supplied with air at the minimum specified supply pressure. The connection shall be in the plane of the loop. The other end of the hose will be pulled tangentially to the loop and in the plane of the loop until the hose takes the form of a straight line. To meet the requirements of this test the loop shall maintain a uniform near-circular shape and ultimately unfold as a spiral, without any localized deformation that decreases the flow of air to less than 90 percent of the flow when the hose is tested as a straight section.
Strength of hose and couplings.	Hose and couplings must not show any separation or failure when tested with a pull of 250 pounds	Same as for type A.	Hose and couplings must not show any separation or failure when tested with a pull of 100 pounds and when tested by subjecting them to an internal air pressure of 2 times the maximum respirator supply pressure specified by the manufacturer or at 25 pounds per square inch, whichever is the greater value.
Tightness.....	No leakage shall appear when the hose and couplings joined with average care are immersed in water and subjected to an internal air pressure of 5 pounds per square inch gage.	None.....	No leakage, except a maximum of 50 cc. per minute at each coupling, will be permitted when the hose and couplings joined with average care are immersed in water and air is allowed to flow through the respirator with the air pressure applied to the inlet end of the air-supply hose being 25 pounds per square inch gage or twice the maximum respirator supply pressure specified by the manufacturer, whichever is the greater value.
Permeation of hose by gasoline.	The permeation of the hose by gasoline will be tested by immersing 25 feet of hose and a coupling in a bath of gasoline. Air will be passed through the hose at the rate of 8 liters per minute for 6 hours. The air from the hose must not show more than 0.01 percent of gasoline vapor by volume in air at the end of this period.	Same as for type A.	Same as for Type A except test period will be 1 hour.
Detachable coupling.	None.....	None.....	A hand-operated detachable coupling by means of which the wearer can easily and quickly attach or detach the connecting hose shall be provided at a handy and readily accessible position. This coupling shall be durable, remain connected under all conditions of reasonable use of the respirator, and meet the preceding tests for strength of hose and couplings and for tightness.

neck against impact and abrasion by the rebounding material. The window or windows in the respiratory-inlet covering shall be shielded with such material as glass, woven wire, or perforated sheet metal that does not interfere unduly with vision. This shield shall be mounted and attached in a manner that will permit easy access to the external surface of eyeglasses or windows for cleaning. All shields and windows subject to abrasion shall be easily replaceable.

(3) *Type B supplied-air respirator.*

(i) Full- or Tissot-types, or half-mask type facepieces that allow breathing through the nose and mouth, may be approved. Half-mask facepieces must not interfere with the use of goggles. The eyeglasses in Tissot-type masks shall not interfere with satisfactory vision, and they shall be of the nonshatter type. The air shall enter the facepiece in a manner that will keep the eyeglasses free of moisture. Elastic headbands shall be adjustable and replaceable.

(ii) An exhalation valve shall be provided in the facepiece to allow escape of exhaled air.

(iii) A check valve shall be provided in the facepiece or facepiece connection to the breathing tubes to allow flow of air toward the facepiece only.

(4) *Type BE supplied-air respirator.* The requirements for respiratory-inlet covering of this respirator are similar to those for the type B, with the exceptions that a suitable additional covering shall be provided to protect the head and neck against impact and abrasion by the rebounding material, and window or windows in the respiratory-inlet covering shall be shielded with such material as glass, woven wire, or perforated sheet metal that does not interfere unduly with vision. This shield shall be mounted and attached in a manner that will permit easy access to the external surface of eyeglasses or windows for cleaning.

(5) *Type C supplied-air respirator, continuous flow class.* Respiratory-inlet coverings of the full- or half-mask facepiece type, the head-covering type, or combinations of these types, may be approved. No covering with a direct mouth or nose connection will be approved. Half-mask facepieces must not interfere with the use of goggles. The velocity of the air at the point of delivery and the distribution within the covering shall not cause discomfort to the

wearer. Windows in full facepieces and head coverings shall meet the quality and design requirements referred to under the preceding types of supplied-air respirators. Air shall enter the covering in a manner that will keep the windows free of moisture. Elastic headbands shall be adjustable and replaceable.

(6) *Type C supplied-air respirator, demand class.* Respiratory-inlet coverings of the full- or half-mask facepiece type only may be approved. No covering with a direct mouth or nose connection will be approved. Half-mask facepieces must not interfere with the use of goggles. The velocity of the air at the point of delivery and the distribution within the facepiece shall not cause discomfort to the wearer. Windows in full facepieces shall not interfere with satisfactory vision and shall be of the nonshatter type. Air shall enter the facepiece in a manner that will keep the windows free of moisture. Elastic headbands shall be adjustable and replaceable.

(7) *Type CE supplied-air respirator.* The requirements for the respiratory-inlet covering of this respirator are similar to those for type C, with the exceptions that a suitable covering for protecting the head and neck against impact and abrasion by rebounding material must be provided and window or windows in the respiratory-inlet covering shall be shielded with such material as glass, woven wire, or perforated sheet metal that does not interfere unduly with vision. This shield shall be mounted and attached in a manner that will permit easy access to the external surface of windows for cleaning. All shields and windows subject to abrasion shall be easily replaceable.

(j) *Requirements and tests for complete respirator—*(1) *Resistance to air flow—*(i) *Types A and AE supplied-air respirators.* (a) These respirators completely assembled with the respiratory-inlet covering, the air-supply device, and the maximum length of air-supply line to be considered for approval coiled for one-half its length in loops 5 to 7 feet in diameter, must not show resistance in excess of 63.5 mm. (2.5 inches) of water-column height to air flowing at the rate of 85 liters (3 cubic feet) per minute when the blower is not operating or under any practical condition of blower operation. Resistance of the exhalation

valve shall not exceed 25 mm. (1 inch) of water column height.

(b) If inlet valves at the blower are used to meet the requirements for resistance to inhalation through the hose, they must operate automatically and be simple in design, durable, and foolproof against failures that would tend to close the inlet. Inlet valves and blower inlets must be provided with durable guards that will protect against fouling.

(ii) *Types B and BE supplied-air respirators.* These respirators completely assembled with the respiratory-inlet covering and the hose in the maximum length to be considered for approval, coiled in loops 5 to 7 feet in diameter, must not show resistance exceeding 38 mm. (1.5 inches) of water-column height to air flowing at the rate of 85 liters (3 cubic feet) per minute. The resistance of the exhalation valve shall not exceed 25 mm. (1.0 inch) of water-column height.

(iii) *Types C, continuous-flow class, and CE supplied-air respirators.* The resistance to exhalation shall not exceed 25 mm. (1 inch) of water-column height when the air flow into the respiratory-inlet covering is 170 liters (6 cubic feet) per minute.

(iv) *Type C supplied-air respirator, demand class.* The resistance to inhalation shall not exceed 50 millimeters (2 inches) of water at an air flow of 115 liters (4 cubic feet) per minute. The exhalation resistance to a flow of air at a rate of 85 liters (3 cubic feet) per minute shall not exceed 25 millimeters (1 inch) of water.

(2) *Protection against gases (direct leakage and man tests).* The direct leakage and man tests will be made in duplicate. A man will enter a gas chamber containing room air. He will put on the respirator to be tested. Gas-tight goggles will be used where necessary to protect the eyes against irritation by ammonia. The hose of the respirator will be arranged in accordance with the specific directions given in the following sections on the different respirators. After the respirator is properly fitted and air is supplied in accordance with the directions in the following sections, ammonia gas will be introduced into the gas chamber until the concentration is 1 ± 0.25 percent by volume. The man will then spend 10 minutes in work to provide observations on freedom of the

device from leakage. The freedom and comfort allowed the wearer will also be considered. The time will be divided as follows:

5 minutes---- Walking, turning head, dipping chin.
5 minutes---- Pumping air with a tire pump into a 1-cubic-foot cylinder to a pressure of 25 pounds per square inch or equivalent work.

To meet the requirements of this test no ammonia shall be detected in the air breathed, and undue encumbrance and discomfort shall not be experienced because of the fit, air delivery, or other features of the respirator.

(i) *Types A and AE supplied-air respirators.* (a) The complete respirator with the maximum length of hose for which approval may be granted will be so arranged that the respiratory-inlet covering with 75 percent of the length of the hose will be in the gas chamber. The intake of the hose will be connected to the blower which is to be located in ammonia-free air.

(b) The man in the atmosphere of ammonia in the test chamber will draw his inspired air through the hose, connections, and all parts of the air device by means of his lungs alone (blower not operated).

(c) The 10-minute work test will be repeated with the blower in operation at any practical speed up to 50 revolutions of the crank per minute.

(ii) *Types B and BE supplied-air respirators.* (a) The complete respirator, with the maximum length of hose, for which approval may be granted, will be so arranged that the respiratory-inlet covering with 75 percent of the length of the hose will be in the gas chamber. The intake of the hose will be located outside the chamber in ammonia-free air.

(b) The man in the chamber wearing the respirator in the atmosphere of ammonia will draw his inspired air through the hose and connections by means of his lungs alone.

(iii) *Types C, continuous-flow class, and CE supplied-air respirators.* The complete respirator, with the maximum length of hose for which approval may be granted, will be so arranged that the respiratory-inlet covering with 75 percent of the length of the hose will be in the gas chamber. The remainder of the

hose will be outside the gas chamber. The end of the hose will be connected to a suitable source of ammonia-free air under proper pressure. The minimum flow of air required to maintain a positive pressure in the respiratory-inlet covering throughout the entire breathing cycle will be supplied to the wearer, provided this flow is not less than 115 liters per minute for tight-fitting and 170 liters per minute for loose-fitting respiratory-inlet coverings. The test will then be repeated with the maximum rate of flow attainable within the specified operating pressures.

(iv) *Type C supplied-air respirator, demand class.* (a) The complete respirator, with the maximum length of hose for which approval is requested, will be so arranged that the respiratory-inlet covering with 75 percent of the length of the hose will be in the gas chamber. The end of the hose will be connected to a suitable source of ammonia-free air at the minimum air pressure requested. The test will be repeated with the minimum hose length and the maximum air pressure requested.

(b) A similar test using 100 parts per million of isoamyl acetate vapor may be substituted for the above test if the respirator is equipped with a half-mask facepiece.

(3) *Protection against particulate matter.* Types A, B, and C, but not types AE, BE, and CE, supplied-air respirators will be tested under the following conditions in an atmosphere containing particulate matter. Details of the test atmosphere are:

Humidity: 40-70 percent relative humidity.
Temperature: Room temperature (approximately 25° C.).

Test suspension: 50 ± 10 mg. per cubic meter of ground flint, air-floated (99+ percent through 325 standard mesh sieve), and consisting of 99+ percent free silica (SiO₂).

The particle size distribution of the test suspension shall not exceed a geometric mean of 0.6 micron and a standard geometric deviation of 1.90.

Two respirators will be tested against particulate matter. They may be tested consecutively or simultaneously. The respirators will be worn in the test atmosphere for 30 minutes while the person or persons carry out the following schedule:

- 5 minutes---- Walking, turning head, and dipping chin.
- 5 minutes---- Pumping air with a tire pump into a 1-cubic-foot cylinder to a pressure of 25 pounds per square inch, or equivalent work.
- 5 minutes---- Resting.
- 5 minutes---- Walking, turning head, and dipping chin.
- 5 minutes---- Pumping air with a tire pump into a 1-cubic-foot cylinder to a pressure of 25 pounds per square inch, or equivalent work.
- 5 minutes---- Resting.

During the test period air will be withdrawn continuously at the rate of 32 liters (1.13 cubic feet) per minute from the respiratory-inlet covering at a point as near as convenient to the wearer's nostrils and also from the source of air entering the intake to the hose of the respirator. Particulate matter will be collected from these air streams by electrical precipitation.

To meet the requirements of these tests: Undue encumbrance and discomfort shall not be experienced because of the fit, air delivery, or other features of the respirator; and the amount of particulate matter collected from the air withdrawn from the respiratory-inlet covering of the respirators shall not exceed that collected from the air withdrawn simultaneously from the source of air supplied to the respirator by more than 0.5 mg. for the 30-minute test period.

(i) *Type A supplied-air respirator.* (a) The respirator will be arranged as directed in subparagraph (2) (i) of this paragraph.

(b) The person wearing the respirator will draw his inspired air through the hose, connections, and all parts of the air device by means of his lungs alone (blower not operated).

(c) The 30-minute test will be repeated with the blower in operation at any practical speed up to 50 revolutions of the crank per minute.

(ii) *Type B supplied-air respirator.* (a) The respirator will be arranged as directed in subparagraph (2) (ii) of this paragraph.

(b) The person wearing the respirator will draw his inspired air through the hose connections and all parts of the air device by means of his lungs alone.

(iii) *Type C supplied-air respirator, continuous flow class.* The respirator

will be arranged as directed in subparagraph (2) (iii) of this paragraph. The rates of air flow will be the same as in the tests for protection against gases, except that the minimum rates will be increased by 32 liters per minute.

(iv) *Type C supplied-air respirator, demand class.* No specific test will be made to determine the protection afforded by the Type C supplied-air respirator, demand class, against particulate matter. However, two men will wear the respirator at both extremes of the specified ranges of air pressure and hose length, while performing the schedule of exercise, in order to check on the comfort and practicability of the respirator.

(4) *Protection during abrasive blasting.* The only types of supplied-air respirators that will be considered for approval for use in abrasive blasting are Types AE, BE, and CE supplied-air respirators. Accordingly, they are the only types of supplied-air respirators that will be subjected to the tests described in this section.

Duplicate tests will be made under conditions of typical abrasive-blasting operation. The person wearing the respirator will sandblast the inside surface of a common iron kettle of approximately hemispherical shape, about 30 inches in diameter, and 30-gallon capacity. The kettle will be placed with the plane of the opening inclined 45° from a vertical position and with the lowest point of the rim at about the height of the person's hips. The person will stand at one position in front of the kettle and lean over until the upper part of the body is inclined to parallel the face of the kettle. He will blast the entire inner surface, with the blast at all times directed approximately at right angles to the surface, with the nozzle of the gun about 6 inches from the surface, and with his head approximately 18 inches from the nozzle. He will move his head forward, backward, and sideways during the blasting operation. Further details on the test conditions are:

Kind of abrasive-blasting outfit used: Suction-feed blast.

Diameter of air jet: $\frac{3}{16}$ inch.

Air pressure: 40–70 pounds per square inch.

Composition of abrasive to be used: 99+ percent free silica (SiO_2).

Size properties of abrasive: The sand shall be a mixture of 90 percent by weight of essentially No. 1 sand-blast sand and 10 percent air-floated fines. The No. 1 sand shall meet a size specification of not more

than 10 percent on a 20-mesh sieve and not more than 10 percent through a 35-mesh sieve; 99+ percent of the fines must be able to pass through a 325-mesh sieve. All size determinations shall be made by standard-mesh sieves.

Length of test period: 30 minutes continuously or in 5-, 10-, or 15-minute intervals with 5-minute periods between these work periods.

Air will be withdrawn continuously during test at the rate of 32 liters (1.13 cubic feet) per minute from the respiratory-inlet covering at a point as near as convenient to the wearer's nostrils. Simultaneously air shall be drawn at the same rate from the source of intake air to the respirator. The particulate matter will be collected from these air streams by electrical precipitation and the collected material will be determined by weight. The amount of particulate matter in the air withdrawn from the respiratory-inlet covering shall not exceed that from the respirator intake air by more than 0.5 mg. for the 30-minute test period.

The wearer of the respirator in this test must not experience undue encumbrance and discomfort because of the fit, air delivery, or other features of the respirator. The head and shoulder covering shall protect him from discomfort or injury from impact and abrasion by the rebounding material.

(i) *Type AE supplied-air respirator.*

(a) The respirator will be arranged as directed in subparagraph (2) (i) of this paragraph.

(b) The person wearing the respirator will draw his inspired air through the hose, connections, and all parts of the air device by means of his lungs alone (blower not operated).

(c) The test will then be repeated with the blower in operation at any practical speed up to 50 revolutions per minute of the crank.

(ii) *Type BE supplied-air respirator.*

(a) The respirator will be arranged as directed in subparagraph (2) (ii) of this paragraph.

(b) The person wearing the respirator will draw his inspired air through the hose, connections, and all parts of the air device by means of his lungs alone.

(iii) *Type CE supplied-air respirator.*

The respirator will be arranged as directed in subparagraph (2) (iii) of this paragraph. The rates of air flow will be the same as in the tests for protection

(f) *Types AE, BE, CE, DE, etc.* For protection against the gases and vapors indicated by the first type letter, and dusts, fumes, mists, fogs, and smokes. The type letter E is used to indicate protection against particulate contaminants.

(g) *Type N.* For protection against all of the contaminants listed under the preceding types.

§ 13.3 *Purpose of testing for permissibility.* (a) The Bureau of Mines conducts tests of gas masks for the purpose of determining their permissibility for use in air containing certain gases, vapors, and particulate matter.

(b) This part is for the information and guidance of those who may desire to submit gas masks for approval and also to inform consumers and other interested persons regarding qualities the Bureau believes such devices should have.

§ 13.4 *Range of concentrations within which gas masks will be approved.* (a) The maximum concentration for which approval will be granted is 2 percent of acid gases, 2 percent of organic vapors, 2 percent of carbon monoxide, 3 percent of ammonia, or a total of 2 percent of toxic gases or vapors when more than one is present at a time.

(b) The minimum concentrations for which approval will be granted on a gas mask are as follows: 1 percent of an acid gas for a gas mask designed to protect against a single acid gas, with the exception of hydrocyanic acid gas, which is 2 percent; 2 percent of acid gases for gas masks designed to protect against acid gases in combination with other classes of gases, as in an acid gas and organic vapor mask or a universal gas mask; 2 percent of organic vapors; 2 percent of carbon monoxide; and 3 percent of ammonia. Gas masks approved for these minimum concentrations will afford approved respiratory protection for lower concentrations.

§ 13.5 *Conditions under which gas masks will be tested—(a) Consultation.* Manufacturers or their representatives may visit or communicate with the Central Experiment Station, Bureau of Mines, 4800 Forbes Street, Pittsburgh 13, Pennsylvania, to obtain criticism of proposed designs or to discuss the requirements or regulations in this part in connection with a device to be submitted.

No charge is made for this consultation and no written report will be made to the manufacturer.

(b) *Application.* An application for investigation under this part shall be in the form of a letter (in duplicate) addressed to the Central Experiment Station, Bureau of Mines, 4800 Forbes Street, Pittsburgh 13, Pennsylvania, which contains: (1) Duplicate descriptions and complete drawings of the device (supplemented by available printed matter); (2) a statement that the device is completely developed and of the design and materials which the applicant believes suitable for a finished marketable device; (3) a statement that the device has been subjected to inspections and tests of the nature described in this part and that it has met these requirements when tested by the applicant or his testing agency; (4) two copies of the results of the applicant's inspection and tests; (5) a statement describing the nature, adequacy, and continuity of control of the quality of the gas mask (see paragraph (e) of this section); (6) a request that the necessary inspections and tests leading to approval be made; and (7) a check, draft, or money order, payable to the United States Bureau of Mines, to cover the fee for inspection and tests. The fee will be placed on special deposit in the Treasury of the United States, pending disposal as hereinafter specified. No gas mask will be accepted for permissibility tests unless it is substantially in the completed form in which it is to be marketed. Application for tests shall be indicative of this understanding by the applicant. One complete specimen of the device for which approval is desired shall be sent to the Central Experiment Station. On receipt of this application, fee, descriptive material, test data, and specimen to be tested, the applicant will be notified by the Bureau of its action on the application, the material required for test, and any additional information or specifications that are deemed necessary.

(c) *Fees for testing gas masks.* (1) The following fees are charged for testing gas masks under this part:

1. Type A—Acid gases, complete mask	\$765
2. Type B—Organic vapors, complete mask	410
3. Type C—Ammonia, complete mask	410
4. Type D—Carbon monoxide self-rescuer	390

5. Type AE, BE, etc.—Dusts, fumes, mists, fogs, and smokes in combination with any of the above types. Fee in addition to that required for tests with gases or vapors -----	\$175
6. Type AB—Acid gases and organic vapors, complete mask-----	975
7. Complete mask with canister designed for a single gas or vapor--	410
8. Facepiece, complete-----	60
9. Canister alone, fee for complete mask minus fee for facepiece.	
10. Extension of approval to another gas or vapor, or complete retesting with a gas or vapor in case of failure-----	350
11. Type N—Universal gas mask for all gases and vapors ordinarily encountered in industry, including filters for dusts, fumes, mists, fogs, and smokes-----	1,300
12. Additional examination and tests in connection with other tests, per man-day required-----	30
13. Fees for tests of unusually complicated apparatus or for unusual tests or other tests not included in this list or for portions of tests that may be required for extensions of approval will be based on the actual costs of testing, which shall be determined by the Bureau, and the applicant will be notified of the fee before the tests are begun.	

idential by the Bureau if so requested in writing by the applicant.

(2) The Bureau of Mines will not be responsible for any disclosure of ideas, principles, or patentable features apparent from visual inspections, because under the terms of the application for tests it is understood that the device is ready for release to public market. Caution will be exercised to prevent disclosure of details of the device to the public during approval testing.

(e) *Chemical control of absorbents.* The capacities of absorbents for gases or vapors may vary over wide limits, depending on the materials used and the conditions under which each lot is manufactured. To maintain the quality of protection equal to that required by this part, each lot of absorbent produced or obtained by a manufacturer must have been adequately sampled and tested for capacity before being used in approved gas masks. Each application for permissibility tests shall be accompanied by a statement showing the nature, adequacy, and continuity of control provided by the applicant. Upon request of the Bureau, the applicant shall grant permission for a representative of the Bureau to inspect the control-test equipment and control-test records and to interview the personnel conducting the control tests. Tests for approval will be made only after the Bureau is satisfied that such control is effective, and approvals once granted will remain in force only while the control is sustained.

(f) *Material required for approval testing.* The number of complete gas masks, canisters, and other parts required will depend on the type and design of the device. After application for tests is received, the applicant will be notified concerning the material that it will be necessary for him to submit. All materials for tests shall be delivered gratis, with transportation charges prepaid by the applicant, to the Central Experiment Station, Bureau of Mines, 4800 Forbes Street, Pittsburgh 13, Pennsylvania. The Bureau of Mines may retain as its own property any or all material submitted by the applicant that may be required for record. Material not required for record will be available to the applicant and will be returned at his expense on shipping instructions made in writing to the Central Experiment Station.

(2) If a gas mask fails to pass any of the specified tests and the applicant notifies the Bureau to terminate further consideration of the device, the Bureau will return the fee to the applicant, less such portion of the fee as the Bureau determines is sufficient to cover the work done. If the applicant resubmits the gas mask for approval after the necessary improvements have been made, an additional fee will be required. The amount of fee charged will be proportional to the additional tests that must be made and will be specified in writing to the applicant in advance of further testing of the gas mask.

(d) *Drawings and specifications required.* (1) Masks submitted for approval will not be inspected or tested until a complete description and two full sets of drawings showing all the details of construction have been delivered to the Central Experiment Station, Bureau of Mines, 4800 Forbes Street, Pittsburgh 13, Pennsylvania. The description of the mask shall include a statement of the chemical composition of the absorbent, which will be kept con-

(g) *Where investigations will be conducted.* All investigations are conducted at the Bureau of Mines Central Experiment Station, 4800 Forbes Street, Pittsburgh 13, Pennsylvania.

(h) *Date for conducting tests.* Tests will be made in the order of fulfillment of pretest conditions. The applicant will be notified of the date on which tests will be begun. If a device fails to meet any of the requirements it shall lose its order of precedence. Tests will be resumed following completion of other approval work which is in progress at the time both the request and materials for retesting are received. Exceptions may be made only for minor tests and inspections that may be performed simultaneously with other work in the laboratory.

(i) *Observers at formal investigations and demonstrations.* No one shall be present during any part of the formal investigation conducted by the Bureau which leads to approval for permissibility except the necessary Government personnel, representatives of the applicant, and such other persons as may be mutually agreed upon by the applicant and the Bureau. Upon granting approval for permissibility, the Bureau will announce that such approval has been granted to the device and may thereafter conduct, from time to time in its discretion, public demonstrations of the tests conducted on the approved device. Those who attend any part of the investigation, or any public demonstration, shall be present solely as observers; the conduct of the investigation and of any public demonstration shall be controlled wholly by the Bureau's personnel.

Results of chemical analyses of material and all information contained in the drawings, specifications, and instructions shall be deemed confidential and their disclosure will be appropriately safeguarded by the Bureau.

§ 13.6 *Requirements for Bureau of Mines approval.* To obtain the approval of the Bureau of Mines a gas mask must pass the following inspection and tests:

(a) *Color and markings.* (1) Distinctive colors and markings to indicate the purpose of each canister are required to safeguard wearers. Table 1 contains a list of the required colors.

(2) All colors used shall be clearly identifiable by the user and clearly distinguishable from one another. The color coating used shall offer a high degree of resistance to chipping, scaling, peeling, blistering, and fading and to the effects of the ordinary atmospheres to which they may be exposed under normal conditions of storage and use.

(b) *Materials.* The gas mask shall be constructed in all of its parts of materials suitable for the purpose they must serve; this applies to the fabric, rubber, metal, chemical, and other parts. All parts (especially rubber) that come into contact with the skin must be of non-irritating composition. All materials used in the construction of facepieces and breathing tubes shall be of a composition that will withstand repeated disinfection by methods recommended by the applicant and approved by the Bureau of Mines. These approved methods for disinfection shall be described

TABLE 1—COLOR OF GAS MASK CANISTERS

Canister, type letter	Contaminants protected against	Colors ¹
A	Acid gases	White. ²
A	Hydrocyanic acid gas	White with 1/4-inch green stripe around the canister near the bottom.
A	Chlorine gas	White with 1/4-inch yellow stripe around the canister near the bottom.
B	Organic vapors	Black. ²
C	Ammonia	Green.
D	Carbon monoxide	Blue.
AE, etc.	Dusts, fumes, mists, fogs, and smokes in combination with any of the above gases or vapors.	One-half inch contrasting black or white stripe around the canister near the top.
AB	Acid gases and organic vapors	Yellow.
ABC	Acid gases, organic vapors, and ammonia	Brown.
N	All of the above atmospheric contaminants	Red. Filters are included in this canister, but stripes to indicate them are unnecessary.

¹ Grey will not be assigned as the color of any gas mask canister.

² Canisters for a single gas or vapor other than ammonia or carbon monoxide shall have a 1/4-inch colored stripe around the canister near the bottom. The color of the stripe will be assigned.

in the instructions for use of the device supplied by the manufacturer.

(c) *Design and construction.* (1) Design, mechanical construction, durability, and workmanship shall be satisfactory from the standpoint of safety of the wearer, freedom of movement, field and clearness of vision, fit of the facepiece, and comfort under all conditions of use. Canisters and other parts of necessary short life or period of use shall be easily replaceable by new or reconditioned parts, and the tightness of the whole apparatus shall be such as to assure the wearer against leaks of contaminated air both before and after such changes have been made.

(2) The gas mask case shall be made of materials suitable for the purpose and shall be designed so that the mask is properly protected and may be removed from the case readily in an emergency.

(d) *Requirements and tests for facepiece—*(1) *General requirements.* (1) The facepiece shall be so constructed as to assure a quick, gastight fit on persons of widely varying facial shapes and sizes.

(ii) The eyepieces shall be of the non-shatter type and so located as to provide a satisfactory field of vision for persons of widely varying facial shapes and sizes. Air shall enter the facepiece in a manner that will inhibit the accumulation of moisture on the eyepieces.

(iii) The exhalation valve shall be guarded to prevent distortion and injury.

(iv) The elastic headbands shall be adjustable and replaceable.

(2) *Tightness test.* (1) Two men, each wearing a facepiece attached to an ammonia canister and canister harness, will enter air containing 1 percent by volume of ammonia. Ten minutes will be spent in work designed to provide observation on freedom from leaks and freedom of movement and comfort allowed the wearers. The time will be divided as follows:

5 minutes— Walking, turning head, dipping chin.

5 minutes— Pumping air with a hand-operated tire pump into a 1-cubic-foot cylinder to a pressure of 25 pounds per square-inch gage, or equivalent work.

³ All concentrations given in this part have been calculated on a basis of 25° C. and 760 mm. mercury pressure.

(ii) To meet the requirements of this test no ammonia shall be detected in the air breathed, and undue encumbrance and discomfort shall not be experienced because of the fit or other features of the gas mask.

(e) *Requirements and tests for breathing tube.* The flexible rubber breathing tube shall extend from the facepiece to the canister connection. The tube shall permit free head movement and shall not close off by kinking or by chin or arm pressure, or unduly disturb the wearer.

(f) *Requirements and tests for canister harness.* The canister harness shall be constructed so that it will hold the canister securely and comfortably in place against the body of the wearer. It shall permit canisters to be replaced readily, and shall provide for holding the facepiece in the "ready" position when the facepiece is not being used.

(g) *Requirements and tests for canister—*(1) *Resistance to air flow.* Resistance of the canisters to air flowing at a rate of 85 liters (3 cubic feet) per minute before and after the following machine tests shall not exceed 3 inches (3.25 for Type N or canisters with special mechanical filters) of water-column height at any time.

(2) *Machine tests.* Canisters separated from the facepiece and harness shall meet the requirements of the machine tests as set forth in the following sections. These tests are made on an apparatus constructed to allow the test atmosphere to enter the canister continuously at predetermined concentrations and rates of flow and that has means for determining the life of the canisters.

(1) *Low-concentration and low-rate-of-flow tests.* (a) Tests are made on canisters against low concentrations and at low rates of flow of the appropriate gases or vapors to determine primarily the chemical characteristics of the canisters.

(b) Table 2 lists the conditions for the low-concentration and low-rate-of-flow tests.

(ii) *Chemical stability.* (a) To determine the chemical stability of the canister under dry and moist conditions, four canisters (for each type of gas) will be treated as follows:

wear the mask for 2 minutes (1 minute in hydrocyanic acid gas) in the test atmosphere; and immediately following this the test will be continued with the canister of the mask attached to a source of the test atmosphere, so that the men are in uncontaminated air.

(b) During these tests the men will perform the schedule of exercise listed in table 4 below.

(c) The average breathing rate of each man while wearing the gas mask and performing the above schedule of exercise will be about 25 liters per minute.

(d) To meet the requirements of this test the gas masks shall give complete respiratory protection to wearers for 30 minutes for all types except Type N, which shall give complete respiratory protection against carbon monoxide for 30 minutes, organic vapors for 25 minutes, acid gases for 15 minutes, and ammonia for 15 minutes. Excessive fogging of the eyepieces must not occur, and undue discomfort must not be experienced because of fit or other physical or mechanical features of the gas mask.

(ii) *Particulate matter.* Gas masks designed for protection against dusts, fumes, mists, fogs, and smokes will be tested by two men wearing them under the conditions set forth below:

(a) *Cotton smoke.* (1) Two men will wear the gas masks for 10 minutes in a room of about 1,000 cubic feet capacity filled with the smoke from the smudge-burning of 1 pound of cotton waste.

TABLE 4—SCHEDULE OF EXERCISE FOR MAN TESTS

Schedule	Time, minutes			
	Type N			All other types
	Carbon monoxide	Organic vapors	Acid gases and ammonia	
Walking vigorously.....	5	5	5	5
Sitting at rest.....	5	5	5	5
Stationary running and callisthenic arm movements.....	10	5	5	10
Sitting at rest.....	5	5	-----	5
Pumping air with a hand-operated tire pump into a 1-cubic foot cylinder to a pressure of 25 lb./sq. in. gage, or equivalent work.....	5	5	-----	5

(2) To meet the requirements of this test, the gas masks must afford such protection to the wearers that they will experience no ill effects, such as discomforting irritation of the eyes or respiratory system during or after the test period.

(b) *Tin tetrachloride.* (1) Two men will wear the gas masks for 20 minutes with the canister connected to a room of about 1,000 cubic feet capacity in which is an atmosphere prepared by vaporizing enough tin tetrachloride to give a calculated concentration of 500 p. p. m. by volume of tin tetrachloride in the air. (Vaporized tin tetrachloride hydrolyses rapidly in moist air to form hydrogen chloride and a dense cloud of stannic hydroxide.)

(2) To meet the requirements of this test, the gas masks must afford such protection to the wearers that they will experience no ill effects, such as discomforting irritation of the eyes or respiratory system, during or after the test period.

§ 13.7 *Changing details of tests.* If it is advisable to omit any of the tests or part of a test previously described or to perform accessory tests, the Bureau may modify the test in such manner as to obtain substantially the same information and degree of safety as is provided by the tests described. The applicant will be notified of any changes that may be necessary.

§ 13.8 *Notification of approval or disapproval.* (a) After the Bureau has considered the results of the inspection and tests, a formal written notification of approval or disapproval of the gas mask will be supplied to the applicant by the Bureau. If the device meets all requirements of this part, the notification will not be accompanied by test data or detailed results of tests. If the device fails to meet any of the requirements of this part, notification of such failure will be accompanied by details of the failure with a view to possible remedy of the defect or defects in gas masks submitted in the future. Otherwise, results of tests of gas masks that fail to meet the requirements will not be made public by the Bureau.

(b) No verbal reports of the Bureau's decisions concerning the investigations will be given, and no informal approvals will be granted.

§ 13.9 *Approval markings.* (a) With formal notification of approval the applicant will receive photographs of designs of the official approval labels, one for the complete gas mask and one for the canister. These labels will bear the seal of the Bureau of Mines and be inscribed substantially as follows:

Permissible gas mask or permissible canister for -----

(Name of atmospheric contaminant)

U. S. Bureau of Mines Approval No. -----

Issued to -----

(Name of manufacturer)

Approved for respiratory protection in atmospheres containing not more than ---- percent by volume of -----

(Name of atmospheric contaminant)

(b) Appropriate instruction and caution statements on the use and limitations of the gas mask will be included in these labels.

(c) One label shall be reproduced on the outside of the container of the gas mask. It shall be attached securely and, if a paper label is used, be water-proofed.

(d) The approval label for the canisters shall be suitably reproduced on each canister. If a paper label is used it must be attached to the canister with heat-proofed cement. Should the approval label for the canister not be plainly visible when the latter is attached to the canister harness, it may be necessary to attach a similar label to the canister harness.

(e) The main parts of the gas mask, such as the facepiece, canister harness, and canister, shall be marked by stamping, stenciling, or labeling in a legible and permanent manner with the appropriate approval number in letters and figures at least $\frac{1}{8}$ inch high placed in a position plainly visible.

(f) Full-scale designs or reproductions of approval labels and markings and a sketch or description of their position shall be submitted to the Central Experiment Station for approval before final adoption.

(g) Permission to place the Bureau's marks of approval on his gas mask obligates a manufacturer to maintain the quality of his product and to have each mask, and all parts thereof, strictly according to the drawings and records that have been accepted by the Bureau for that mask and are in the Bureau's files.

Gas masks that exhibit changes in design or include parts that have not been approved for use with the gas mask are not permissible gas masks and must not bear the Bureau's approval label.

§ 13.10 *Material required for Bureau of Mines record.* In order that the Bureau may know exactly what it has tested and approved, detailed records of each investigation are kept. These include drawings and actual equipment, as follows:

(a) *Drawings and specifications.* Drawings and specifications submitted with application for tests and final drawings and specifications that the applicant must submit to the Bureau before approval is granted to show the details of the gas mask as approved, will be retained by the Bureau. The company receiving the approval shall keep an exact duplicate of the set of drawings and specifications that are in the Bureau's records. These are to be adhered to in commercial production of the approved device.

(b) *Actual equipment.* (1) Parts of the gas mask or a complete mask used in the tests may be retained by the Bureau as a permanent record of the investigation and of the mask submitted. Material not required for record will be returned to the applicant at his expense on written shipping instructions to the Central Experiment Station.

(2) If the gas mask is approved, the applicant shall deliver to the Central Experiment Station, gratis, one complete gas mask in the form in which it is to be sold, to serve as a record of the commercial product.

§ 13.11 *Changes subsequent to approval.* All approvals are granted with the understanding that the manufacturer will make his gas mask according to final drawings and specifications submitted to the Bureau. Therefore, before making any change in an approved gas mask the manufacturer shall first obtain the Bureau's approval of the change.

This procedure is as follows:

(a) The manufacturer shall write to the Central Experiment Station, Bureau of Mines, 4800 Forbes Street, Pittsburgh 13, Pennsylvania, requesting an extension of his original approval and stating the change or changes desired. He shall send two sets of revised drawings and specifications showing the changes in detail, and one each of the gas mask

parts affected to the Central Experiment Station.

(b) The Bureau will consider the application and inspect the drawings and parts to determine whether it will be necessary to make tests.

(c) If tests are unnecessary, the applicant will be advised formally by the Bureau of the approval or disapproval of the change.

(d) If tests are necessary, the applicant will be advised of the fee and material required.

§ 13.12 *Withdrawal of approval.* The Bureau reserves the right to rescind for cause any approval granted under the regulations of this part.

Part 14—Filter-Type, Dust, Fume, and Mist Respirators

Sec.	
14.1	Definition of a permissible dust, fume, or mist respirator.
14.2	Purpose of testing for permissibility.
14.3	Classes of respirators.
14.4	Conditions under which respirators will be tested.
14.5	Requirements for Bureau of Mines approval.
14.6	Changing details of tests.
14.7	Notification of approval or disapproval.
14.8	Approval markings.
14.9	Material required for Bureau of Mines record.
14.10	Changes subsequent to approval.
14.11	Withdrawal of approval.

AUTHORITY: §§ 14.1 to 14.11 issued under sec. 5, 36 Stat. 370, as amended, sec. 212, 66 Stat. 709; 30 U. S. C. 7, 482. Interpret or apply secs. 2, 3, 36 Stat. 370, as amended; 30 U. S. C. 3, 5.

SOURCE: §§ 14.1 to 14.11 contained in Schedule 21A, 20 F. R. 2572, Apr. 19, 1955; 20 F. R. 6552, Sept. 7, 1955.

§ 14.1 *Definition of a permissible dust, fume, or mist respirator.* (a) A respirator is permissible for use in air containing certain dusts, fumes, or mists if all of the materials and details of construction of the respirator and the filtering characteristics of the filter are the same in all respects as those of the respirators and filters that meet the requirements and pass the inspection and tests of the Bureau of Mines, as described in this part.

(b) Bureau of Mines approval applies only to a complete respirator and not to integral parts thereof.

§ 14.2 *Purpose of testing for permissibility.* (a) The Bureau of Mines conducts tests of respirators designed for the removal of atmospheric particulate matter from inhaled air for the purpose of determining their permissibility for use in air containing certain dusts, fumes, and mists.

(b) This part is for the information and guidance of those who may desire to submit respirators for approval and also to inform consumers and other interested persons regarding qualities the Bureau believes such devices should have.

§ 14.3 *Classes of respirators.* As regards their design and approval, respirators are subdivided into the following classes, according to the type of particulate matter against which they are designed to protect:

(a) Respirators for mechanically generated dusts resulting principally from the disintegration of a solid, such as the dust clouds produced in the various processes of mining, quarrying, and tunneling and the various industrial operations of grinding, crushing, and general processing of minerals and other materials.

(b) Respirators for fumes of various metals (usually their chemical compounds as oxides or carbonates) such as lead, mercury (except mercury vapor), manganese, copper, chromium, iron, cadmium, zinc, magnesium, aluminum, antimony, and arsenic resulting from sublimation or the condensation of their vapor, or from the chemical reactions between their vapor and gases.

(c) Respirators for mists as produced by spray-coating with vitreous enamels, chromic acid mists as produced in chromium plating, and other mists of materials whose liquid vehicle does not produce harmful gases or vapors.

(d) Respirators for various combinations of the preceding types of particulate matter.

§ 14.4 *Conditions under which respirators will be tested—*(a) *Consultation.* Manufacturers or their representatives may visit or communicate with the Central Experiment Station, Bureau of Mines, 4800 Forbes Street, Pittsburgh 13, Pennsylvania, to obtain criticisms of proposed designs or to discuss the requirements of this part in connection with a respirator to be submitted. No charge is made for this consul-

tation and no written report will be made to the manufacturer.

(b) *Application.* An application for investigation under this part shall be in the form of a letter (in duplicate) addressed to the Central Experiment Station, Bureau of Mines, 4800 Forbes Street, Pittsburgh 13, Pennsylvania, which contains: (1) Duplicate descriptions and complete drawings of the device (supplemented with any available printed matter); (2) a statement that the device is completely developed and of the design and materials which the manufacturer believes suitable for a finished marketable device; (3) a statement of the purpose of the respirator, naming the types and specific kinds of the atmospheric particulate matter against which it is designed to provide respiratory protection; (4) a statement that the device has been subjected to inspections and tests of the nature described in this part and that it has met these requirements when tested by the applicant or his testing agency; (5) a statement describing the nature, adequacy, and continuity of control of the quality of the respirator (see paragraph (e) of this section); (6) two copies of the results of the applicant's inspection and tests; (7) a request that the necessary inspections and tests leading to approval be made; and (8) a check, draft, or money order, payable to the United States Bureau of Mines, to cover the fee for inspections and tests. The fee will be placed on special deposit in the Treasury of the United States, pending disposal as hereinafter specified. No respirator will be accepted for permissibility tests unless it is substantially in the completed form in which it is to be marketed. Application for tests shall be indicative of this understanding by the applicant. One complete specimen of the device for which approval is desired shall be sent to the Central Experiment Station. On receipt of this application, fee, descriptive material, test data, and specimen to be tested, the applicant will be notified by the Bureau of its action on the application, the material required for test, and any additional information or specifications that are deemed necessary.

(c) *Fees for testing dispersoid respirators.* The following fees are charged for testing dispersoid respirators under this part:

1. Pneumoconiosis-producing and nuisance dusts, single-use filter, complete respirator.....	\$160
2. Pneumoconiosis-producing and nuisance dusts, reusable filter, complete respirator.....	195
3. Toxic dusts, single-use filter, complete respirator.....	175
4. Toxic dusts, reusable filter, complete respirator.....	215
5. Dusts, single-use filter, complete respirator.....	195
6. Dusts, reusable filter, complete respirator.....	275
7. Fumes, complete respirator.....	205
8. Silica mist, complete respirator....	175
9. Chromic acid mist, complete respirator.....	215
10. Facepiece, dust or mist respirator..	40
11. Facepiece, fume respirator.....	50
12. Additional examination and tests of respirator in connection with other tests, per man-day required.....	30
13. Fees for tests of unusually complicated apparatus or for unusual tests or other tests not included in this list or for portions of tests that may be required for extensions of approval will be based on the actual costs of testing, which shall be determined by the Bureau, and the applicant will be notified of the fee before the tests are begun.	

If a respirator fails to pass any of the specified tests and the applicant notifies the Bureau to terminate further consideration of the device, the Bureau will return the fee to the applicant, less such portion of the fee as the Bureau determines is sufficient to cover the work done. If the applicant resubmits the respirator for approval after the necessary improvements have been made, an additional fee will be required. The amount of fee charged will be proportional to the additional tests that must be made and will be specified in writing to the applicant in advance of further testing of the respirator.

(d) *Drawings and specifications required.* (1) Respirators submitted for approval will not be inspected or tested until a complete description and two full sets of drawings showing all the details of construction have been delivered to the Central Experiment Station, Bureau of Mines, 4800 Forbes Street, Pittsburgh 13, Pennsylvania. The description of the respirator shall include a statement of the nature of the filtering medium.

(2) The Bureau of Mines will not be responsible for any disclosure of ideas,

... features appar-
... because under
... for tests it
... Caution will
... disclosure of de-
... of the public during

... concerning control
... The filter-
... of filters for dusts,
... may vary over wide
... depending on the materials used
... under which each lot
... manufactured. To maintain the qual-
... of protection equal to that required
... by this part, each lot of filter mate-
... produced or obtained by a manu-
... must have been adequately
... and tested for filtering charac-
... before being used in approved
... respirators. Each application for per-
... tests shall be accompanied by
... a statement showing the nature, ade-
... quacy, and continuity of the control
... provided by the applicant. Upon request
... of the Bureau, the applicant shall grant
... permission for a representative of the
... Bureau to inspect the control-test equip-
... and control-test records and to
... interview the personnel conducting the
... control tests. Tests for approval will
... be made only after the Bureau is satis-
... fied that such control is effective, and
... approvals once granted will remain in
... force only while the control is sustained.

(f) *Material required for investigation.* The number of complete respira-
tors and replacement parts required will
depend on the type and design of the
device. After application for test is re-
ceived, the applicant will be notified
concerning the material that it will be
necessary for him to submit. All mate-
rials for test shall be delivered gratis,
with transportation charges prepaid by
the applicant, to the Central Experiment
Station, Bureau of Mines, 4800 Forbes
Street, Pittsburgh 13, Pennsylvania.
The Bureau of Mines may retain as its
own property any or all material sub-
mitted by the applicant that may be
required for record. Material not re-
quired for record will be available to the
applicant and will be returned at his ex-
pense on shipping instructions made in
writing to the Central Experiment
Station.

(g) *Where investigations will be con-
ducted.* All investigations are conducted
at the Bureau of Mines Central Experi-

ment Station, 4800 Forbes Street, Pitts-
burgh 13, Pennsylvania.

(h) *Date for conducting tests.* The
tests will be made in the order of fulfill-
ment of pretest conditions. The appli-
cant will be notified of the date on which
tests will be begun. If a device fails to
meet any of the requirements it shall
lose its order of precedence. Tests will
be resumed following completion of other
approval work which is in progress at
the time both the request and material
for retesting are received. Exceptions
may be made only for minor tests and
inspections which may be performed
simultaneously with other work in the
laboratory.

(i) *Observers at formal investigations
and demonstrations.* No one shall be
present during any part of the formal
investigation conducted by the Bureau
which leads to approval for permissibil-
ity except the necessary Government
personnel, representatives of the appli-
cant, and such other persons as may be
mutually agreed upon by the applicant
and the Bureau. Upon granting ap-
proval for permissibility, the Bureau will
announce that such approval has been
granted to the device and may thereafter
conduct, from time to time in its discre-
tion, public demonstrations of the tests
conducted on the approved device.
Those who attend any part of the inves-
tigation, or any public demonstration,
shall be present solely as observers; the
conduct of the investigation and of any
public demonstration shall be controlled
wholly by the Bureau's personnel. Re-
sults of chemical analyses of material
and all information contained in the
drawings, specifications, and instructions
shall be deemed confidential and their
disclosure will be appropriately safe-
guarded by the Bureau.

§ 14.5 *Requirements for Bureau of
Mines approval.* To obtain the approval
of the Bureau of Mines a respirator
must pass the following inspections and
tests:

(a) *Container and markings.* (1)
Each respirator shall have a substantial
and durable container suitable for pro-
tecting and keeping the respirator clean
when not in use. Also, replacement fil-
ter units shall have protective contain-
ers such as a sealed envelope, a card-
board box, or a bag. The number of
replacement units of the paper or felt
disc types, or similar types, shall not
exceed fifty in each container. The per-

mitted number of other types will be decided after inspection of the device.

(2) Each respirator and required container shall be marked distinctly with the name of the manufacturer, the type of device, and the name, letter or number by which the device is designated for trade purposes.

(b) *Materials.* All parts of the respirator and equipment must be constructed of materials obviously suitable for the purpose they must serve. This applies to the fabric, rubber, metal, and other parts. All rubber parts which come into contact with the skin must be of a nonirritating composition. All materials used in the construction of facepieces shall be of a composition that will withstand repeated disinfection by methods recommended by the applicant and accepted by the Bureau of Mines. These accepted methods for disinfection shall be described in the instructions supplied by the manufacturer for use of the device.

(c) *Design and construction.* Excellence of design, mechanical construction, and durability, as well as workmanship, will be considered. This will be done with regard to the wearer's safety, the freedom of his movements and his vision, the fit of the facepiece, and the comfort afforded under all conditions of use. The ease with which filters or other parts of necessarily short life may be replaced by fresh parts, and the tightness of the whole apparatus, with a view to insuring the wearer against leaks of unpurified air after such changes have been made, will also be considered.

(d) *Requirements and tests for facepiece—(1) General requirements.* (i) The facepiece may be either the full facepiece, half-mask, or the mouthpiece type, and shall be so constructed as to assure a quick, dispersoid-tight fit on persons of widely varying facial shapes and sizes. Half-mask facepieces must not interfere with the use of goggles. Mouthpiece types must have a means of preventing nasal inhalation.

(ii) The use of inhalation check valve or valves is desirable, but optional. An exhalation valve shall be provided.

(iii) The elastic headband shall be adjustable and replaceable.

(2) *Pressure tightness test.* The complete respirator shall be fitted to the faces of from 15 to 20 men having a wide variety of facial shapes and sizes. To

test the suitability of the fit of the respirator on these subjects, the exhalation valve and the inhalation port or ports shall be held closed and each subject shall exhale gently into the facepiece until a slight but definite positive pressure is built up in the facepiece. The absence of outward leakage of air between the facepiece and the wearer's face shall be indicative of a satisfactory fit of the facepiece.

(3) *Coal dust tightness test.* (1) Three subjects having full, average, and lean facial features shall wear the respirators while a high concentration of finely-divided bituminous coal dust (through 200-mesh) is blown gently into their breathing zone for a minimum of three minutes. At the end of this dusting period, the excess dust shall be removed from the periphery of the facepieces, and the facepieces carefully removed from the faces of the wearers.

(ii) To meet the requirements of this test, the forced nasal discharge at the end of the test period (as shown on a white cloth), the sputum, the nasal cavities as examined by aid of a speculum and illumination, and that part of the face covered by the facepiece of the respirator must not show appreciably more black particulate matter than similar observations made before the test.

(4) *Isoamyl acetate tightness test (additional test applicable only to respirators designed for respiratory protection against fumes).* The respirator shall be modified in such a manner that all of the air that normally would be inhaled through the inhalation ports is drawn through an efficient activated charcoal-filled canister, without interference with the face-contacting portion of the facepiece. Modified in this manner, the facepiece shall be worn by 15 to 20 men for at least two minutes each in a test chamber containing 100 parts of isoamyl acetate vapor per million parts of air by volume. To meet the requirements of this test, the odor of isoamyl acetate shall not be detected by the test subjects while wearing the modified respirator in the test atmosphere.

(5) *Requirements and tests for covering for face cushion.* If cloth coverings for the face-contacting portion of the face cushion are provided for the respirator, they shall be assembled with the respirator according to the manufacturer's instructions and the assembly shall

be tested as prescribed in subparagraph (3) of this paragraph. Cloth coverings for the face-contacting portion of the face cushion will not be approved as part of a respirator designed for respiratory protection against fumes.

(e) *Requirements and tests for complete respirator*—(1) *Resistance to air-flow.* The resistance to flow of air of the complete respirator on inhalation and on exhalation will be measured on a mechanical apparatus before and after the tests described in the following subparagraphs of this paragraph. The rate of air flow shall be 85 liters per minute, continuous flow. The resistance to inhalation must not exceed 50 millimeters of water-column height, and the resistance to exhalation must not exceed 25 millimeters of water-column height.

(2) *Silica-dust tests of respirators designed for respiratory protection against pneumoconiosis-producing and nuisance dusts*—(i) *Single-use filters.* Three respirators will be tested on a mechanical testing apparatus under the following conditions:

Relative humidity—40–70 percent.

Temperature—room temperature (approximately 25° C.)

Rate of air flow—32 liters per minute, continuous flow.

Test-suspension— 50 ± 10 milligrams per cubic meter of ground flint, air-floated (99+ percent through 325 standard-mesh sieve), which consists of 99+ percent free silica (SiO_2).

The particle size distribution of the test suspension shall not exceed a geometric mean of 0.6 micron, and a standard geometric deviation of 1.90.

Length of sampling period—one 90-minute period for each respirator.

Tested under these conditions, the total amount of the test suspension unretained must not exceed 9.0 milligrams for the three respirators or 4 milligrams for any one of the three respirators.

(ii) *Reusable filters.* (a) Respirators with filter elements designed for cleaning and reuse will be subjected to the tests described in subdivision (i) of this subparagraph, each filter element being tested three times, once as received, once after cleaning, and once after recleaning. Three respirators shall be tested in this manner. The manufacturer's directions for cleaning the filter element will be followed not more than once for each of the three tests.

(b) Tested under these conditions, the total amount of the test suspension un-

retained must not exceed 9.0 milligrams for the three tests or 4 milligrams for any of the tests.

(3) *Lead dust tests for respirators designed for respiratory protection against dusts that are not significantly more toxic than lead*—(1) *Single-use filters.* Three respirators will be tested on a mechanical testing apparatus under the following conditions:

Relative humidity—40–70 percent.

Temperature—room temperature (approximately 25° C.).

Rate of air flow—32 liters per minute, continuous flow.

Test-suspension— 15 ± 5 milligrams per cubic meter of lead (Pb) in a test suspension of National Lead Company's Negative Battery Mixture No. 111-R, which has the following approximate composition: Litharge, about 75 percent; free metallic lead, about 25 percent; carbon black, blanc fixe, and organic matter for expander purposes, 0.25–0.3 percent.

The particle size distribution of the test suspension shall not exceed a geometric mean of 0.6 micron, and a standard geometric deviation of 1.90.

Length of sampling period—one 90-minute period for each respirator.

Tested under these conditions, the total amount of the test suspension unretained, analyzed and calculated as lead (Pb), must not exceed 0.43 milligram for any one of the three respirators.

(ii) *Reusable filters.* (a) Respirators with filter elements designed for cleaning and reuse will be subjected to the tests described in subdivision (i) of this subparagraph, each filter element being tested three times, once as received, once after cleaning, and once after recleaning. Three respirators shall be tested in this manner. The manufacturer's directions for cleaning the filter element will be followed not more than once for each of the three tests.

(b) Tested under these conditions, the total amount of the test suspension unretained, analyzed and calculated as lead (Pb), shall not exceed 0.43 milligram on any one of the tests.

(4) *Lead fume test for respirators designed for respiratory protection against fumes that are not significantly more toxic than lead.* Three respirators will be tested on a mechanical testing apparatus under the following conditions:

Relative humidity—40–70 percent.

Temperature—room temperature (approximately 25° C.).

Rate of air flow—32 liters per minute, continuous flow.

Test suspension— 15 ± 5 milligrams per cubic meter of freshly generated lead oxide fume, calculated as lead (Pb). The fume shall be generated by impinging an oxygen-gas flame on a pool of molten lead.

Length of sampling period—Two 156-minute periods for each respirator. Samples of the test suspension shall be taken between these two periods.

Tested under these conditions, the total amount of the test suspension unretained, analyzed and calculated as lead (Pb), must not exceed 1.5 milligrams for any one of the three respirators.

(5) *Silica mist test for respirators designed for respiratory protection against pneumoconiosis-producing and nuisance mists.* Three respirators will be tested on a mechanical testing apparatus under the following conditions:

Temperature—Room temperature (approximately 25° C.).

Rate of air flow—32 liters per minute, continuous flow.

Test suspension— 10 ± 5 milligrams per cubic meter of silica mist, weighed as silica dust, produced by spraying a 2-percent aqueous suspension of ground flint, air-floated (99+ percent, through 325 standard-mesh sieve), which consists of 99+ percent free silica (SiO_2).

Length of sampling period—Two 156-minute periods for each respirator. Samples of the test suspension shall be taken between these two periods.

Tested under these conditions, the total amount of silica mist unretained, weighed as silica dust, must not exceed 5 milligrams for any one of the three respirators.

(6) *Chromic acid mist test for respirators designed for respiratory protection against chromic acid mist.* Three respirators will be tested on a mechanical testing apparatus under the following conditions:

Temperature—room temperature (approximately 25° C.).

Rate of air flow—32 liters per minute, continuous flow.

Test-suspension— 15 ± 5 milligrams per cubic meter of chromic acid mist, analyzed and calculated as chromic acid anhydride (CrO_3), produced by electrolyzing an aqueous solution of chromic acid containing 200-500 grams of chromic acid anhydride per liter.

Length of sampling period—Two 156-minute periods for each respirator. Samples of the test suspension shall be taken between these two periods.

Tested under these conditions, the total amount of chromic acid unretained,

analyzed and calculated as chromic acid anhydride (CrO_3), must not exceed 1 milligram for any one of the three respirators.

(7) *Tests for respirators designed for respiratory protection against more than one type of dispersoid.* Respirators designed for respiratory protection against more than one type of dispersoid (dust, fume, or mist) must meet all the separate requirements for the types of dispersoids involved.

§ 14.6 *Changing details of tests.* If it is advisable to omit any of the tests or part of a test previously described, or to perform accessory tests, the Bureau may modify the test in such a manner as to obtain substantially the same information and degree of safety as is provided by the tests described. The applicant will be notified of any changes that may be necessary.

§ 14.7 *Notification of approval or disapproval.* (a) After the Bureau has considered the results of the inspection and tests, a formal written notification of approval or disapproval of the respirator will be supplied to the applicant by the Bureau. If the device meets all requirements of this part, the notification will not be accompanied by test data or detailed results of tests. If the device fails to meet any of the requirements of this part, notification of such failure will be accompanied by details of the failure with a view to possible remedy of the defect or defects in respirators submitted in the future. Otherwise, results of tests of respirators that fail to meet the requirements will not be made public by the Bureau.

(b) No verbal reports of the Bureau's decisions concerning the investigations will be given, and no informal approvals will be granted.

§ 14.8 *Approval markings.* With formal notification of approval, the applicant will receive photographs of designs of the official approval labels, one for the complete respirator and one for the container for extra filters. These labels will bear the seal of the Bureau of Mines and be inscribed substantially as follows:

Permissible Respirator or Permissible Respirator Filter for (name of type or types of dispersoids for protection against which the respirator or filter is approved). U. S. Bureau of Mines Approval No. ... Issued to (name of manufacturer). Approved for protection against the inhalation of (name of type or

types of dispersoid). The approved assembled respirator consists of: BM__ facepiece and BM__ filter.

(a) Appropriate instruction and caution statements on the use and limitations of the respirator will be included in the labels.

(b) The respirator label shall be reproduced legibly on the container for the respirator. The filter label shall be reproduced on the container of extra filters.

(c) The facepiece shall be marked in a legible and permanent manner with the facepiece approval number that is shown on the respirator approval label. The filter shall be marked with the filter approval number that is shown on the filter approval label and with the type of dispersoid for which the filter is approved.

(d) Full scale designs or reproductions of approval labels and markings and a sketch or description of their position shall be submitted to the Central Experiment Station, for approval before final adoption.

(e) Permission to place the Bureau's marks of approval on his respirator obligates a manufacturer to maintain the quality of his product and to have each respirator, and all parts thereof, constructed strictly according to the drawings and records that have been accepted by the Bureau for that respirator and are in the Bureau's files. Respirators that exhibit changes in design or include parts that have not been approved for use with the respirator are not permissible respirators and must not bear the Bureau's approval label.

§ 14.9 *Material required for Bureau of Mines record.* In order that the Bureau may know exactly what it has tested and approved, detailed records of each investigation are kept. These include drawings and actual equipment, as follows:

(a) *Drawings and specifications.* Drawings and specifications submitted with application for tests, and final drawings and specifications that the applicant must submit to the Bureau before approval is granted to show the details of the respirator as approved, will be retained by the Bureau. The company receiving the approval shall keep an exact duplicate of the set of drawings and

specifications that are in the Bureau's records. These are to be adhered to in commercial production of the approved device.

(b) *Actual equipment.* (1) Parts of the respirator or a complete respirator used in the tests may be retained by the Bureau as a permanent record of the investigation and of the respirator submitted. Material not required for record will be returned to the applicant at his expense on written shipping instructions to the Central Experiment Station.

(2) If the respirator is approved, the applicant shall deliver to the Central Experiment Station, gratis, one complete respirator in the form in which it is to be sold, to serve as a record of the commercial product.

§ 14.10 *Changes subsequent to approval.* All approvals are granted with the understanding that the manufacturer will make his respirator according to final drawings and specifications submitted to the Bureau. Therefore, before making any change in an approved respirator the manufacturer shall first obtain the Bureau's approval of the change. This procedure is as follows:

(a) The manufacturer shall write to the Central Experiment Station, Bureau of Mines, 4800 Forbes Street, Pittsburgh 13, Pennsylvania, requesting an extension of his original approval and stating the change or changes desired. He shall send two sets of revised drawings and specifications showing the changes in detail, and one of each of the parts affected to the Central Experiment Station.

(b) The Bureau will consider the application and inspect the drawings and parts to determine whether it will be necessary to make tests.

(c) If tests are unnecessary the applicant will be advised formally by the Bureau of the approval or disapproval of the change.

(d) If tests are necessary, the applicant will be advised of the fee and material required.

§ 14.11 *Withdrawal of approval.* The Bureau reserves the right to rescind for cause any approval granted under this part.

Part 14a—Nonemergency Gas Respirators (Chemical Cartridge Respirators)

- Sec.
- 14a.1 Definition of a permissible non-emergency gas respirator (chemical cartridge respirator).
- 14a.2 Types of nonemergency gas respirators.
- 14a.3 Purpose of testing for permissibility.
- 14a.4 Maximum concentration for which Type B or BE nonemergency gas respirators will be approved.
- 14a.5 Conditions under which nonemergency gas respirators will be tested.
- 14a.6 Requirements for Bureau of Mines approval.
- 14a.7 Changing details of tests.
- 14a.8 Notification of approval or disapproval.
- 14a.9 Approval markings.
- 14a.10 Material required for Bureau of Mines record.
- 14a.11 Changes subsequent to approval.
- 14a.12 Withdrawal of approval.

AUTHORITY: §§ 14a.1 to 14a.12 issued under sec. 5, 36 Stat. 370, as amended, sec. 212, 66 Stat. 709; 30 U. S. C. 7, 482. Interpret or apply secs. 2, 3, 36 Stat. 370, as amended; 30 U. S. C. 3, 5.

SOURCE: §§ 14a.1 to 14a.12 contained in Schedule 23A, 20 F. R. 2715, Apr. 23, 1955; 20 F. R. 6552, Sept. 7, 1955.

§ 14a.1 *Definition of a permissible nonemergency gas respirator (chemical cartridge respirator).* (a) A nonemergency gas respirator (chemical cartridge respirator) is a device designed to give respiratory protection against atmospheres which are not immediately dangerous to life but which may produce discomfort, a chronic type of infection or poisoning after repeated exposure, or mild or acute symptoms after a prolonged exposure.

(b) A nonemergency gas respirator is permissible if all the materials and details of construction and the chemical and physical properties of the absorbents are the same in all respects as those of the nonemergency gas respirators that meet the requirements and pass the inspection and tests of the Bureau of Mines as described in this part.

(c) Bureau of Mines approval applies only to a complete nonemergency gas

respirator and not to integral parts thereof.

§ 14a.2 *Types of nonemergency gas respirators.* (a) Although there are various types of nonemergency gas respirators available, this part is limited at the present time to those designed to protect against organic vapors or organic vapors and dusts, fumes, and mists. Consideration will be given to the other types at a future date. It is proposed to classify the various types of nonemergency gas respirators in a manner analogous to that used for similar types of gas masks.

(b) The two types considered in this part are:

Type B. For protection against organic vapors such as acetone, alcohol, benzene, carbon tetrachloride, ether, formaldehyde, gasoline and petroleum distillates, and toluene.

Type BE. For protection against organic vapors, and dusts, fumes, and mists. The type letter E is used to indicate protection against particulate contaminants.

§ 14a.3 *Purpose of testing for permissibility.* (a) The Bureau of Mines conducts tests of nonemergency gas respirators for the purpose of determining their permissibility for use in air containing limited concentrations of organic vapors with or without particulate contaminants (dusts, fumes, and mists).

(b) This part is for the information and guidance of those who may desire to submit nonemergency gas respirators for approval and also to inform consumers and other interested persons regarding qualities the Bureau believes such devices should have.

§ 14a.4 *Maximum concentration for which Type B or BE nonemergency gas respirators will be approved.* Type B and BE nonemergency gas respirators will be approved for protection against atmospheres containing not more than 0.1 percent by volume (1,000 parts per million (p. p. m.)) of organic vapors.

§ 14a.5 *Conditions under which non-emergency gas respirators will be tested—(a) Consultation.* Manufacturers or their representatives may visit or communicate with the Central Experiment Station, Bureau of Mines, 4800 Forbes Street, Pittsburgh 13,

Pennsylvania, to obtain criticisms of proposed designs or to discuss the requirements of this part in connection with a device to be submitted. No charge is made for this consultation and no written report will be made to the manufacturer.

(b) *Application*. An application for investigation under this part shall be in the form of a letter (in duplicate) addressed to the Central Experiment Station, Bureau of Mines, 4800 Forbes Street, Pittsburgh 15, Pennsylvania, with enclosure of the complete design, including complete dimensions of the device as required by applicable printed matter. The applicant shall indicate the nature of the investigation desired, and the nature of the device or process to be investigated. The application shall be accompanied by the fee provided in this section. The fee shall be paid to the Bureau of Mines, and shall be non-refundable. The fee shall be \$390 for a Type B investigation, and \$90 for a Type BE investigation. The fee shall be \$30 for an additional examination and test of a respirator in connection with other work per man-day required. The fee shall be \$50 for a Type C investigation, and \$105 for a Type D investigation. The fee shall be \$105 for a Type E investigation, and \$125 for a Type F investigation. The fee shall be \$125 for a Type G investigation, and \$105 for a Type H investigation. The fee shall be \$145 for a Type I investigation, and \$40 for a Type J investigation.

1. Type B—Organic vapors, complete respirator ----- \$390

2. Type BE—Dusts, fumes, or mists in combination with organic vapors. Fee in addition to that required for Type B:

 (i) Pneumoconiosis-producing and nuisance dusts ----- 90

 (ii) Toxic dusts ----- 105

 (iii) Dusts ----- 125

 (iv) Fumes ----- 125

 (v) Silica mist ----- 105

 (vi) Chromic acid mist ----- 145

3. Facepiece ----- 40

4. Carriage stamp fee for complete respirator minus fees for face-piece -----

5. Additional examination and tests of respirator in connection with other work per man-day required ----- 30

6. Type C—Dusts of normally combustible materials in the amount of 100 grams per man-day required -----

The following table sets forth the fees for the various types of investigations provided for in this section. The fees are in dollars and cents. The fee for a Type B investigation is \$390. The fee for a Type BE investigation is \$90 plus the fee for the Type B investigation. The fee for a Type C investigation is \$50. The fee for a Type D investigation is \$105. The fee for a Type E investigation is \$105. The fee for a Type F investigation is \$125. The fee for a Type G investigation is \$125. The fee for a Type H investigation is \$105. The fee for a Type I investigation is \$145. The fee for a Type J investigation is \$40. The fee for an additional examination and test of a respirator in connection with other work per man-day required is \$30. The fee for a Type C investigation is \$50. The fee for a Type D investigation is \$105. The fee for a Type E investigation is \$105. The fee for a Type F investigation is \$125. The fee for a Type G investigation is \$125. The fee for a Type H investigation is \$105. The fee for a Type I investigation is \$145. The fee for a Type J investigation is \$40. The fee for an additional examination and test of a respirator in connection with other work per man-day required is \$30.

parent from visual inspections, because under the terms of the application for tests it is understood that the device is ready for release to public market. Caution will be exercised to prevent disclosure of details of the device to the public during approval testing.

(e) *Statement concerning chemical control of absorbents.* The capacities of absorbents for gases or vapors may vary over wide limits, depending on the materials used and the conditions under which each lot is manufactured. To maintain the quality of protection equal to that required by this part, each lot of absorbent produced or obtained by a manufacturer must have been adequately sampled and tested for capacity before being used in approved non-emergency gas respirators. Each application for permissibility tests shall be accompanied by a statement showing the nature, adequacy, and continuity of control provided by the applicant. Upon request of the Bureau, the applicant shall grant permission for a representative of the Bureau to inspect the control-test equipment and control-test records and to interview the personnel conducting the control tests. Tests for approval will be made only after the Bureau is satisfied that such control is effective, and approvals once granted will remain in force only while the control is sustained.

(f) *Material required for approval testing.* The number of complete non-emergency gas respirators, cartridges, and other parts required will depend on the type and design of the device. After application for tests is received, the applicant will be notified concerning the material that it will be necessary for him to submit. All materials for test shall be delivered gratis, with transportation charges prepaid by the applicant, to the Central Experiment Station, Bureau of Mines, 4800 Forbes Street, Pittsburgh 13, Pennsylvania. The Bureau of Mines may retain as its own property any or all material submitted by the applicant that may be required for record. Material not required for record will be available to the applicant and will be returned at his expense on shipping instructions made in writing to the Central Experiment Station.

(g) *Where investigations will be conducted.* All investigations are conducted at the Bureau of Mines Central Experi-

ment Station, 4800 Forbes Street, Pittsburgh 13, Pennsylvania.

(h) *Date for conducting tests.* Tests will be made in the order of fulfillment of pre-test conditions. The applicant will be notified of the date on which tests will be begun. If a device fails to meet any of the requirements, it shall lose its order of precedence. Tests will be resumed following completion of other approval work which is in progress at the time both the request and materials for retesting are received. Exceptions may be made only for minor tests and inspections that may be performed simultaneously with other work in the laboratory.

(i) *Observers at formal investigations and demonstrations.* No one shall be present during any part of the formal investigation conducted by the Bureau which leads to approval for permissibility except the necessary Government personnel, representatives of the applicant, and such other persons as may be mutually agreed upon by the applicant and the Bureau. Upon granting approval for permissibility, the Bureau will announce that such approval has been granted to the device and may thereafter conduct, from time to time in its discretion, public demonstrations of the tests conducted on the approved device. Those who attend any part of the investigation, or any public demonstration, shall be present solely as observers; the conduct of the investigation and of any public demonstration shall be controlled wholly by the Bureau's personnel. Results of chemical analyses of material and all information contained in the drawings, specifications, and instructions shall be deemed confidential and their disclosure will be appropriately safeguarded by the Bureau.

§ 14a.6 *Requirements for Bureau of Mines approval.* To obtain the approval of the Bureau of Mines, a Type B or BE non-emergency gas respirator must pass the following inspection and tests:

(a) *Color and markings.* (1) The predominant color of Type B cartridge shall be black, in accordance with the color code adopted for gas-mask canisters, to indicate that it affords protection against organic vapors only.

(2) If the cartridge is designed to protect against dusts, fumes, and mists, in addition to organic vapors, a white stripe shall be placed conspicuously on the

cartridge to indicate the presence of a special filter. If the filter is not an integral part of the cartridge, the cartridge shall not be marked with a white stripe.

(b) *Materials.* The respirator shall be constructed in all its parts of materials suitable for the purpose they must serve; this applies to the fabric, rubber, metal, chemical, and other parts. All parts (especially rubber) that come into contact with the skin must be of non-irritating composition. All materials used in the construction of facepieces shall be of a composition that will withstand repeated disinfection by methods recommended by the applicant and accepted by the Bureau of Mines. These accepted methods for disinfection shall be described in the instructions for use of the device supplied by the manufacturer.

(c) *Design and construction.* Design, mechanical construction, durability, and workmanship shall be satisfactory from the standpoint of safety of the wearer, freedom and movement, field clearness of vision, fit of the facepiece, and comfort under all conditions of use. Cartridges and other parts of necessarily short life or period of use shall be easily replaceable, and the tightness of the whole apparatus shall be such as to assure the wearer against leaks of contaminated air after such changes have been made.

(d) *Requirements and tests—(1)*

Facepiece—(i) General requirements. (a) The facepiece may be either the half-mask or the mouthpiece type and shall be so constructed as to assure a quick, gas-tight fit on persons of widely varying facial shapes and sizes. Half-mask facepieces must not interfere with the use of goggles. Mouthpiece types must have a means of preventing nasal inhalation.

(b) An inhalation check valve (or valves) shall be provided to prevent exhaled air from coming in contact with the absorbent or the mechanical filter. An exhalation valve shall also be provided.

(c) The elastic head bands shall be adjustable and replaceable.

(ii) *Tightness test.* (a) Two men, each wearing a complete nonemergency gas respirator for protection against organic vapors, will enter air containing

0.01 percent by volume¹ (100 p. p. m.) of isoamyl acetate vapor. Ten minutes will be spent in work designed to provide observation on freedom from leaks and freedom of movement and comfort allowed the wearers. The time will be divided as follows:

5 minutes---- Walking, moving head from side to side, nodding, and bending the body at the waist.

5 minutes---- Pumping air with a hand-operated tire pump into a 1-cubic-foot cylinder to a pressure of 25 pounds per square inch gage, or equivalent work.

(b) To meet the requirements of this test no isoamyl acetate shall be detected in the air breathed, and undue encumbrance and discomfort shall not be experienced because of the fit or other features of the respirator.

(2) *Breathing tube.* If a flexible rubber breathing tube is used, it shall permit free head movement and shall not close off by kinking or by chin or arm pressure, or unduly disturb the wearer.

(3) *Harness.* If a harness is used, it shall be constructed so that it will hold the cartridge securely and comfortably in place against the body of the wearer. It shall permit cartridges to be replaced readily and shall provide for holding the facepiece in the "ready" position when it is not being used.

(4) *Cartridges.* If two cartridges are used in parallel on the respirator, the tests will be performed with the cartridges arranged in parallel and the test requirements will apply to the combination rather than to the individual cartridges.

(i) *Resistance to air flow.* See subparagraph (5) of this paragraph for resistance requirements. If two cartridges are used in parallel on the respirator, their resistances to air flow should be essentially equal.

(ii) *Machine tests.* Cartridges shall meet the requirements of the machine tests as set forth below. These tests are made on an apparatus that is constructed to allow the test atmosphere to enter the cartridges continuously at pre-determined concentrations and rates of flow and that has means for determining the life of the cartridges.

¹ All concentrations given in this part have been calculated on a basis of 25° C. and 760 mm. mercury pressure.

(a) *Low-rate-of-flow and high-rate-of-flow tests.* The test conditions and requirements for these tests are listed in Table 1.

TABLE 1—REQUIREMENTS FOR MACHINE TESTS

Relative humidity of test atmosphere: 50 ± 5 percent.
Temperature: Room temperature (approximately 25° C.).
Test atmosphere: Carbon tetrachloride vapor, 0.1 percent by volume (1,000 p. p. m.)

	Number of cartridges ¹	Rate of air flow, liters per minute	Maximum allowable leakage, p. p. m.	Minimum life, minutes ²
Low-rate-of-flow.....	3	32	5	100
High-rate-of-flow.....	2	64	5	50
Chemical stability.....	4	32	5	45

¹ This number refers to pairs of cartridges if 2 are used in parallel on the respirator.

² The values given for minimum life apply to each cartridge or to each pair of cartridges. Tests should be continued until the maximum allowable leakage occurs.

(b) *Chemical stability.* To determine the chemical stability of the cartridges under dry and humid conditions, four of them will be treated as follows:

(1) Two cartridges or two pairs of cartridges will be equilibrated at room temperature³ by passing carbon dioxide-free air of 25 percent relative humidity through them at a rate of 25 liters per minute for 6 hours.

(2) Two cartridges or two pairs of cartridges will be equilibrated at room temperature by passing carbon dioxide-free air of 85 percent relative humidity through them at a rate of 25 liters per minute for 6 hours.

(3) After equilibration, these cartridges will be resealed as received, kept in an upright position at room temperature, and tested within 18 hours under the conditions given in Table 1 for chemical stability.

(c) *Test on cartridges for protection against dusts, fumes, mists.* Cartridges containing, or having attached to them, filters for protection against dusts, fumes, and mists will be tested according to the requirements of this part and in addition will be tested according to the requirements of Part 14 of this subchapter. However, the maximum allowable inhalation resistance of complete Type BE respirators shall be 3 inches (75

³ For uniformity of test conditions, this temperature should be between 23° and 27° C.

millimeters) of water rather than 2 inches (50 millimeters) of water allowed for dust, fume, or mist respirators by Part 14 of this subchapter.

(5) *Complete nonemergency gas respirator*—(1) *Resistance to air flow.* There are no specific requirements for the resistance of the cartridges to air flow; only the resistance of the complete respirator to air flow will be considered. The maximum allowable resistance of the complete respirator to a continuous flow of air at a rate of 85 liters per minute is as follows:

(a) Respirators for protection against organic vapors only: Inhalation, 2.0 inches of water; exhalation, 1.0 inch of water.

(b) Respirators for protection against organic vapors and dust, fumes, and mists: Inhalation, 3.0 inches of water; exhalation, 1.0 inch of water.

(ii) *Man tests.* (a) Complete non-emergency gas respirators will be worn by two subjects in an atmosphere containing 0.5 percent by volume (5,000 p. p. m.) of carbon tetrachloride vapor.⁴

(b) During this test the subjects will perform the following schedule of exercise:

- 5 minutes---- Walking vigorously.
- 5 minutes---- Sitting at rest.
- 10 minutes--- Stationary running and calisthenic arm movements.
- 5 minutes---- Sitting at rest.
- 5 minutes---- Pumping air with a hand-operated tire pump into a 1-cubic-foot cylinder to a pressure of 25 lb. per sq. in. gage, or equivalent work.
- 5 minutes---- Sitting at rest.

(c) The test should be continued until the odor of carbon tetrachloride is detected by the subjects, repeating the schedule if necessary.

(d) To meet the requirements of this test the respirators shall give complete respiratory protection to the wearers for 30 minutes. Undue discomfort must not be experienced because of fit or other physical or mechanical features of the respirator.

⁴ A concentration of 5,000 p. p. m. was chosen to shorten the man-test time to about one-fifth of that required for 1,000 p. p. m. The use of this high concentration under carefully controlled laboratory conditions by experienced personnel does not in any way alter the maximum concentration for which approval will be granted, namely, 0.1 percent (1,000 p. p. m.) of organic vapors.

transformed almost instantaneously into other products which are mostly highly heated gases exerting tremendous pressures. This definition shall not include blasting devices as defined in Part 17 of this subchapter.

(b) "Approval" is a written official notification by the Bureau of Mines that, upon investigation, the explosive has met satisfactorily the requirements of this part for use in coal mines. Reports of tests other than the complete series required for the determination of permissibility are not approvals and should not be construed as such.

(c) "Basic sample" means the original sample that was approved by the Bureau of Mines for use in coal mines: *Provided*, That any explosive which conforms to any revised formula prescribed by the Bureau of Mines shall be considered a basic sample after the Bureau has concurred in the manufacture of the explosive to conform to such formula.

(d) "Equivalent" is an ingredient that when substituted for another ingredient will not materially alter the properties of the explosive and will produce the same result as the original substance. In matters affecting its approval, the Bureau will deem itself sole judge of the question of equivalence.

(e) "Ingredients" are substances reported as found by the Bureau of Mines in the basic sample.

(f) "Lot of permissible explosives" means all explosives bearing identical case markings.

(g) "Permissible explosive" is an explosive that conforms with the basic sample which has received the approval of the Bureau.

(h) "Unit defective charge" is the weight of explosive that has been found to deflect the Bureau's ballistic pendulum to the same extent as one-half pound of the Bureau's standard 40-percent straight nitroglycerin dynamite.

§ 15.3 *Application for tests.* Before an applicant may obtain any tests by the Bureau on an explosive, the applicant must file a written request (no application form is provided by the Bureau) with a statement as to the nature of the explosive to be tested, including the formula and any other pertinent information regarding the materials to be submitted. This request should be addressed to the U. S. Bureau of Mines, Central Experiment Station, 4800 Forbes

Street, Pittsburgh 13, Pennsylvania. The Bureau's engineers will review the application and decide whether or not the tests will be undertaken. If the application is approved, an application number will be assigned and instructions given regarding the fees required and method of shipment of materials. Upon receipt of this information, the applicant must transmit to the address given in this section, a check, bank draft, or money order made payable to the Bureau of Mines, to cover all fees for the tests.

§ 15.4 *Fees.* (a) The fee for complete tests leading to approval of an explosive will be \$850. If the applicant withdraws an explosive, or if the explosive fails to pass any of the tests prescribed in this part, the Bureau will charge for the tests actually performed, with a minimum charge of \$100, on the basis set out in paragraph (b) of this section. The balance of the fees will be returned to the applicant.

(b) The fees covering individual tests will be as follows:

(1) Pendulum friction test to determine sensitiveness to frictional impact, \$15.

(2) Physical examination (for each size cartridge), \$10.

(3) Chemical analysis of explosive, \$80.

(4) Explosion by influence (halved-cartridge method), \$15.

(5) Ballistic mortar test, \$35.

(6) Gallery test 1, per shot, \$14.

(7) Gallery test 4, per shot, \$30.

(8) Rate of detonation tests, \$40.

(9) Gaseous products of explosion (this test does not include the determination of the oxides of nitrogen), \$60.

(10) For other tests, the costs as determined by the Bureau's engineers on the basis of the Bureau's estimate of the costs to the Bureau in making the test.

§ 15.5 *Shipment of explosives.* Samples of explosives to be tested shall be shipped only after the Bureau has furnished instructions regarding the quantities of materials required, mode of shipment of the materials, and destination. Shipments shall be properly labeled and shall comply with the Interstate Commerce Commission regulations (49 CFR Parts 71-78). The minimum quantities and sizes required for complete official tests for permissibility are as follows:

(a) Seventy-five pounds of each explosive in 1¼ by 8-inch cartridges, but if the cartridge count per 50-pound case is less than 150 cartridges, then 225 cartridges is the minimum quantity required.

(b) Fifty cartridges of each explosive in the smallest diameter in which it is desired the explosive shall become permissible, except when this smallest diameter is 1¼ inches. Diameters of less than one inch will not be approved.

(c) Ten cartridges of each explosive in any diameter other than those covered by paragraphs (a) and (b) of this section in which it is desired the explosive shall become permissible.

(d) Should the manufacturer later desire to market other diameters, the Bureau will, upon application by the manufacturer, establish the basic data for grams of wrapper and apparent specific gravity of these diameters. A fee (§ 15.4 (b) (2)) will be charged for each diameter. If the diameter is smaller than the smallest permissible diameter approved on the basic sample, a propagation test (rate of detonation) will also be required and a fee charged for such test (§ 15.4 (b) (8)). No test will be made on any diameter less than that on which failure to propagate has occurred, nor will any retest be made on a given diameter which has failed to propagate in any one trial.

§ 15.6 *Conditions under which tests for permissibility will be made.* (a) The explosive will be stored in one of the Bureau's magazines for at least 30 days before the gallery tests are made.

(b) Explosives containing incompatibles (that is, substances that will react when mixed) or those containing either chlorates, chlorites, or perchlorates, and those found to be chemically unstable, or showing leakage of explosive oil, or in such condition that exudation of the explosive oil would occur in handling or transporting, will not be tested.

(c) Tests for a manufacturer are limited to samples of explosives which are his own product.

(d) No report on the results of tests made by the Bureau of Mines, or any part thereof, may be published without the consent of the Bureau of Mines.

§ 15.7 *Place of investigation.* Tests on explosives will be made at the Bureau's Explosives Testing Station at

Bruceton, Pennsylvania, in order of receipt of the explosives, provided an application is on file.

§ 15.8 *Consultation.* Any potential applicant (or accredited representative thereof) may visit the Bureau of Mines' Central Experiment Station, Pittsburgh, Pennsylvania, to discuss, without charge, explosives proposed to be submitted for investigation by the Bureau. Should preliminary tests appear advisable before submitting the explosive for formal investigation, the Bureau may conduct such tests for the applicant with fees as prescribed in § 15.4.

§ 15.9 *Observers at formal investigations and demonstrations.* No one shall be present during any part of the formal investigation conducted by the Bureau which leads to approval for permissibility except the necessary Government personnel, representatives of the applicant, and such other persons as may be mutually agreed upon by the applicant and the Bureau. Upon granting approval for permissibility, the Bureau will announce that such approval has been granted to the explosive and may thereafter conduct, from time to time in its discretion, public demonstrations of the tests conducted on the approved explosive. Those who attend any part of the investigation, or any public demonstration, shall be present solely as observers; the conduct of the investigation and of any public demonstration shall be controlled wholly by the Bureau's personnel. Results of chemical analyses of material and all information contained in the drawings, specifications, and instructions shall be deemed confidential and their disclosure will be appropriately safeguarded by the Bureau.

§ 15.10 *Chemical and physical tests—*(a) *Chemical tests.* The following chemical tests will be made:

(1) Chemical analysis.

(2) Gaseous products of detonation (Bichel Gage).

(b) *Physical tests.* The following physical tests will be made:

(1) *Physical examination.* The physical examination of an explosive is made on several cartridges of each size taken at random from the shipment of explosives.

(2) *Ballistic mortar test.* The strength of an explosive will be determined by the ballistic mortar.

(3) *Gallery test 1.* Twenty trials, each with a 220-gram charge of the explosive, are made. Each charge, stemmed with one pound of dry-milled plastic fire clay, is fired from a steel cannon into a mixture of natural gas and air containing 8.0 ± 0.3 percent of the Bureau's standard natural gas, at a temperature of $25 \pm 5^\circ \text{C}$.

(4) *Gallery test 4.* Ten trials, each with $1\frac{1}{2}$ -pound charge of explosive, are made. Each charge is fired, without stemming, into a mixture of natural gas and air containing 4.0 ± 0.2 percent of the Bureau's standard natural gas and 8 pounds of bituminous coal dust placed on shelves in the gallery, at $25 \pm 5^\circ \text{C}$.

(5) *Rate of detonations.* The rate of detonation is determined for $1\frac{1}{4}$ -inch diameter cartridges and for the smallest diameter submitted for approval if this diameter is less than $1\frac{1}{4}$ inches.

(6) *Pendulum friction test.* Ten trials are made with the steel shoe and if necessary with the hard fiber-faced shoe dropped from a height of 1.5 meters (59 ins.) and with an added weight of 20 kilograms (44 lbs.).

(7) *Explosion-by-influence test.* Sensitivity to explosion by influence is tested by the halved-cartridge method on $1\frac{1}{4}$ -inch diameter cartridges.

§ 15.11 *Requirements for approval of permissible explosives.* (a) Explosives must not fail to propagate completely with a No. 6 detonator for two or more charges while any of the permissibility tests are being made, except that in the rate of detonation test on cartridges less than $1\frac{1}{4}$ inches in diameter, under a confinement equal to or greater than one atmosphere of pressure, no failures must occur.

(b) In the explosion-by-influence test, the sensitiveness of the explosive must be at least 5 cm. (2 ins.) when testing $1\frac{1}{4}$ -inch diameter cartridges.

(c) An explosive must pass without a single ignition, test 1 and test 4 in the gallery.

(d) The volume of poisonous gases produced by a permissible explosive must not exceed 106 liters (3.7 cu. ft.) per 680 grams ($1\frac{1}{2}$ pounds) of explosive. Permissible explosives producing not more than 53 liters of poisonous gases per 680 grams of explosive will be classified as Class A permissible explosives. Those producing more than 53 liters but not more than 106 liters of poisonous

gases per 680 grams of explosive will be classified as Class B permissible explosives.

(e) In the determination of the rate of detonation the 50-inch file of explosive must propagate completely in every trial. If propagation failure occurs, then the explosive in cartridges having a diameter equal to or smaller than that tested will not be approved.

(f) In the pendulum friction test, an explosive must not show, in any trial with the hard fiber-faced shoe, a result more unfavorable than an almost indistinguishable local crackling.

(g) The explosive must not show a ballistic mortar strength less than 50 percent of that for standard TNT.

§ 15.12 *Granting of approval—(a) Notification of approval or disapproval.* After the Bureau of Mines has completed the investigation of an explosive, a written report covering the approval or disapproval of the explosive will be sent to the applicant.

(b) *Approved markings.* (1) Upon approval of the explosive, the applicant must place an approved marking on each cartridge of explosive which has the same characteristics as the explosive approved by the Bureau. On the wrapper of each cartridge, the following must be printed:

(Insert brand name of explosive) Permissible Explosive, Approved by U. S. Department of the Interior, Bureau of Mines.

(2) The brand name and the words "Permissible Explosive" must be included in the case marking.

(3) An applicant who places approved markings on his product must use all reasonable precautions to manufacture the explosive so that it will conform with the specified tolerances of the basic sample, and is obligated to warn the user in the "case insert" that the explosive is permissible only when used in conformance with the Bureau of Mines' requirements (see § 15.16).

§ 15.13 *Rescission of approval.* The Bureau reserves the right to rescind for cause, at any time, any approval granted under this part. Upon such rescission, the explosive will be declared nonpermissible and will be removed from the list of permissible explosives.

§ 15.14 *Release of test data.* The Bureau will provide the results of chemical analyses of material submitted for tests

to (a) the manufacturer, and (b) in case of a dispute involving the manufacturer and user both of which request the Bureau, and the Bureau agrees, to make chemical analyses of the material, to such persons as the manufacturer and user designate. The Bureau may also publish test results in such manner as will not identify the data of an individual manufacturer or its products.

§ 15.15 *List of permissible explosives.*

The Bureau will maintain a list of permissible explosives which will be published from time to time so that interested parties may have information regarding explosives which have passed the permissibility tests of the Bureau of Mines.

§ 15.16 *Conditions under which a permissible explosive must be used.* A coal mining explosive is permissible in use only when it satisfies the following requirements:

(a) That the explosive conforms, within limits of tolerances prescribed by the Bureau of Mines, with the basic sample and that the diameter of the cartridges used must be those that have been approved.

(b) That electric detonators (not fuse and detonators) are used of not less efficiency than No. 6, the detonating charge of which shall consist of a 1-gram mixture of 80 parts of mercury fulminate and 20 parts of potassium chlorate (or their equivalents).

(c) That the explosive is stored in surface magazines under proper conditions so that it does not undergo change in character, and that after taking it underground it is used in less than 48 hours.

(d) That the explosive must be used in conformance with all the regulations specified in the current edition of the Federal Mine Safety Code.

§ 15.17 *Field testing.* The Bureau will periodically collect and re-examine permissible explosives in order to determine whether they conform to the specifications within limits of tolerances shown in § 15.18, for the basic sample.

§ 15.18 *Tolerances and requirements as applied to field samples.* Tolerances which provide for reasonable limits of variation in the results of analyses and tests of field samples and manufacturers' samples of permissible explosives were established July 1, 1915, subsequently

amended November 15, 1920, and February 26, 1921, and are further modified in this section. The tolerances and requirements as enumerated below supersede all previous tolerances.

(a) *Chemical analysis*—(1) *Moisture.* The tolerances for moisture shall be in accordance with those shown in Table 1.

TABLE 1—LIMIT OF VARIATION (PERCENTAGE OF TOTAL EXPLOSIVES) FOR VARIOUS QUANTITIES OF MOISTURE

Quantity of moisture		Limit of variation
From—	To—	
<i>Percent</i>	<i>Percent</i>	<i>Percent ±</i>
0.0	1.0	1.8
.1	2.0	2.0
2.1	3.0	2.2
3.1	4.0	2.4
4.1	and up	2.6

(2) *Carbonaceous combustible material.* The tolerance shall be ± 3 percent of the total explosive.

(3) *Other ingredients or their equivalents.* For ingredients in quantities of 55.1 percent or more, the tolerance shall be ± 3 percent of the total explosive. For ingredients and quantities not exceeding 55 percent, the tolerance shall be in accordance with those shown in Table 2.

TABLE 2—LIMIT OF VARIATION (PERCENTAGE OF TOTAL EXPLOSIVE) FOR VARIOUS QUANTITIES OF INGREDIENT

Quantity of ingredient		Limit of variation
From—	To—	
<i>Percent</i>	<i>Percent</i>	<i>Percent ±</i>
0.0	5.0	1.2
5.1	10.0	1.5
10.1	20.0	1.7
20.1	30.0	2.0
30.1	40.0	2.3
40.1	50.0	2.5
50.1	55.0	2.8

(b) *Physical tests*—(1) *Rate of detonation.* The tolerance shall be ± 15 percent of that shown by the basic sample. The test shall indicate complete propagation.

(2) *Ballistic mortar.* The tolerance shall be ± 10 percent of that shown by the basic sample.

(3) *Grams of wrapper.* The tolerance shall be ± 2 grams per 100 grams of explosives ingredient based on that shown by the basic sample.

(4) *Apparent specific gravity.* The tolerance shall be ± 7.5 percent of that shown by the basic sample.

(c) *Requirements for tests that directly affect permissibility*—(1) *Gallery test 1.* The sample must pass 10 shots with a 220-gram (0.485 lb.) charge for all explosives approved under the provisions of this schedule. For explosives approved under the provisions of previous schedules, the field sample must pass five shots with a charge equal to 90 percent of the unit defective charge but in no case less than 200 grams (0.44 lb.).

(2) *Gallery test 4.* The sample must pass five shots with a charge of 680 grams (1½ lbs.) for all explosives approved under the provisions of this schedule. For explosives approved under the provisions of previous schedules, the field sample must pass two shots with a charge of 612 grams (1.35 lbs.).

(3) *Pendulum friction test.* The sample must pass the pendulum friction test with hard fiber-faced shoe falling from a height of 1.5 meters (59 ins.) and with an added weight of 20 kilograms (44 lbs.).

(4) *Poisonous gases.* Poisonous gases must not exceed 106 liters per 1½ pounds of explosives. If a "Class A" explosive liberates more than 65 liters (2.3 cu. ft.) of poisonous gases per 1½ pounds, the manufacturer will be warned on a first test, and, if the explosive liberates more than 65 liters of poisonous gases per 1½ pounds on a second field sample collected within five years of the initial warning, the explosive will be transferred to Class B.

(5) *Ballistic mortar test.* Ballistic mortar strength of not less than 50 percent of TNT.

(6) *Propagation test.* Complete propagation of the explosive in the rate of detonation test.

§ 15.19 *Field sample failures.* (a) Any field sample will be declared nonpermissible if when tested it:

(1) Liberates poisonous gases in excess of 106 liters (3.7 cu. ft.) per 1½ pounds of explosive.

(2) Fails to propagate completely in the rate of detonation test or any other test.

(3) Has a ballistic mortar strength of less than 50 percent of TNT.

(4) Fails gallery test 1.

(5) Fails gallery test 4.

(6) Fails the pendulum friction test.

(b) The Bureau of Mines will immediately report any field sample failure to the manufacturer. The manufacturer must immediately remove from the market and the field any unused portions of the explosive bearing the same lot number as the sample tested. If a field sample of any particular brand of permissible explosive fails three times within a period of five years, then the explosive will be removed from the list of permissible explosives.

§ 15.20 *Variances from prescribed tolerances.* Variances on field sample tests from tolerances as specified in § 15.18 (a) and (b) do not directly affect permissibility of the explosive, but the manufacturer will be notified of such variance and is then obligated to modify his formulation of future lots of the explosive to bring the explosive within the prescribed limits and to keep it within such limits.

§ 15.21 *Sheathed permissible explosives.* Sheathed permissible explosives are permissible explosives surrounded by a heavy covering of incombustible and nonreactive material in the form of a hollow cylinder, the sheathing being covered by an outer paper wrapper. No tests will be made on sheathed explosives (that is, on the complete assemblies) since the explosive used must be a permissible explosive and the material of the sheath must be incombustible and nonreactive.

§ 15.22 *Tests on nonpermissible explosives and other materials.* The Bureau also conducts some tests not leading to approval. Fees for tests on nonpermissible explosives, and other materials, to determine their explosibility or explosive characteristics, will be as prescribed in § 15.4 and as prescribed below:

(a) Impact test.....	\$25
(b) Electrostatic spark test.....	10
(c) Ignitibility.....	15
(d) Suspended tests in the gallery (per shot)	8
(e) Gaseous products:	
(1) Oxides of nitrogen only.....	60
(2) Complete analysis of gaseous products including oxides of nitrogen	90

Application for nonpermissibility tests must follow the procedure prescribed in § 15.3. Applicants requesting tests must follow the instructions under § 15.5. The applicant will be advised by the Bureau as to the quantity of material needed.

Part 16—Stemming Devices

- Sec. 16.1 Purpose.
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 16.6 Shipment of stemming device samples.
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 16.15 List of permissible stemming devices.
 16.16 Conditions under which stemming devices are to be used.
 16.17 Field sampling.
 16.18 Rescission of approval.

AUTHORITY: §§ 16.1 to 16.18 issued under sec. 5, 36 Stat. 370, as amended, sec. 212, 66 Stat. 709; 30 U. S. C. 7, 482. Interpret or apply sec. 3, 36 Stat. 370, as amended; 30 U. S. C. 5.

SOURCE: §§ 16.1 to 16.18 contained in Schedule 27B, 22 F. R. 6221, Aug. 3, 1957.

§ 16.1 *Purpose.* The regulations in this part specify the safety standards and the requirements for approval by the Bureau of Mines, of stemming devices as permissible for use in coal mines. The use of stemming devices for confining permissible explosives when fired for underground blasting, involves consideration of several possible hazards including:

(a) Ignition of methane-air and/or coal dust-air mixtures when the explosive charge is detonated.

(b) Emission of toxic gases such as carbon monoxide, oxides of nitrogen, and hydrogen sulfide when the explosive charge is detonated.

(c) Other hazards associated with the firing of inadequately confined explosive charges.

§ 16.2 *Definitions.* As used in this part, the following words are defined:

(a) "Stemming devices" means any flame resistant unit which has incorporated in its design positive means for providing adequate confinement to permissible explosives in boreholes when used as prescribed.

(b) "Approval" means written official notification by the Bureau of Mines that upon investigation the stemming device has met satisfactorily the requirements of this part for use in coal mines.

(c) "Permissible" means conforming in every respect to the provisions of the appropriate Bureau of Mines test schedule.

(d) "Approval label" means an identifying mark indicating that the stemming device has been approved by the Bureau of Mines as a permissible stemming device.

(e) "Flame resistant" means incapable of supporting combustion under the test conditions hereinafter stated.

§ 16.3 *Application for tests.* Before the Bureau will make any tests on a stemming device or on any change in the design thereof, the manufacturer or user must file a written request (no application form is provided by the Bureau) with the U. S. Bureau of Mines, Central Experiment Station, 4800 Forbes Street, Pittsburgh 13, Pennsylvania. A statement as to the nature of the stemming device to be tested, the composition, and any other pertinent information relative to the stemming device must accompany the application. The Bureau's engineers will review the application and decide whether or not the tests will be undertaken. If the application is approved, an application number will be assigned and instructions given regarding the fees required and method of shipment of materials. Upon receipt of this information, the applicant must transmit, to the address given in this section, a check, bank note, or money order, made payable to the Bureau of Mines, to cover all fees for the tests; drawings and specifications of the stemming device must be transmitted at the same time.

§ 16.4 *Fees.* (a) The fee for complete tests leading to approval of a stemming device will be \$950 unless additional tests described under § 16.10 (c) are deemed necessary. If the applicant withdraws the device or if the stemming device fails to pass any of the tests prescribed in this part, the Bureau will charge for the tests actually performed, with a minimum charge of \$100, on the basis set out in paragraph (b) of this section. The balance of the fee will be returned to the

approval. The fee for tests made in connection with matters in the course of a preliminary explosives stemming device will be that established by the Bureau and will be not less than \$100.

16.5 The fees covering additional tests will be as follows:

1. Chemical tests—\$50
2. Physical examinations—\$25
3. Gallery test per trial—\$14
4. Explosive handling test—\$11
5. Flammability test—\$25

16.6 For tests made the fees are determined by the Bureau's estimate on the basis of the Bureau's estimate of the cost of making the test.

16.7 *Drawings and specifications.* A set of drawings and specifications sufficient in number and detail to clearly show the parts of the stemming device shall be furnished to the Bureau. Drawings shall be dimensioned and detail to facilitate identification and reference in the records. The drawings and specifications for stemming devices shall include an assembly drawing or drawings clearly showing the general construction of the stemming device, materials, and the character, size, and relative arrangement of all parts. The nature of the materials used in the assembly shall be specified on the drawings.

16.8 *Shipment of stemming device samples.* Samples of the stemming device to be tested should be shipped to the Bureau only after the Bureau has furnished shipping instructions specifying the quantities, sizes, and mode of shipment of the samples.

16.9 *Place of investigation.* Tests on stemming devices will be made at the Bureau's Explosives Testing Station at Bruneton, Pennsylvania, in the order of receipt of applications.

16.10 *Consultation.* Any potential applicant (or accredited representative thereof) may visit the Bureau of Mines' Central Experiment Station, Pittsburgh, Pennsylvania, to discuss, without charge, stemming devices proposed to be submitted for investigation by the Bureau. Should preliminary tests appear advisable before submitting the stemming device for approval, the Bureau may conduct such tests for the applicant with fees as prescribed in § 16.4.

16.11 *Confidentiality of test investigations and demonstrations.* No test shall be prepared during any part of the formal investigation conducted by the Bureau which shall be approval for permission except the necessary Government personnel representatives of the applicant, and such other persons as may be mutually agreed upon by the applicant and the Bureau. Upon granting approval for permission the Bureau will announce that such approval has been granted to the stemming device and may thereafter conduct from time to time in its discretion public demonstrations of the tests conducted on the approved stemming device. Those who attend any part of the investigation or any public demonstration shall be present solely as observers; the conduct of the investigation and of any public demonstration shall be controlled wholly by the Bureau's personnel. Results of chemical analyses of material and all information contained in the drawings, specifications, and instructions shall be deemed confidential and their disclosure will be appropriately safeguarded by the Bureau.

16.12 *Physical and chemical tests—*

(a) *Compositional tests.* Such test will be made to verify the submitted specifications.

(b) *Physical tests.* The following physical tests will be made:

(1) *Physical examination.* An examination will be made to verify the submitted specifications, or to establish basic specifications on the composition, as are deemed necessary by the Bureau.

(2) *Gallery test.* Fifty trials, using two or more different permissible explosives selected by the Bureau, will be made with not more than thirty trials with any one permissible explosive, firing a 220-gram charge of the permissible explosive from a cannon stemmed with the stemming device under test, into a steel gallery charged with a mixture of natural gas and air containing 8.0 ± 0.3 percent of the Bureau's standard natural gas, at a temperature of 25 ± 5° C. In order to pass this test there must not be an ignition in any of the trials made.

(3) *Rough-handling test.* A specially designed box is used for making the rough-handling test. This box is approximately 6 feet in height and it is equipped with 7 baffles each approximately 10 inches apart and sloping 30° from the horizontal. Ten samples of the stemming device to be tested will be in-

roduced individually at the top and allowed to drop from baffle to baffle. Each stemming device will be subjected to 30 passes through the box and then will be subjected to the gallery test prescribed in subparagraph (2) of this paragraph. Each stemming device must pass the gallery test in the physical condition existing at the end of the rough-handling test. These ten gallery trials shall be in addition to the fifty trials described in subparagraph (2) of this paragraph.

(4) *Flammability test.* At least three specimens 2 inches in length, $\frac{1}{4}$ inch in width and $\frac{1}{16}$ inch thick shall be cut or prepared from each major component of the device under test, excluding any wrapper material. If the total weight of any wrapper material exceeds 3 grams, it shall be tested separately. If the nature of the material to be tested precludes the preparation of specimens with the above dimensions, then the specimens shall have dimensions as near as possible to those specified. The specimen shall be clamped in a support at one end with its longitudinal axis horizontal and its transverse axis inclined at 45° to the horizontal. Under the test specimen, there shall be clamped a piece of 20-mesh Bunsen burner gauze about $1\frac{1}{2}$ inches square, in a horizontal position $\frac{1}{4}$ inch below the specimen with about $\frac{1}{2}$ inch of the specimen extending beyond one edge of the gauze. If the specimen is not rigid, it shall be allowed to bend and come to rest on the gauze. A Bunsen-type burner, with a flame 1 inch in height having a temperature of $950^\circ \pm 50^\circ$ C. when measured by means of a 20 B & S gauge, iron-constantan thermocouple, centered in the flame at the tip of the inner cone, shall be placed under the free end of the test specimen and adjusted so that the flame tip is just in contact with the specimen. The flame shall be removed when ignition of the specimen is observed or after an application time of not more than 30 seconds. If the specimen does not continue to burn with visible flame after the first application of flame, a second application of the burner flame shall be made immediately under the same conditions for a period not to exceed 30 seconds. If none of the specimens continue to burn with a visible flame for more than 5 seconds after removing the burner flame in any of the individual trials made, the material shall be considered flame resistant and acceptable for use in the stemming device.

(c) *Additional tests.* Additional tests will be made if it is determined by the Bureau of Mines that they are necessary to establish safety characteristics of the stemming device.

§ 16.11 *Requirements for approval of a stemming device.* Approval will be given only for stemming devices which pass the tests prescribed in § 16.10. Approval will be based primarily on tests made on one standard size to be designated by the Bureau of Mines ($1\frac{3}{4}$ inch diameter unless otherwise specified). The applicant must, however, submit samples and specifications for all sizes for which approval is desired. No stemming device with diameter exceeding the length will be accepted for test. For sizes smaller than the standard size, the overall length must not be less than that for the standard size. For sizes having a diameter larger than the standard size, the ratio of the length to the diameter must not be less than that for the standard size. Specific approval must be obtained for each size before it can be labeled as approved. The amount of any combustible wrapper used must not exceed 3 grams.

§ 16.12 *Change in design.* Any change in the design of an approved stemming device must first be approved by the Bureau before such modified stemming devices are offered to the trade under the approval label.

§ 16.13 *Granting of approval; notification of approval or disapproval.* After the Bureau of Mines has completed the investigation of a stemming device, a written report covering approval or disapproval of the stemming device will be sent to the applicant. The report of approval will establish the tolerances that must be maintained in manufacture and all requirements for use as described in § 16.16.

§ 16.14 *Approval label.* (a) Upon approval of the stemming device and before the stemming device is offered to the trade, the applicant must place an approval label on all containers of packages of such stemming devices which must be of the same characteristics as the stemming device approved by the Bureau. The approval label which shall be submitted to and approved by the Bureau shall bear the seal of the Department of the Interior, Bureau of Mines, and be inscribed as follows:

PERMISSIBLE STEMMING DEVICE

Approval Number ----- issued to -----

(b) When required by the Bureau, appropriate words of caution must be added.

(c) A manufacturer who places the approval label on the stemming device must use all reasonable precautions to manufacture the stemming device to conform with the specified tolerances of the stemming device as approved, and is obligated to warn the user that the stemming device is permissible only when employed as specified in § 16.16.

§ 16.15 *List of permissible stemming devices.* The Bureau will maintain a list of permissible stemming devices which will be published from time to time.

§ 16.16 *Conditions under which stemming devices are to be used.* An approved stemming device is permissible only when used under the following conditions:

(a) The stemming device must be completely within the borehole and in physical contact with the explosive charge before the shot is fired.

(b) The stemming device must be of such a size as to fill tightly the cross section of the borehole when it is properly put into place.

(c) The explosive being stemmed must be classed as "permissible" and it must be used in the manner prescribed by the Bureau of Mines in Part 15 of this subchapter.

(d) Other conditions, which will be set down by the Bureau as appropriate to the particular stemming device, must be observed.

§ 16.17 *Field sampling.* The Bureau will, from time to time, collect and re-examine permissible stemming devices in order to determine whether they conform to the stemming device as approved. If the field sample fails to pass any of the tests described in § 16.10 or exceeds the established tolerances, the manufacturer will be so notified and required to take such steps as are necessary to make all future production conform to the approved specifications. In the event of failures of a nature deemed by the Bureau to present definite hazard in use of the stemming device, the Bureau may request that the manufacturer remove from the market and the field

any unused stemming devices of similar faulty nature.

§ 16.18 *Rescission of approval.* The Bureau reserves the right to rescind for cause at any time, any approval granted under this part. Upon such rescission the stemming device will be declared nonpermissible and will be removed from the list of permissible stemming devices.

Part 17—Blasting Devices

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AUTHORITY: §§ 17.1 to 17.20 issued under sec. 5, 36 Stat. 370, as amended, sec. 212, 66 Stat. 709; 30 U. S. C. 7, 482. Interpret or apply sec. 3, 36 Stat. 370, as amended; 30 U. S. C. 5.

SOURCE: §§ 17.1 to 17.20 contained in Schedule 26A, 20 F. R. 1696, Mar. 22, 1955.

§ 17.1 *Purpose.* The regulations in this part specify certain minimum safety standards and requirements for approval, by the Bureau of Mines, of blasting devices as permissible for use in coal mines. The use of blasting devices for dislodging coal in underground mines involves at least two possible hazards, namely:

(a) Ignition of methane-air and/or coal dust-air mixtures when the blasting device is operated.

(b) Emission of toxic gases, such as carbon monoxide, oxides of nitrogen, and hydrogen sulfide, when the blasting device is operated.

§ 17.2 *Definitions.* As used in this part, the following terms are defined:

(a) "Blasting device" is a unit used for breaking down coal involving a high-pressure discharge from a metal shell but does not include blasting devices whose operations depend upon pressures developed wholly by mechanical means.

(b) "Approval" is a written official notification by the Bureau of Mines, that, upon investigation, the blasting device has met satisfactorily the requirements of this part for use in coal mines. Reports of tests other than the complete series required for the determination of permissibility are not approvals and should not be construed as such.

(c) "Permissible" means conforming, when completely assembled, in every respect with the blasting device approved by the Bureau of Mines for use in coal mines.

(d) "Approved marking" is an identifying mark indicating that the blasting device has been approved by the Bureau of Mines as a permissible blasting device.

§ 17.3 *Application for tests.* Before the Bureau of Mines will make any tests leading to the approval of a blasting device or for a subsequent change in its design, the applicant must file a written request (no application form is provided by the Bureau) with a statement as to the nature of the blasting device to be tested, the composition of the active components, and any other pertinent information relating to the blasting device. The Bureau's engineers will review the application and decide whether or not the tests will be undertaken. The request for the making of tests must be addressed to the U. S. Bureau of Mines, Central Experiment Station, 4800 Forbes Street, Pittsburgh 13, Pennsylvania. Upon approval of the application, an application number will be assigned and instructions given regarding the fees required and method of shipment of materials. Upon receipt of this information the applicant should transmit to the address given in this section, a check, bank draft, or money order made payable to the Bureau of Mines to cover all fees for the tests.

§ 17.4 *Fees.* (a) The fee for complete tests leading to approval of a blasting device will be \$1,200. A deduction of \$200 will be made from the total charge when no special electrical tests are required. If the applicant withdraws the blasting device, or if the blasting device

falls to pass any of the tests prescribed in this part, the Bureau will charge the estimated cost, but not less than \$500 for the tests actually performed, and will return to the applicant the balance of the fee submitted. The fee for tests made in connection with changes in design of a previously approved blasting device will be the estimated cost for the tests as determined by the Bureau but not less than \$500.

(b) The fees covering individual tests will be as follows:

- (1) Chemical analysis, \$100.
- (2) Physical examination, \$60.
- (3) Gallery tests, per shot, \$12.
- (4) Pendulum friction, per sample, \$30.
- (5) Gaseous products, \$100.
- (6) Shell temperature test, \$80.
- (7) Electrical tests, \$200.

§ 17.5 *Drawings and specifications.* A set of drawings, bill of materials, and specifications sufficient in number and detail to identify fully the parts of the blasting device must accompany the application. Drawings shall be numbered and dated to facilitate identification and reference in the records. The drawings and specifications for blasting devices shall include an assembly drawing or drawings, clearly showing the over-all dimensions of the blasting device, tolerances, and character, size, and relative arrangement for all parts. The nature of the materials used in the assembly shall be specified on the drawings.

§ 17.6 *Shipment of blasting device sample.* Samples of the blasting device to be tested and all equipment necessary for charging and firing the blasting device, shall be shipped prepaid to the Bureau only after the Bureau has furnished shipping instructions specifying the quantities and mode of shipment of the materials.

CROSS REFERENCE: For regulations with respect to shipment of samples of explosives and explosive articles, see 49 CFR 73.86.

§ 17.7 *Place of investigation.* Tests on blasting devices will be made at the Bureau's Explosives Testing Station at Bruceeton, Pennsylvania, in the order of receipt of the blasting device, provided an application is on file.

§ 17.8 *Consultation.* Any potential applicant (or accredited representative thereof) may visit the Bureau of Mines' Central Experiment Station, Pittsburgh,

Pennsylvania, to discuss, without charge, blasting devices proposed to be submitted for investigation by the Bureau. Should preliminary tests appear advisable before submitting the blasting device for formal investigation, the Bureau may conduct such tests for the applicant with fees as prescribed in § 17.4.

§ 17.9 *Observers at formal investigations and demonstrations.* No one shall be present during any part of the formal investigation conducted by the Bureau which leads to approval for permissibility except the necessary Government personnel, representatives of the applicant, and such other persons as may be mutually agreed upon by the applicant and the Bureau. Upon granting approval for permissibility, the Bureau will announce that such approval has been granted to the blasting device and may thereafter conduct, from time to time in its discretion, public demonstrations of the tests conducted on the approved blasting device. Those who attend any part of the investigation, or any public demonstration, shall be present solely as observers; the conduct of the investigation and of any public demonstration shall be controlled wholly by the Bureau's personnel. Results of chemical analyses of material and all information contained in the drawing, specifications, and instructions shall be deemed confidential and their disclosure will be appropriately safeguarded by the Bureau.

§ 17.10 *Chemical and physical tests—*

(a) *Chemical tests.* Chemical tests will be made on any components of the blasting device which may be necessary to establish basic data.

(b) *Physical examination.* A physical examination will be made on the components of the blasting device and all dimensions will be checked against the submitted drawings and specifications.

(c) *Gallery tests—*(1) *Test 1.* Each assembly is discharged into a mixture of natural gas and air containing 8.0 ± 0.3 percent of the Bureau's standard natural gas, at a temperature of $25^\circ \pm 5^\circ$ C.

(2) *Test 4.* Each assembly is discharged into a mixture of natural gas and air containing 4.0 ± 0.2 percent of the Bureau's standard natural gas, at a temperature of $25^\circ \pm 5^\circ$ C., and there will also be 8 pounds of standard bituminous coal dust placed on shelves inside the gallery.

(d) *Pendulum friction test.* For any combustible components or mixtures used in the blasting device 10 trials are made with the steel shoe and, if necessary, with the hard fiber-faced shoe, dropped from a height of 1.5 meters (59 ins.) and with an added weight of 20 kilograms (44 lbs.).

(e) *Gaseous products.* The nature and quantity of gaseous products emitted by the assembled blasting device will be determined.

(f) *Shell temperature test.* The surface temperature of the blasting device will be determined after operating the blasting device under conditions which will produce a "hot shell", i. e., a shell in which the hot gases are trapped and not released.

(g) *Additional tests.* Additional tests will be made if it is determined by the Bureau of Mines that they are necessary to establish the safety of the blasting device.

§ 17.11 *Requirements for approval of permissible blasting devices—*(a) *Gallery tests.* Each assembly of a blasting device must pass without a single ignition, test 1 (35 trials) and test 4 (15 trials) in the gallery.

(b) *Pendulum friction test.* All components thought to constitute an explosive hazard will be tested and such components tested must not show in any trial with the hard fiber-faced shoe on the pendulum friction device a result more unfavorable than an almost indistinguishable local crackling.

(c) *Gaseous products of explosion.* The volume of poisonous gases produced by a blasting device must not exceed 140 liters per shell as determined in the Crawshaw-Jones apparatus.

(d) *Shell temperature test.* The maximum surface temperature attained after operating the blasting device as a "hot shell" shall not exceed 350° C.

(e) *Tests on electrical parts.* If the blasting device is so designed that it cannot be discharged except with a specially designed electric power supply unit made expressly for that purpose, that power supply unit must meet the applicable requirements of the Bureau of Mines set forth in Parts 18, 24, and 25 of this chapter.

(f) *Misfires.* Approval will not be granted if the blasting device fails to function or misfires in a manner which

is deemed to be unsafe by the Bureau of Mines.

§ 17.12 *Change in design.* Special authorization from the Bureau of Mines must be obtained before the manufacturer makes a change in the design or in the components of an approved blasting device.

§ 17.13 *Notification of approval or disapproval.* After the Bureau of Mines has completed the investigation of a blasting device, a written report covering approval or disapproval of the blasting device will be sent to the applicant. Approval of the blasting device requires that it will be used in conformity with the conditions specified in § 17.16 and any other specific conditions required for handling the blasting device which may be stated in the report.

§ 17.14 *Release of test data.* All test data regarding the chemical characteristics of any components of the blasting device are deemed confidential between the Bureau of Mines and the applicant and will not be publicly released.

§ 17.15 *List of permissible blasting devices.* The Bureau will maintain a list of permissible blasting devices which will be published from time to time so that interested parties may have information regarding blasting devices which have passed the permissibility tests of the Bureau of Mines.

§ 17.16 *Conditions under which a permissible blasting device is to be used.* A blasting device is permissible only when used under the following conditions:

(a) The blasting device must conform to the specifications for the model as originally approved.

(b) The blasting device must not be discharged in the presence of firedamp that can be detected with a permissible flame safety lamp.

(c) The electrical unit used to fire the blasting device must be suitable for the purpose and meet the Bureau of Mines' requirements applicable to that particular type of unit. The unit must also be used in a manner prescribed by the Bureau.

(d) The blasting device must not be fired until everyone is a safe distance from the shot and protected by adequate cover, having one and, if possible, two right angles between them and the blast.

(e) The coal to be blasted must be undercut or equivalently relieved; the length of shot holes must be at least 6 inches less than the depth of the undercut or equivalent relief; and the shot shall be at least 6 inches away from the side of undercut or equivalent relief.

(f) No blasting device shall be assembled or disassembled in a mine unless such permission is stated in the original approval.

(g) A misfired blasting device may not be opened in the mine unless an exception to this section is included as part of the approval for each specific blasting device. The conditions which constitute a misfire will be specified in the original approval.

(h) A waiting period of 15 minutes shall be required before any personnel is allowed to return to the face after a misfire has occurred.

(i) The blasting device must be used in conformance with all applicable regulations specified in the current edition of the Federal Mine Safety Code.

(j) Other conditions, which will be set down by the Bureau as appropriate to the particular blasting device tested, must be observed.

§ 17.17 *Tolerances and requirements as applied to field samples.* The Bureau will periodically collect and re-examine permissible blasting devices in order to determine whether they conform to the specifications for the blasting device as originally approved and subject to the following tolerances:

(a) *Chemical analysis*—(1) *Moisture.* The tolerances for moisture shall be in accordance with those shown in Table 1 of this section.

TABLE 1—LIMIT OF VARIATION (PERCENTAGE OF TOTAL CHEMICAL COMPONENTS) FOR VARIOUS QUANTITIES OF MOISTURE

Quantity of moisture		Limit of variation
From—	To—	
<i>Percent</i>	<i>Percent</i>	<i>Percent (±)</i>
0.0	1.0	1.8
1.1	2.0	2.0
2.1	3.0	2.2
3.1	4.0	2.4
4.1	and up	2.6

(2) *Carbonaceous combustible material.* The tolerance shall be ±3 percent of total chemical components.

(3) *Other ingredients or their equivalents.* For ingredients in quantities of 55.1 percent or more, the tolerance shall be ± 3 percent of the total chemical components. For ingredients in quantities not exceeding 55 percent, the tolerance shall be in accordance with those shown in Table 2 of this section.

TABLE 2—LIMIT OF VARIATION (PERCENTAGE OF TOTAL CHEMICAL COMPONENTS) FOR VARIOUS QUANTITIES OF INGREDIENT

Quantity of ingredient		Limit of variation
From—	To—	
Percent	Percent	Percent (\pm)
0.0	5.0	1.2
5.1	10.0	1.5
10.1	20.0	1.7
20.1	30.0	2.0
30.1	40.0	2.3
40.1	50.0	2.5
50.1	55.0	2.8

(b) *Physical tests of field samples—*
 (1) *Poisonous gases.* The volume of poisonous gases must not exceed 140 liters per shell.

(2) *Grams of wrapper.* For those blasting devices containing combustible materials as wrapper for any of the components, the tolerance shall be ± 2 grams per 100 grams of the component based on that shown for the approved design.

(3) *Weight of chemical components.* The weight of the chemical components in the blasting device shall be ± 10 percent of that shown by the basic sample weight.

(4) *Gallery test 1.* The blasting device must pass gallery test 1 (20 trials) using the normal charge.

(5) *Gallery test 4.* The blasting device must pass gallery test 4 (10 trials) using the normal charge.

(6) *Pendulum friction test.* Any chemical component must pass with the hard fiber-faced shoe falling from a height of 1.5 meters and with an added weight of 20 kilograms (44 lbs.).

(7) *Temperature.* The maximum temperature attained by a hot shell must not exceed 350° C.

(8) *Conformance with basic data.* The blasting device and all special equipment required for its use must conform to the basic data.

§ 17.18 *Field sample failures.* If the blasting device fails to pass any retests specified in § 17.17 (b) (1), (4), (5), (6) and (7), the manufacturer will be so notified. As soon as he has been so notified the manufacturer (a) shall promptly withdraw from the market all components specified by the Bureau and (b) shall manufacture components in conformity with the basic specifications.

§ 17.19 *Variances from prescribed tolerance.* Variance on field sample tests from tolerances specified in § 17.17 (a) and (b) (2) and (3) do not directly affect permissibility of the blasting device, but the manufacturer will be notified; he is then obligated to modify his formulation of future blasting devices to bring the blasting device within the prescribed limits and to keep it within such limits.

§ 17.20 *Rescission of approval.* The Bureau reserves the right to rescind for cause, at any time, any approval granted under this part. Upon such rescission the blasting device will be declared non-permissible and will be removed from the list of permissible blasting devices.

SUBCHAPTER D—ELECTRICAL EQUIPMENT, LAMPS, METHANE DETECTORS; TESTS FOR PERMISSIBILITY; FEES

Part 18—Electric Motor-Driven Mine Equipment, Junction Boxes and Other Accessory Equipment

Subpart A—Normal Investigation Procedures

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- 18.11 Classification of parts.
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Subpart B—Experimental Electric Face Equipment in Gassy Mines

- 18.50 General.
- 18.51 Permit.
- 18.52 Application for permit.
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- Sec.
- 18.54 Drawings and specifications required.
- 18.55 Constructional requirements.
- 18.56 Final inspection.
- 18.57 Issuance of permit.
- 18.58 Duration of permit.
- 18.59 Permit label.
- 18.60 Withdrawal of permit.

AUTHORITY: §§ 18.0 to 18.60 issued under sec. 5, 36 Stat. 370, as amended, sec. 212, 66 Stat. 709; 30 U. S. C. 7, 482. Interpret or apply secs. 2, 3, 36 Stat. 370, as amended, secs. 201, 209, 66 Stat. 692, 703; 30 U. S. C. 3, 5, 471, 479.

SOURCE: §§ 18.0 to 18.60 appear at 20 F. R. 5712, Aug. 9, 1955, except as otherwise noted.

SUBPART A—NORMAL INVESTIGATION PROCEDURES

§ 18.0 *General.* This subpart is prescribed pursuant to, and must be complied with in accordance with, the requirements of the Federal Coal Mine Safety Act.

§ 18.1 *Definitions.* As used in this part, the following terms have the meanings indicated:

Approval. Official written notification issued by the Bureau of Mines stating that the equipment complies with the regulations in this part for use in gassy and dusty mines.

Branch circuit. Parallel circuit, such as for headlight or drill, connected to the main circuit in a machine.

Certification. Official written notification issued by the Bureau of Mines stating that an electrical component complies with the requirements for explosion-proof construction and therefore is suitable for assembly as part of permissible equipment.

Connection box. Enclosure mounted on a machine to facilitate wiring of the machine without the use of permanent splices.

Distribution box. Portable enclosure in which one or more trailing cables from permissible machines may be connected to a common source of electrical energy.

Explosion-proof. Capable of withstanding internal explosions of methane-air mixtures without ignition of surrounding explosive methane-air mixtures and without damage to the enclosure or discharge of flame.

Incendive spark. An electric spark of sufficient intensity to ignite flammable methane-air mixtures.

Junction box. Stationary mounted enclosure by means of which one or more cables from permissible machines may be connected to a fixed (stationary) circuit.

Mobile equipment. Equipment which is self-propelled.

Normal operation. The performance of those functions for which the part was designed.

Permissible equipment. Completely assembled equipment to which an approval plate, label, or other device is attached as authorized by the Director of the Bureau of Mines under section 212 (a), Federal Coal Mine Safety Act (66 Stat. 692; 39 U. S. C. secs. 451-483).

Permit. A special written certificate of authorization prescribing the conditions under which a machine built or purchased for experimental purposes may be operated in a gassy mine.

Portable cable. A flexible cable or cord by means of which portable, semiportable, and mobile mine equipment may be connected to a source of electrical energy.

Portable equipment. Equipment that may be moved frequently and therefore constructed or mounted so as to facilitate moving it from place to place.

Pressure-piling. Abnormal explosion pressures resulting from the ignition of an explosive mixture that has been pre-compressed.

Semiportable equipment. Equipment that is moved infrequently and therefore not constructed or mounted for ready movement from place to place.

Splice box. Enclosure by means of which trailing cable sections may be joined within an explosion-proof housing.

Terminal box. Enclosure used to house the terminals on a motor, controller, rheostat, or other electrical part so that connections can be made conveniently to external circuits

§ 18.2 **Consultation.** By appointment, manufacturers, engineers, or their representatives may visit the Bureau's Central Experiment Station, 4800 Forbes Street, Pittsburgh 13, Pennsylvania, to obtain criticisms of proposed designs or to discuss the requirements of the regulations in this part in connection with equipment to be submitted. No charge is made for such consultations.

§ 18.3 **Fees charged.**

- (a) For detailed inspection of each explosion-proof enclosure..... **\$45.00**
NOTE: When the enclosure is of such nature that only a nominal amount of work is involved in the inspection, only half of this fee will be charged.
- (b) For explosion test of each explosion-proof enclosure..... **35.00**
NOTE: When the explosion-proof qualities of an enclosure can be satisfactorily demonstrated in less than 20 tests, only half of this fee will be charged.
- (c) For each series of tests necessary to prove the adequacy of electrical clearances and insulation durability, or ventilation of each enclosure..... **40.00**
- (d) For each inspection made at the factory or elsewhere..... **35.00**
- (e) Tests of portable cable.
 - (i) Damage-resistance tests (complete official test)..... **35.00**
 - (ii) Development tests to determine resistance to damage by mine car running over cable will be charged for at the rate of \$2.50 for each five runs over the cable, with a minimum charge of \$5.00.
 - (iii) Flame-resistance tests (complete official test).... **15.00**
 - (iv) Development flame-resistance tests will be charged for at the rate of \$3.00 per test sample, with a minimum charge of \$6.00.
- (f) For the examination and recording of all the necessary drawings and specifications preparatory to issuing an approval.... **40.00**
- (g) For the examination and recording of drawings and specifications for each investigation of a motor, starter, and other individual explosion-proof unit considered independently of a complete machine assembly... **20.00**
- (h) For the examination and recording of drawings and specifications necessitated in consideration of changes subsequent to the initial investigation, a charge of \$40.00 will be made. However, if only a nominal amount of work is involved, the fee will be \$15.00.
- (i) No charge will be made for inspections and tests made solely for the Bureau's information.

¹In addition, the company shall pay the inspector's traveling expenses and subsistence as allowed by standard Government travel regulations.

Any sums deposited in excess of the fees charged pursuant to the fees specified in this section will be refunded.

§ 18.4 *Application for approval of equipment.*³ Before the Bureau of Mines will undertake the active investigation leading to approval of any equipment, the manufacturer or assembler shall make application by letter for an investigation of that equipment. This application in duplicate, accompanied by a check, bank draft, or money order payable to the U. S. Bureau of Mines to cover all necessary fees, shall be sent to the Central Experiment Station, Bureau of Mines, 4800 Forbes Street, Pittsburgh 13, Pennsylvania, together with drawings and specifications as prescribed in § 18.5.

§ 18.5 *Drawings and specifications required.* (a) The drawings and specifications shall be sufficient in number and detail to identify the design fully. Drawings must be numbered and dated to facilitate identification and reference in the records. The complete rating of each motor, and the setting of overload protective devices and the capacity of all fuses, shall be specified.

(b) An assembler who does not make the electrical parts for his machine shall submit a lay-out drawing (see figure 1) together with the following information, either on the drawing or attached thereto: (1) Each motor, controller, other electrical parts, and the wiring between them including conduit protection, (2) the rating of each motor, (3) the flame-resistant portable cable, including gage of conductors, range of length, type (two-conductor round type G, flat twin type G, etc.), and (4) protection for the portable cable, such as circuit breaker rating, make, and current rating of trolley tap fuses (attachments for return conductor and frame ground conductor should be included). In addition, he shall submit the following information where applicable: (5) The current setting of overload relays and circuit breakers, and current rating of fuses, (6) details of insulated strain clamp for

portable cable if supplied by the assembler, (7) a connection or wiring diagram if necessary to specify connections, (8) any other detail information necessary to specify properly essential features of the assembly. Specific identification of the parts must be given (by style number, drawing-list number, mechanical specification number or other data) so that they can be identified in the Bureau's records as having been investigated. A factory inspection sheet similar to the Sample Factory Inspection Sheet shown in § 18.6 must be prepared by the assembler for his use to assure that a proper inspection is made before an approval plate is attached to the machine.

(c) A manufacturer who makes accessory parts of a machine shall furnish, in addition to the material and information listed in paragraph (b) of this section, the following material and information:

(1) A drawing or drawings that shall specify the material and detailed dimensions of all parts (i) that make up explosion-proof enclosures made by him for units included under Class 1 (see § 18.11) and (ii) that form any portion of the joints through which flames might escape. Upon request, the manufacturer shall specify the material and dimensions for such other parts as the Bureau considers necessary for proper record.

(2) Any other drawings found necessary to identify or explain any feature that has to be considered in determining whether a machine or parts thereof meet the requirements. For example, when a motor has a bearing of complex flame-path construction, the drawings should include a section through the bearing to show the relative position of each part in the assembly.

(3) A wiring diagram.

(4) If the drawings do not clearly indicate the purpose and functioning of electrical interlocks and special features in automatic or remote-control circuits, a description explaining their purpose shall be furnished.

(d) The following exception is made concerning the type of drawings required for squirrel-cage induction motors:⁴ In lieu of furnishing individ-

³The submission by or on behalf of a manufacturer or assembler of any type of apparatus for test implies acceptance by him of all the terms and conditions set forth in this part.

⁴Equipment for foreign shipment must meet the same requirements as that for domestic shipment.

⁴The reason for limiting the exception to squirrel-cage induction motors is that this type of motor is nonsparking in normal operation.

MOTOR
 — Frame No. 53-explosion-tested, 5 hp. 230 volts d. c. 1,150 r. p. m.
 Identification _____

STARTER
 Explosion-tested magnetic starter.
 Identification _____

TRAILING CABLE
 No. 6 two-conductor type G flame-resistant portable cable 25' to 500' long.

Trolley tap. _____ Rail hook. _____
 Fused to 7 amps. for 230 volts.
 If fused trolley tap is not used, any connection and wiring to the outer end of the cable shall be made in accordance with recognized standards of safety. The cable or circuit to the machine must have adequate fuse or other automatic circuit protection. Unless connection is in pure intake air, the trailing cable shall be connected by means provided on permissible equipment.

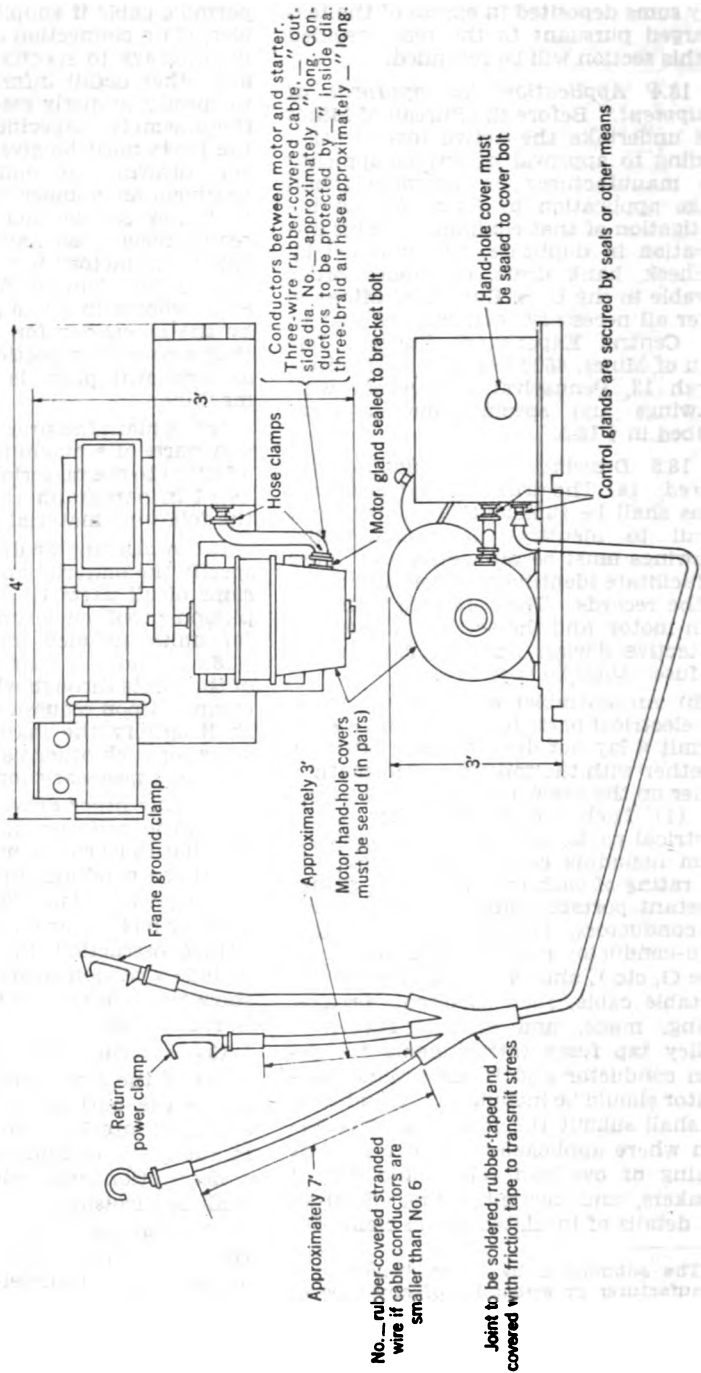


FIGURE 1—Layout drawing for ----- Manufacturing Co.

ual detailed shop drawings, the motor manufacturer may, if he wishes, supply one or more "skeleton" drawings for official record, giving essential information concerning the materials of which the parts are made, as well as dimensions and clearances at all flame paths, such as joints, bearings, and cable entrances, for the motor and its conduit box. If full detailed dimensions are not given for all parts, this drawing (or drawings) may show the assembled motor in section, but the section or sections must show the parts in their correct proportions and location with respect to each other. A skeleton drawing shall not cover more than one motor-frame diameter. Information covering the ratings, range of voltages, speeds, and frequencies for which the motor will be available in this frame should be included on the skeleton drawing. Each frame shall have a suitable designation for purposes of reference and identification. In addition to the foregoing, detailed shop drawings will be required in connection with the

initial inspection of a given motor. Such drawings will be used in making the inspection and will serve as a guide in determining whether sufficient information is given by the skeleton drawings. These detail drawings will not be officially listed or recorded.

(e) The Bureau reserves the right to make periodic factory inspections of motors submitted pursuant to this paragraph, for which listed charges will be made.

§ 18.6 *Factory inspection forms.* Every manufacturer shall furnish to the Bureau a copy of the form that will be used by him in the inspection of assembled equipment at the factory. This form shall draw special attention to the wiring as well as to features that must be observed in order to make certain that explosion-proof enclosures are complete in all respects and agree with drawings filed with the Bureau. The following sample form may be used as a guide in drafting one suited to a particular machine:

SAMPLE FACTORY INSPECTION SHEET

Date ----- Unit serial No. ----- Motor make, type, and frame -----
 Motor serial No. ----- Hp. ----- Speed ----- Voltage ----- Motor wound -----
 Model or drawing list No. ----- Starter make and type -----
 Starter hp. ----- Starter voltage ----- Drawing list ----- Overload setting -----
 Short circuit ----- Portable cable length ----- Size ----- Make -----
 No. of conductors ----- Conductor markings (+) ----- (-) -----
 Ground ----- Are motor covers wired and sealed? (or padlocked?) -----
 Is motor gland packed with at least ½ inch of packing along cable when compressed? -----
 Is motor gland secured against loosening? -----
 Are lock washers in place on all bracket bolts? -----
 Are lock washers in place on retaining-plate bolts? -----
 Are lock washers in place on pole-piece bolts? -----
 Do end brackets fit tightly against frame? -----
 Are there any openings into the interior of the motor? -----
 Is air-hose conduit in good condition? -----
 Is air-hose conduit securely clamped to motor packing gland? -----
 Is air-hose conduit clamped to base securely? -----
 Is air-hose conduit clamped securely to starter packing gland? -----
 Is starter motor-cable gland properly packed? -----
 Is starter motor-cable gland secured against loosening? -----
 Is starter portable-cable gland properly packed? -----
 Is starter portable-cable gland secured against loosening? -----
 Are stuffing boxes for starter-, motor-, and portable-cable glands secured against loosening? -----
 How? ----- By headless set screw? -----
 By fillister head screw? ----- By brazing or welding? -----
 Are motor-cable connections in starter tight? -----
 Are the portable-cable connections in starter tight? -----
 If used, is ground connection in starter tight? -----
 Is positive conductor in portable cable connected to positive side of starter? -----
 Is negative conductor in portable cable connected to negative side of starter? -----
 Is ground conductor (if used) properly connected? -----
 Is starter portable-cable-gland strain clamp properly insulated? -----
 Does starter portable-cable-gland strain clamp hold cable firmly so as to prevent strain on terminals? -----

SAMPLE FACTORY INSPECTION SHEET—continued

Are lock washers in place on all cover bolts? -----
 Is cover-to-box flange joint tight? -----
 What size feeler can be inserted in joint (if any)? -----
 Is ungrounded power () conductor in portable cable connected to trolley tap? -----
 Is grounded power () conductor in portable cable connected to ground clamp? -----
 Is frame ground () conductor (if present) of portable cable connected to ground clamp? ----- Trolley tap make and type -----
 Fuse for trolley tap make, type, and rating -----
 Ground clamps make and type -----
 Are there any through holes into the starter compartment? -----
 Does the trailing cable pass over sharp corners or edges on machine? -----
 Is trailing cable liable to sharp bends or kinks at the machine? -----
 Does motor-to-starter conduit pass over sharp corners or edges? -----
 Is motor-to-starter conduit liable to injury from moving parts? -----

§ 18.7 *Material required for investigation.* (a) It is not necessary to ship a completely assembled machine for the purpose of inspection and test when approval is desired. Gearing and mechanical parts, unless needed to complete explosion-proof enclosures, may be omitted. Only one motor, controller, rheostat, or other electrical unit of a given size and design need be shipped to the Central Experiment Station.

(b) When the design necessitates the setting of tolerances to assure satisfactory running fits or safety of joints in explosion-proof casings, the parts submitted for test shall, if feasible, have the tolerances that give the maximum opening at the joints. Where a wide margin of tolerances (over 0.005 inch) is considered necessary by the manufacturer, the Bureau reserves the right to require test of a part under the conditions of maximum tolerance that the manufacturer wishes to use.

(c) Pinion pullers and any other special tools needed in disassembling any parts for inspection or test shall be furnished with the equipment submitted.

§ 18.8 *Shipments.* (a) The manufacturer shall arrange for, and prepay all costs of shipments of material to the Central Experiment station, Bureau of Mines, 4800 Forbes Street, Pittsburgh 13, Pennsylvania. He shall also arrange for, and assume all costs of crating and removal of parts upon completion of the investigation.

(b) Unless instructed to the contrary, manufacturers may ship parts to the Bureau for inspection and test immediately after filing application. Inspection and test usually are undertaken in the order of receipt of parts, provided that the application, fees, and drawings have been received.

§ 18.9 *Assistance required during investigations.* When requested to do so, the manufacturer shall provide a man to assist in disassembling parts for inspection and to prepare them for test by drilling and tapping them for pipe connections. He shall also assist in mounting and connecting the parts for test.

§ 18.10 *Observers at formal investigations and demonstrations.* No one shall be present during any part of the formal investigation conducted by the Bureau which leads to approval for permissibility except the necessary Government personnel, representatives of the applicant, and such other persons as may be mutually agreed upon by the applicant and the Bureau. Upon granting approval for permissibility, the Bureau will announce that such approval has been granted to the device and may thereafter conduct, from time to time in its discretion, public demonstrations of the tests conducted on the approved device. Those who attend any part of the investigation, or any public demonstration, shall be present solely as observers; the conduct of the investigation and of any public demonstration shall be controlled wholly by the Bureau's personnel. Results of chemical analyses of material and all information contained in the drawings, specifications, and instructions shall be deemed confidential and their disclosure will be appropriately safeguarded by the Bureau.

§ 18.11 *Classification of parts.* The electrical parts of a machine that may cause ignition of mine gas or coal dust are divided into three classes. These classes, together with the general type of enclosure that must be provided for the purpose of preventing ignitions, are as follows:

(a) *Class 1.* Class 1 shall include motors, controllers, fuses, switches, contactors, and all other parts that may produce sparks or flashes as the result of normal operation. Headlights, meters, rheostats, electromagnets, squirrel-cage-type induction motors, and similar parts which may become dangerous because of failure of electrical circuits in them are also included in this class. Explosion-proof casings shall be used to enclose this class of parts.

(b) *Class 2.* Class 2 shall include all parts, such as batteries, interlocked plugs and receptacles, external connections, and wiring between enclosures, that do not produce sparks or flashes as the result of normal operation but may do so as the result of accident. Such connections and wiring shall have adequate shields or guards of strength and character proportionate to the risk of injury, or else they shall be enclosed in explosion-proof casings.

(c) *Class 3.* Class 3 shall include all parts, such as disconnecting switches, and non-interlocked plugs and receptacles, that may produce sparks or flashes in normal operation but are not of necessity operated while the equipment is in a gassy place. Such parts shall be enclosed in explosion-proof or adequately locked casings. If locked casings are used, they shall have adequate mechanical strength.

§ 18.12 *Operating voltage of equipment.* No hand-held drill or other small portable apparatus intended to be held in the hands or supported against the body while in use will be approved for potentials above 250 volts, direct current, or 220 volts, alternating current; however, approvals may be granted for certain other machines if the operating potential does not exceed 550 volts at the motor terminals of direct-current machines or 650 volts at the motor terminals of alternating-current machines.

§ 18.13 *Switches.* (a) Every machine including battery-operated equipment shall have a main service switch or its equivalent, such as line contactors or circuit breakers, by means of which all power conductors can be opened. This service switch shall be designed and constructed so that it can be operated readily from the machine either directly or by remote control. It shall be capable of interrupting operating overloads up to values at which the fuses or other automatic circuit-interrupting devices

protecting the machine actually open the circuit, without grounding or destructive arcing. A manually operated controller is not acceptable as a service switch except that for small motors (with a continuous rating not exceeding 5 hp. or an intermittent rating of not more than 10 hp.), a suitable controller and protective device combined will be considered. When a controller is accepted as a service switch, it must open all power conductors.

(b) When it is not practical to mount the service switch on the machine proper, a switch suitably mounted on a cable reel truck or a skid may be accepted, provided not more than 75 feet of cable is used to connect the switch to the machine. It is recommended that the length of cable be kept to 50 feet or less.

(c) A separate switch or switches shall be provided for headlights and floodlights so that, if lenses are broken, it will be possible to open all conductors of the circuit to each damaged unit, unless the circuit can be opened without hazard by the removal of interlocked headlight fuses.

(d) Post drills, hand-held drills, and portable blowers shall be provided with a switch at the motor, with one pole for each power conductor of the portable cable.

(e) Locomotives designed to operate on either trolley or cable shall be provided with a transfer switch or its equivalent which inherently prevents energizing one from the other. This switch shall be so connected that there will be no electrical connection to the locomotive frame when the cable is energized. When a locomotive is equipped with two trolley poles, a switch or its equivalent shall be provided so that connection and disconnection of circuits to the poles can be accomplished without hazard.

(f) Belt conveyors shall be equipped with control switches to automatically stop the driving motor in the event that the belt is stopped or abnormally slowed down by slipping on the driving pulley, breakage, or other accident. An adequate device shall be provided to prevent slope belts from overspeeding.

§ 18.14 *Overcurrent protection of circuits and equipment.* (a) The portable cable for every machine shall be protected by a circuit breaker or other automatic circuit-interrupting device of

suitable capacity in each ungrounded conductor.

(b) An automatic circuit-interrupting device shall be placed at every point where there is a reduction in the size of wire to protect the small wire, unless the protection of the larger wire also protects the smaller one.

(c) Circuit breakers or other automatic circuit-interrupting devices shall be inserted in each conductor at the point where branch circuits are connected to the main circuits on a machine if the branch circuit conductors have a current carrying capacity of less than 50 percent of the main conductors. For headlight and control circuits, this requirement is to be construed as meaning that each conductor having a current carrying capacity of less than 50 percent of the main to which it connects must be protected by a fuse or its equivalent at the point of connection. Any circuit which is entirely self-contained in an explosion-proof enclosure shall be exempt from this requirement.

(d) Every wire and cable leaving the battery box of storage-battery-operated equipment shall have protection placed as close as practicable to the battery terminal to which the wire or cable is connected.

(e) Every motor shall be protected by an automatic circuit-interrupting device. If more than one motor is employed on a machine, each motor should have individual overload protection; however, in some instances, more than one motor may be grouped under one protective device if the motors perform the same function on a machine or if their size and duty permit reasonable protection. For direct-current machines to be operated on grounded systems and having two or more motors of unequal rating, the largest motor of the group may be protected by a protective device in the ungrounded line only. Protective devices may be required in both lines for the small motor. An additional protective device may be used in the grounded line to the largest motor if the functioning of this device will cause both lines to open. Protective devices that do not give short-circuit protection shall be supplemented by a fuse, instantaneous operating relay, or equivalent connected in the ungrounded line. (A trolley tap fuse is not considered to fulfill this re-

quirement.) If protection is not inserted in the grounded line, particular attention shall be given to marking the polarity at terminals or to other means of minimizing the possibility of reversing connections that would change the protection to the grounded line.

(f) For 3-phase alternating current, each of the three lines shall be provided with a fuse or with an automatic circuit breaker of such design that the opening of one phase will cause the other two phases to open. (Overload relays in two phases may be accepted if a line fuse is used in the third phase.)

(g) The interrupting capacity of contactors and automatic circuit breakers used to protect both alternating- and direct-current equipment shall be adequate for the service intended. The Bureau reserves the right to test contactors and circuit breakers when their adequacy is in question. (See § 18.28.)

(h) The functioning of main protective devices other than fuses shall open each pole of the contactors or circuit breakers in the main conductors, and these devices shall be arranged to permit resetting without opening the compartment in which they are enclosed. Reset mechanisms shall not prevent the proper functioning of circuit-interrupting devices designed to give short-circuit protection. Overload relays that do not give short-circuit protection may be used if fuses or equivalent are inserted in the same conductors with them.

§ 18.15 *Fuses and switches to be interlocked.* . (a) Main fuses and also fuses protecting branch circuits other than headlight and control circuits shall be interlocked with a switch or circuit breaker to permit quick and convenient renewal of fuses without introducing the hazard of igniting methane or coal dust. Fuses on small machines, such as handheld drills and portable blowers, when enclosed in locked or sealed explosion-proof compartments, may be exempted from the requirements for an interlock, provided they can be renewed conveniently.

(b) Multiple fuses arranged to be successively inserted in circuit may be construed as meeting this requirement for main fuses if enclosed in locked or sealed explosion-proof compartments on storage-battery-operated equipment.

§ 18.16 *Conductors, conduits, and wiring.* (a) Every conductor shall have adequate insulation from ground and from conductors of opposite polarity.

(b) All conductors shall have a current-carrying capacity adequate for the intended duty.

(c) All wiring, particularly that outside of locked or explosion-proof enclosures, shall have adequate mechanical and electrical protection. If rigid conduit is unsuitable or undesirable for any reason, a good grade of rubber air hose or equivalent may be construed as meeting the requirement for mechanical protection. Flexible metal conduit is not acceptable. All conduit ends must be adequately clamped or otherwise secured to prevent their being pulled out. Rubber hose ends should have inserts or special fittings to insure positive fastening. Cables exceeding 25 feet in length for remote-control circuits may be exempted from the requirement of conduit protection, providing these circuits are energized from a source that will not give an incendive spark or are constructed in accordance with the last part of table 1, § 18.24 (a) (7) (i) (d). The conductors of such cables with conduit protection shall not be less than No. 16 for two-conductor or less than No. 18 for three-conductor cables, and 600-volt all-rubber or equivalent insulation shall be used in their construction.

(d) Sharp edges and corners shall be removed at all points where there is a possibility of damaging the insulation of wires, cables, or conduits by cutting or abrasion.

(e) Wiring and conduits on machines shall be well cleated or otherwise held to prevent rubbing against moving parts and to minimize vibration or displacement. Conduits on machines should be placed where they will not be subjected to damage by falling materials, by tools and material carried on the machines, or by derailments. Conduit runs should be as short and direct as is consistent with adequate mechanical protection. Wires and cables that are not resistant to water and oil shall be protected from damage by water, oil, and grease.

(f) The ends of wires and cables shall be held or clamped in a manner that will minimize the possibility of the ends coming loose from their connections and swinging against the sides of enclosing

casings or against parts of opposite polarity.

§ 18.17 *Connection boxes on machines.* When it is not feasible to wire a machine without providing joints in the conductors between parts, such joints are permitted: *Provided*, That suitable connectors adequately insulated and securely held are used. Connection boxes or their equivalent shall be used to give adequate shielding against mechanical injury to the connections. It is recommended that explosion-proof enclosures be provided for this purpose. A connection box will be acceptable where it would facilitate renewal of portable cables without opening less-accessible explosion-proof casings.

§ 18.18 *Protection against external arcs and sparks.* (a) The frames of motors, their control equipment, and associated electrical parts shall be electrically connected, preferably through the base or frame of the machine which the motor or motors operate. When the controller or starting device is not mounted on the base of the machine, the requirement for connection will be satisfied by an additional conductor in the connecting cable or by a rigid metal conduit electrically continuous throughout its length, which connects the casing of the controller or starter with the frame of the motor.

(b) The frames of mining machines regularly transported on separate trucks shall be electrically connected to the truck frames if power connections are made to the trucks. If power connections are not made to the trucks, the provisions shall be the same as for other machines not transported on separate trucks.

(c) Frames of longwall machines that use a junction box or its equivalent shall be electrically connected to the latter by a separate conductor in the portable cable.

(d) Junction boxes shall be provided with adequate means for maintaining their cases at ground potential.

(e) Distribution-box cases shall be maintained at ground potential and the frames of machines receiving power from distribution boxes shall be electrically connected thereto by an additional conductor in the connecting cables.

(f) Push-button enclosures not mounted on the frames of machines or on control equipment shall be electrically connected to the latter frames unless the source of supply will not give an incendive spark, or unless the stations are to be mounted on a separate grounded support. In the latter case the electrical connection should not be used.

(g) Cover bolts and other fastenings needed to maintain tight joints in explosion-proof enclosures shall not be used to hold electrical connections or terminals.

(h) The size of a conductor used to maintain machine frames at ground potential shall be determined in accordance with the following:

(1) Belts used for power transmission is No. 6 or larger, the cross-sectional area of the additional conductor shall not be less than 50 percent of that of the power conductor, except that in no case shall the additional conductor be less than No. 8.

(2) If the size of the power conductor is smaller than No. 6, the cross-sectional area of the additional conductor shall not be less than that of the power conductor.

(3) Where a ground fault trip is used, the size of the additional conductor may be less than under subparagraph (1) of this paragraph if necessary but not less than No. 8.

(i) Belts used for power transmission shall not give rise to static-electric sparks.

[20 F. R. 5712, Aug. 9, 1955, as amended by Schedule 2F, 23 F. R. 947, Feb. 13, 1958]

§ 18.19 *Electrical clearances and insulation.* (a) The clearances between live parts and casings shall be such as to minimize the possibility of arcs striking to the casings, or if space is limited, the casings shall be lined with adequate insulation. This requirement applies especially to switches and controllers.

(b) Phenolic and other insulating materials that give off highly explosive gases when decomposed electrically should not be placed within explosion-proof enclosures where they might be subjected to destructive electrical action.

§ 18.20 *Portable cables.* (a) Every machine operated from an external source of power shall have a portable

cable of adequate length and current-carrying capacity. The length shall not exceed 500 feet. This cable shall have an outer sheath of rubber or equivalent material that is highly resistant to pulling apart, abrasion, moisture, and flame. The cable shall meet the flame-resistance test outlined in § 18.30. The conductors shall have high-grade insulation of rubber or its equivalent. The use of colored insulation or other suitable markers is recommended for identifying individual conductors to facilitate proper connections and splicing according to polarity. The number of conductors in the portable cable should be kept to the minimum necessary for feasible operation of the machine. The portable cable for locomotives and track-mounted equipment shall contain not less than two power conductors. The size of power conductors in portable cable shall not be smaller than No. 14.

(b) Suitable provisions shall be made to facilitate disconnection of portable cable quickly and conveniently for replacement.

(c) Portable cables shall be sectionalized only with approved devices: *Provided, however,* That sectionalizing connectors used outby the last open crosscut need not be approved but shall be clamped or otherwise held together to prevent accidental separation.

(d) The portable cable shall be held firmly by means of an adequate insulated clamp or by other equally suitable means for eliminating strain upon the terminal connections. The cable entrance and fastenings shall be so designed and arranged as to prevent short bends in the cable and mechanical injury to its insulation. These requirements are of particular importance in connection with drills and equipment employing cables with conductors smaller in size than No. 6. If the speed and conditions of operation are likely to cause jerking on cables, the Bureau reserves the right to require means for relieving the stress on the cables.

(e) When a portable cable has conductors smaller than No. 6 and the conductors are separated to make connection to a power supply, a rubber-sheathed or equivalent single-conductor cable of not less than No. 6 gage shall be spliced to each conductor of the portable cable at

the point of separation. The splice should be adequate both electrically and mechanically. It is recommended that such splices be vulcanized.

(f) Portable cables shall have adequate mechanical strength to resist pulling apart in service. The conductor size for shuttle car and locomotive service shall not be less than No. 4 A. W. G.

§ 18.21 *Connections to power source.*

(a) The free ends of portable cables shall be provided with means of attaching the cables to the power circuit without personal hazard. Attachments used for this purpose shall be completely specified; also, the rating of the overcurrent device shall be specified. The capacity of the overcurrent device shall not exceed that necessary to prevent destructive heating of the cable. Rail clamps for attachment of power conductors shall not be used for other connections.

(b) A rolling or sliding contact that will permit "tramping" without holding the connection in the hand may be used. Such contact must not be arranged for any purpose other than tramping.

§ 18.22 *Cable reels.* (a) Self-propelled machines designed to travel at speeds exceeding 2½ miles per hour shall have a suitable mechanically or electrically driven reel upon which to wind the portable cable. The Bureau reserves the right to require such cable reels for speeds under 2½ miles per hour if the service imposed upon the portable cable is judged to be unduly severe. The construction of the housing for moving contacts or slip rings shall conform to the requirements for Class 1 parts.

(b) The Bureau also reserves the right to require hand-operated reels or suitable "horns" upon which to wind the portable cable for machines that are not self-propelled. When it is not practical to mount such reels or horns on the machines, the Bureau may grant the option of mounting them on separate trucks or skids.

(c) When cable reel bearings are used as a part of any electrical circuit, the voltage drop through the bearings at rated current of the conductor in that circuit shall not exceed the voltage drop at rated current in the conductor.

(d) Cable reels and cable-spooling devices shall be insulated to keep the port-

able cable from resting against grounded metal parts. Insulating materials used for this purpose shall be flame-resisting.

(e) Cable reels for shuttle cars and locomotives shall maintain positive tension on the portable cable during both reeling and unreeling. This tension shall not be greater than necessary to insure that the car or locomotive cannot run over its own cable.

(f) The design of bearings for cable guides, particularly on locomotives and shuttle cars, shall be such that dirt picked up by the cables will not prevent free rotation of the rollers.

(g) Self-propelled machines receiving their power through portable cables shall not have traveling speeds rated in excess of 6 miles per hour.

§ 18.23 *Field assembly of certified components.* Components such as motors, controllers, rheostats, etc., bearing the certification plates of the Bureau may be assembled by a mine operator, builder, or assembler. Each such complete assembly shall be considered by the Bureau as permissible equipment only after a qualified representative of the Bureau inspects the assembly and determines that the components are assembled, wired, and protected in conformance with the applicable requirements of this part and an approval plate, label, or device has been attached as authorized in writing by the Bureau.

§ 18.24 *Detailed requirements for Class 1 parts—(a) Enclosure casings—*

(1) *Materials and construction.* (i) The casings forming the enclosure for Class 1 parts shall be of suitable material, adequate strength, and especially durable, in order that, with proper care and maintenance, the explosion-proof qualities of the parts will remain unimpaired not only when subjected to pressures developed during the explosion tests but also under the severe conditions imposed by mining service. Sheet metal used for walls and covers in fabricating explosion-proof casings shall be of sufficient thickness, unless adequately reinforced with ribs or their equivalent, to prevent permanent distortion by explosion tests. Material of less than ⅜-inch thickness is not recommended. When welding is employed to join pieces forming walls of explosion-proof casings, the

joints shall be continuously and effectively welded. Joints that are machined after welding shall be reinforced to compensate for any weakening caused by such machining.

(ii) Casings may be either of the totally enclosed type in which no provision is made for ventilation of the interior or else of the type having provision for ventilation or relief of pressure from internal explosions. Totally enclosed construction, however, is recommended by the Bureau. Complicated casings and fabricated housings shall be pressure-tested at the factory to reveal blowholes and other weaknesses, if, in the judgment of the Bureau engineers, inspection is inadequate to determine those weaknesses.

(iii) If provision is not made for pressure relief through special devices, the casing will need to be strong enough to withstand explosion pressures approaching 100 pounds per square inch with an adequate factor of safety. However, if a casing communicates with another through a small passage or is itself divided by a partition the effect of "pressure-piling" may be produced, and pressures considerably in excess of 100 pounds per square inch may be anticipated.

(2) *Joints and machining tolerances.*

(i) When an explosion-proof enclosure consists of two or more metal parts held together by bolts or other suitable means, the flanges comprising the joints between parts shall have surfaces making metal-to-metal contact. Glass-to-metal joints are permitted in casings, such as those for headlights and meters. Gaskets, if adequate, may be used to obtain a firm seat for the glass, but not elsewhere. Rubber, putty, and plaster of paris are not acceptable as gasket materials.

(ii) The surfaces comprising a flange joint need not be all in one plane. For enclosures having a volume of more than 60 cubic inches, the total width of joint measured along the shortest path from inside to outside of the enclosure shall not be less than 1 inch, except as follows: A rabbet joint having a total width of $\frac{3}{4}$ inch may be accepted if neither the cylindrical nor the plane fit is less than $\frac{1}{8}$ inch wide. If the volume is 60 cubic inches or less, a minimum width of $\frac{3}{4}$ inch may be accepted for plane joints, but a 1-inch width of plane or rabbet

joint is recommended. The diametrical clearance for cylindrical fits in rabbet joints shall not exceed 0.004 inch if the plane fit is less than $\frac{1}{4}$ inch wide. If the plane fit is $\frac{1}{4}$ inch or more in width, the diametrical clearance for cylindrical fits shall not exceed 0.008 inch. The edge of a rolled-steel plate forming part of an explosion-proof enclosure may be used as a plane flange, provided the width does not fall short of the previously specified flange widths by more than $\frac{1}{64}$ inch.

(iii) The width of blowholes in joint surfaces will be deducted in measuring flange widths. Diameters of holes for bolts or screws required to maintain tight joints will also be deducted in such measurements only: (a) If excessive clearance is allowed for the bolt in its hole; (b) if the nominal diameter of the bolt hole is more than half of the required metal-to-metal contact. It is recommended that bolt and screw holes be located so that the shortest distance along the joint from the interior of the enclosure to the edge of the hole is not less than $\frac{1}{16}$ inch. However, less than $\frac{1}{4}$ inch will not be accepted for 1-inch joints or less than $\frac{1}{16}$ inch for joints under 1 inch. (Exception may be made for narrow interpoles, in which case the distance from the edge of the pole piece to the bolt hole in the motor frame shall be not less than $\frac{1}{8}$ inch and the diametrical clearance for the bolt shall not exceed $\frac{1}{64}$ inch for not less than $\frac{1}{2}$ inch. Furthermore, the pole piece shall seat against the frame surface.)

(iv) Bolts and screws shall be close-fitting in holes that cut through joint surfaces. If the edge of a bolt or screw hole is less than $\frac{1}{16}$ inch from the interior of the enclosure, the diametrical clearance around the bolt or screw shall not exceed $\frac{1}{32}$ inch, and this clearance shall be maintained for at least $\frac{1}{2}$ inch as measured from the joint. (When $\frac{1}{2}$ -inch rolled-steel plate is used for covers, a finished thickness of not less than $\frac{1}{16}$ inch may be accepted as meeting this requirement.)

(v) When the flanges of a joint cannot be brought into actual contact with each other, owing to warping or faulty machining of parts or necessity for sliding fits, the requirement for metal-to-metal contact will be construed as having been met for plane flanges under the following conditions:

1. The separation must not exceed 0.004 inch at any point.

2. The 0.004-inch separation must not extend over 6 inches along the joint.

3. The joint must not permit discharge of flame during explosion tests.

(vi) When it is necessary in manufacture to provide for a running fit between cylindrical surfaces other than for shafts, a shoulder shall be included in the design to provide a change in direction through the flame path between the parts. In the joints of this type, the diametrical clearance between cylindrical surfaces shall be kept as small as feasible, but in no case shall it exceed 0.01 inch. The length of cylindrical fit shall be at least 1 inch for volumes over 60 cubic inches and at least $\frac{3}{4}$ inch for volumes of 60 cubic inches or less.

(vii) Laminated motor frames having end rings assembled as an integral part under high pressure may be considered with less width of contact between the end rings and laminations than that specified in the preceding paragraphs. It is recommended that the metal-to-metal contact be kept as near the 1-inch standard as practical, but less than $\frac{1}{4}$ inch will not be accepted. If less than the 1-inch standard width is used for joints of this type, the construction must permanently preclude any separation between the end rings and laminations, and if a 0.0015-inch-thickness gage can be inserted $\frac{1}{8}$ inch at any point, the construction will be considered unsatisfactory. The joint should not tend to open under explosion pressure.

(3) *Bolts and similar fastenings.* (1) Bolts and similar means of clamping flange joints together shall be generously proportioned to minimize stripping of threads and give adequate strength. Soft metals should not be tapped for bolts and screws if the threads can be stripped or damaged easily. Clamping bolts and screws should be at least $\frac{1}{4}$ inch in diameter and preferably not less than $\frac{1}{2}$ inch. The Bureau reserves the right to prohibit the use of clamping bolts and screws for purposes in addition to that of fastening parts of the enclosure together.

(ii) Unless the design permits especially rigid construction between bolts, spacings greater than 6 inches are not recommended for flange joints.

(iii) All bolts, nuts, and screws used in fastening flange joints, as well as those in holes through enclosure walls for holding parts, such as pole pieces, brush rigging, and bearing caps, shall be provided with lock washers or other suitable means to prevent loosening. The length of threads in bottomed holes and on bolts, screws, and studs shall be such that the joint can be made tight even though lock washers are omitted. Where feasible, bolts of unequal lengths should be avoided to prevent mistakes in assembly.

(4) *Through holes for bolts, screws, and rivets.* (1) Through holes into explosion-proof casings shall be kept to a minimum. Holes for bolts, screws, etc. shall be "blind" or bottomed if the omission of a bolt or screw would leave an unprotected opening into the casing. If unavoidable, holes may be made through casings for bolts, studs, or screws that are necessary to hold essential parts, such as pole pieces and brush rigging, provided the bolts, etc., have an adequate long close fit through the casing and provided at least two bolts, studs, or screws are used for each part held. In addition, one of the following optional conditions shall apply: (a) Each hole must be bottomed in the part held and adequate metal-to-metal contact provided between the part and the casing to insure an effective internal seat around the hole if the bolt or screw is omitted or lost, or (b) if studs are used, they must be permanently fastened in the part held, or (c) bolts passing entirely through pole pieces must be arranged so that they cannot be removed without removal of the armature, or (d) special nonremovable bolts must be adequate for the intended purpose.

(ii) Holes shall not be drilled through walls of explosion-proof casings for screws holding name plates or approval plates.

(5) *Inspection openings and covers.* The number of openings in explosion-proof enclosures shall not exceed the minimum required for proper assembly and inspection of parts. Openings, such as those necessary for inspection of motor commutator and brushes, are permitted if suitable covers are provided. These covers must have the width of flange joint previously specified or a threaded joint with sufficient threads to

(v) Corners shall be well-rounded at all points where cables and wires emerge from bushings, glands, and stuffing boxes to prevent cutting of insulation. Stuffing boxes, if not made integral with enclosures, shall be securely held to enclosures on which they are used.

(vi) Stuffing boxes and the fittings connected to them shall be so placed or guarded that they are not likely to be damaged in derailments and other accidents.

(vii) If insulated studs are used, they shall be designed and spaced to minimize the possibility of electrical creepage to parts of opposite polarity or to the casing. Terminal lugs shall be keyed to their studs or shielded by insulating barriers so that they cannot come into contact with each other or with any metal not of the same potential or polarity. Adequate means shall be provided to prevent loosening of the studs and lugs by vibration or by expansion and contraction. External electrical connections shall not be held by the same means that are used to fasten the studs. Special attention shall be given to the shielding of external stud connections so that they cannot be short-circuited or grounded by accidental or careless contact or by water when the machine is properly assembled. The width of contact between the compartment wall and the insulating materials shall be not less than 1 inch total for volumes of 60 cubic inches or over $\frac{3}{4}$ inch for volumes less than 60 cubic inches.

(viii) If wires and cables are taken through openings closed with sealing compounds, the design of the opening and characteristics of the compounds shall be such as to hold the sealing material in place without tendency of the material to crack or flow out of its place. The material also must withstand explosion tests without cracking or loosening.

(ix) Tubes, bushings, or their equivalent shall not be used alone to take wires and cables through walls and partitions of explosion-proof enclosures unless both ends of each wire and cable opening are wholly within such enclosures. The length of each opening and the clearance around the wire or wires in it should be such as to prevent pressure-piling if flame passes through it. (In general, a diametrical clearance of $\frac{1}{16}$ inch should not be exceeded for single cables in such openings.) Bushings and tubes shall be secured against

loosening and preferably should be of incombustible material.

(x) Leads or conductors between separate compartments may be carried in pipes or in passageways in casings if sufficiently sealed or filled with conductors to prevent propagation of flames.

(8) *Special devices for pressure relief, drainage, or ventilation.* Special devices incorporated in the design of explosion-proof casings for the purpose of (i) preventing the development of high pressures from internal explosion, (ii) providing for drainage of oil or water, or (iii) obtaining a degree of ventilation, shall be capable of repeatedly performing their functions without allowing the passage of flame through them. While in place they shall be guarded to prevent mechanical injury and the entrance of foreign material that might interfere with or destroy their proper functioning. They shall also be strong mechanically so that with reasonable care in handling, they may be cleaned and inspected without impairing their effectiveness. All special devices shall be securely fastened in place. All flame resisting parts shall be made of non-rusting materials.

(b) *Special requirements for Class 1 parts—(1) Temperature limitations.* Accessories, such as rheostats, headlights, and clutches, shall be so designed and proportioned that the temperatures of the external surfaces of their enclosures does not exceed 200° C. at any point during normal operation.

(2) *Motors.* The construction of motor bearings shall be such as to prevent the escape of flame during explosion tests with outer bearing caps removed, unless the caps are essential to hold the bearing in place. If the outer caps are essential, their construction shall comply with that required for Class 1 parts. The use of glass-covered peepholes for motors is not recommended.

(3) *Rheostats.* Particular attention shall be given to the choice of insulation for conductors used both inside and outside of rheostats and to the type of lead entrance to prevent grounds and short circuits that might result from deterioration due to heat.

(4) *Meters.* The transparent material in meter enclosures shall not be less than $\frac{1}{2}$ inch thick, have suitable qualities, and shall be shielded by position or have a guard to prevent damage to it. Meters

on storage-battery operated equipment shall be insulated from the explosion-proof casings in which they are enclosed.

(5) *Headlights.* Headlights shall be mounted in protected positions where they are not likely to be damaged by passing objects. The glass in headlights shall not be less than $\frac{1}{2}$ inch thick and shall be guarded to prevent damage to it.

(6) *Push buttons and push-button stations.* (i) Push rods passing through walls of explosion-proof casings shall not be less than $\frac{1}{4}$ inch in diameter. They shall have a shoulder, head, or equivalent at the inside to prevent accidental loss or removal from the outside. Snap rings, cotter pins, or parts held by them are not acceptable as means of preventing this loss or removal.

(ii) The diametrical clearance between the push rod and its hole shall not exceed 0.01 inch to provide for sliding fit, and this sliding fit shall not be less than 1 inch for enclosures having more than 60 cubic inches volume, or less than $\frac{3}{4}$ inch long for an enclosure having an internal volume of 60 cubic inches or less. In either case, the required length of sliding fit shall not be decreased when the button is depressed.

(iii) When it is important that accidental operation of push buttons be prevented, the Bureau reserves the right to require suitable guards or shields for the protection of the external ends of push buttons.

(7) *Junction boxes.* (i) Junction boxes shall be provided with a connection plug or plugs as follows: (a) Arranged and interlocked to prevent connection or disconnection of a portable cable while the contacts in the plug receptacles are alive or (b) capable of opening and closing the circuit under load, if necessary, without injury to themselves or to any part of the box, hazard to persons, or danger of causing an ignition of methane or coal dust. If the design does not prevent making contacts in a plug socket alive when the plug is out, the contacts shall be arranged to prevent ready access to them. When single-pole plugs are used, the design shall prevent energizing the circuit unless all the plugs are in place.

(ii) Circuit breakers or other automatic circuit-interrupting devices of adequate capacity shall be incorporated in the design of junction boxes. Such devices shall comply with the require-

ments for renewal, resetting, and functioning as specified in § 18.14.

(iii) Junction boxes shall be provided with a suitable clamp or clamps that will prevent strains being imposed upon the cable connections in the plug or plugs.

(iv) The rating and service for which it is intended shall be marked plainly upon each junction box.

(v) The type of enclosure required for junction boxes shall be governed by the class of parts to which it belongs.

(8) *Distribution boxes.* (i) Distribution boxes, when mounted on skids or their equivalent to facilitate movement from place to place, shall be sufficiently elevated and shall be stable.

(ii) The requirements for junction boxes shall also apply to distribution boxes having plugs for connection of branch circuits. In addition, the following requirements must be met:

(iii) Boxes having provision for more than one branch circuit shall have a cap or dummy plug locked in place to close each socket or receptacle if interlocking features do not prevent energizing of contacts in the socket with the regular plug removed. A chain or other suitable means shall be provided to prevent loss of the cap or plug. Such caps or dummy plugs may be omitted if the sockets are arranged to prevent ready access to the contacts within.

(iv) Each branch circuit shall be plainly and permanently marked to show the maximum current that can be taken from it, and plugs that are not of identical rating shall be polarized or otherwise arranged to prevent inserting them in the wrong socket.

(v) In addition to circuit contacts, each plug and socket shall contain contacts by means of which the frames of machines served by the distribution box can be grounded to the box. The plug and socket design shall be such that the grounding connection is completed before the circuit contacts are energized, or else the length of the grounding contacts shall be such that the grounding connection is made before the other connections are made and broken after the other connections are broken. (See also § 18.18.)

(vi) For distribution boxes not using plugs for connection of branch circuits, the requirements for junction boxes shall apply, except as follows:

(a) Connection for branch circuits may be made by means of bolted or equivalent connections, provided the connections are adequately insulated and securely held.

(b) The enclosure for the branch connections shall have a cover interlocked with the circuit-opening device to prevent access to the branch connections while they are alive.

(c) Each branch circuit shall be plainly marked to show the maximum current that can be taken from it.

(d) Insulated clamps shall be provided for each cable to prevent strains on the connections.

(9) *Splice boxes.* Splice boxes shall have explosion-proof enclosures with locked or sealed covers. Internal connections shall be rigidly held and adequately insulated.

(10) *Terminal boxes.* (i) When wires and cables are brought out of an explosion-proof casing into a terminal box by any method other than one of the first three methods described in paragraph (a) (7) of this section, the terminal box must be of explosion-proof construction. For this construction, the wires must be closely fitted in the opening between the casing and the terminal box in a manner adequate to inhibit flame propagation resulting in pressure-piling, or else the opening between them must be large enough to prevent pressure-piling. A short piece of metal tube or rigid conduit permanently secured to both may be used between the casing and terminal box when necessary.

(ii) The terminal box also must comply with all the requirements for Class 1 compartments, and the lead entrance for the external connections shall comply with the requirements for one of the first three methods described in paragraph (a) (7) of this section. Flame-path joints having a minimum width of $\frac{1}{2}$ inch will be accepted as an option in the construction of an explosion-proof terminal or conduit box on squirrel-cage induction motors provided the leads are adequately sealed in the motor and the connections in the box are adequately insulated and securely held.

(11) *Longwall mining machines.* (i) Longwall mining machines should be equipped with a switch to open all power conductors; also with circuit breakers or other automatic circuit-interrupting devices at the machine. When it is not

feasible to incorporate such switch and current-interrupting devices in the design of the machine, the controller on the machine shall be capable of opening all power conductors entering it; in addition, a junction box or a distribution box containing a suitable switch and circuit-interrupting device shall be used for connecting the machine to the power circuit.

(ii) In the above arrangement, the machine frame shall be connected to the enclosure for the automatic circuit-interrupting device by a separate conductor in the portable cable.

(iii) The use of cable reels with long-wall mining machines is not required.

[20 F. R. 5712, Aug. 9, 1955; 20 F. R. 6499, Sept. 2, 1955]

§ 18.25 *Special requirements for Class 2 parts—(a) Battery boxes and batteries.*

(1) Battery boxes shall be made of material equivalent in strength to sheet steel not less than $\frac{3}{16}$ inch in thickness or of wood reinforced with steel and shall have a substantial cover or covers lined with insulation of adequate strength, quality, and dimensions. The cover or covers shall be provided with suitable means for locking them in the closed position to prevent opening by unauthorized persons.

(2) Battery boxes shall be provided with means of ample ventilation to prevent accumulation of explosive hydrogen-air mixtures above the battery. Ventilating openings shall be guarded to prevent access to the cell terminals from the outside.

(3) The battery cells shall be insulated from the battery box in an adequate manner. For cells in metal containers mounted in "open"-type trays, a lining of wood or equally suitable insulation shall be provided for the bottom of the battery box. All wood and other insulating linings shall be treated or painted with suitable material to resist destruction by battery electrolyte.

(4) The number, type, rating, and manufacturer of the cells comprising the battery shall be specified.

(5) A diagram showing the connections between cells and between trays shall be submitted. The connections shall be such that the maximum total battery potential will not be placed between any two adjacent cells.

(b) *Plugs and receptacles.* (1) The "running" plug for locomotives and similar storage-battery-operated equipment shall be interlocked with a switch so that the plug can neither be inserted nor withdrawn while the receptacle contacts are alive, or it shall be locked in its receptacle to prevent removal by unauthorized persons. If not interlocked, the plug shall be held in place by means of a threaded ring or other suitable mechanical fastening in addition to the lock.

(2) On locomotives and other mobile storage-battery-operated equipment, receptacles used for charging purposes only shall be provided with a cover or dummy plug that is to be locked in place when the battery is not being charged to prevent access to live terminals while the equipment is in operation.

(3) A plug that is used for connecting the portable cable of one permissible machine to a circuit on another permissible machine shall be interlocked so that the plug can neither be inserted nor withdrawn while the plug or receptacle contacts are alive. If the interlock does not prevent making the receptacle contacts alive when a plug is out, the contacts shall be protected by a cap or cover to be locked in place when the plug is out, or the contacts shall be arranged to prevent ready access to them. A chain or its equivalent shall be provided to prevent loss of the cover. The circuit served by the plug shall be protected by automatic circuit-interrupting devices as specified in § 18.14.

(4) When the portable cable for a machine is arranged to be connected and disconnected from it by means of a plug, the plug shall be interlocked or constructed so that it can be inserted and withdrawn without creating the hazard of igniting gas or dust. In addition, the plug shall be kept locked in its receptacle to prevent removal by unauthorized persons. The contacts in the plug shall be adequately shielded or recessed in it to prevent accidental grounds or short circuits while the plug is out of its receptacle.

(5) When single-pole plugs are used for the individual conductors of a cable or circuit, the design shall prevent energizing the circuit unless all the plugs of the circuits are in place.

(6) Every plug shall have a suitable holding device or clamp to prevent any strains coming on the plug while it is in

its receptacle, unless the interlock is of adequate strength to hold the plug securely in place. In either case, the design of the plug shall include an insulated clamp for holding the cable to prevent strains on the connections in the plug.

§ 18.26 *Detailed inspection.* (a) In the investigation of any equipment, explosion-proof casings shall be given a careful inspection by the Bureau's engineers. This inspection shall include the following items:

(1) A detailed check of parts against drawings as to materials, dimensions, and position, making notations for necessary correction of discrepancies between the drawings and the parts checked.

(2) Measurement of joints, bearings, and other possible flame paths.

(3) Examination for unnecessary through holes.

(4) Examination for adequacy of lead-entrance design and construction.

(5) Examination for adequacy of electrical clearances or insulation between live parts of opposite polarity and between live parts and ground.

(6) Examination for adequacy and security of fastenings.

(b) For further information regarding the details of this inspection, reference should be made to Information Circular 7689, Inspection and Testing of Mine-Type Electrical Equipment for Permissibility.

§ 18.27 *Explosion tests.* (a) To test enclosures for their ability to retain flame, they will be filled and surrounded with explosive mixtures containing varying percentages of Pittsburgh natural gas^a and air. The mixture within the enclosures will be ignited by a spark-plug or other suitable means, and a record of explosion pressures developed will be taken. The point of ignition will be varied to determine the condition that gives the greatest pressure. For some of the tests, bituminous-coal dust will be introduced into enclosures, and the effects will be noted. Motor armatures and rotors will be stationary in some tests and revolving in others. Dummies

^a Investigation has shown that, for practical purposes, Pittsburgh natural gas (containing a high percentage of methane) is a satisfactory substitute for pure methane in these tests.

may be used in place of contactors or similar parts during test under certain conditions.

(b) Not less than 10 tests will be made of each design of explosion-proof enclosure.⁶ If, on account of the size of enclosure or questionable construction features, it is the judgment of the Bureau's engineers that the explosion-proof qualities cannot be completely demonstrated in 10 tests, more than that number will be made.

(c) The explosion tests of an enclosure shall not result in (1) discharge of flame from any joint, bearing, or opening, (2) ignition of surrounding explosive mixtures, (3) development of dangerous after-burning,⁷ or (4) rupture or permanent distortion of the enclosure. An enclosure will be rejected if any one of the foregoing conditions occurs, or if abnormal pressures are developed or potentially hazardous conditions are exhibited by the tests.

§ 18.28 *Adequacy tests.* In addition to explosion tests, certain other tests may be made at the option of the Bureau's engineers, such as tests to determine the adequacy of an accessory for the service intended:

(a) Where the durability of battery cells, headlights, or other parts is in doubt, such mechanical tests as are deemed necessary may be made to determine points requiring strengthening.

(b) If there is any question on the efficacy of ventilation of battery boxes, tests may be made to check the ventilation.

(c) Switches and devices serving as switches shall be capable of interrupting any overload currents that the automatic circuit protective devices will permit to flow. They also shall be capable of

⁶ If the internal air space of a squirrel-cage induction motor is not changed by more than 20 percent of that of a previously tested motor, it may be accepted without further inspection or explosion test, provided the motor of greater (or less) internal volume has the same frame diameter and the same length and clearance at the flame path of all joints and bearings as those of the previously tested motor.

⁷ The term "afterburning" as used in this part 18 is applied to combustion, immediately after an internal explosion, of a gaseous mixture that was not in the enclosure at the time of that explosion but was drawn in as the result of the cooling of the products of the original explosion or otherwise.

opening these overloads five times at 2-minute intervals without grounding or short circuiting, and tests may be made to determine their ability to meet these requirements.

(d) Circuit breakers or other automatic circuit-interrupting devices may be tested to determine whether they provide the necessary protection without damaging the explosion-proof qualities of their enclosures.

§ 18.29 *Portable cable damage resistance test.* (a) The test in paragraph (b) of this section has been established for determining the durability of portable cables for use with permissible equipment, and cables that pass this test will be listed for this service.

(b) The cable will be placed across the two rails of a track and a four-wheeled car of 7 tons gross weight will be run over it 50 times. The speed of the car shall be approximately 3½ miles per hour, and potential shall be applied to the cable during tests. The cable will be shifted after each passage of the car, thus giving 100 places in the cable over which two wheels have passed. If the cable fails by short-circuiting or grounding to the rails or wheels at 11 or more places, it will not be listed by the Bureau.

§ 18.30 *Portable cable flame resistance test.* The following test has been established for determining the flame-resistant properties of portable cables:

(a) A straight sample of the cable 3 feet long shall be mounted horizontally in a ventilated test chamber so that the sample will not be in the direct path of entering air currents. The sample shall be heated electrically until the conductor temperature is 400° F., using a current that is 500 percent of the conductor ratings given in Table 3.

(b) When the conductor temperature has reached 400° F., the flame of a Tirrill gas burner adjusted to give an overall free flame height of 5 inches and a 3-inch inner cone shall be applied directly underneath the sample at a point 14 inches from its extreme left-hand end so that the tip of the inner cone touches the bottom surface of the sample.

(c) At the end of 1 minute, the heating current and gas flame will be cut off simultaneously. The sample will be considered as having failed to pass the test if the length of the burned area exceeds 6 inches or if burning continues

TABLE 3—NORMAL CURRENT RATING—AMPERES PER CONDUCTOR

Cables, conductor size	Single conductor	2-conductor			3-conductor	4-conductor	5-conductor	6-conductor
		Flat	Concentric	Round				
8.....	45	40	50	40	35	30	25	20
6.....	60	50	50	50	50	40	35	30
4.....	85	70	65	70	65	55	45	35
3.....	95	80	75	80	75	65	55	45
2.....	110	95	90	95	90	75	65	55
1.....	130	110	100	110	100	85	75	65
1/0.....	150	130	120	130	120	100	90	80
2/0.....	175	150	135	150	135	115	105	95
3/0.....	205	175	160	175	165	130	120	110
4/0.....	235	200	180	200	180	150	140	130

Cables, conductor size (circular mils)	Single conductor	2-conductor			3-conductor	4-conductor	5-conductor	6-conductor
		Flat	Concentric	Round				
250,000.....	275	220	220	220	200	160	.....	.....
300,000.....	305	240	240	240	220	175	.....	.....
350,000.....	345	260	260	260	235	190	.....	.....
400,000.....	375	280	280	280	250	200	.....	.....
450,000.....	400	300	300	300	270	215	.....	.....
500,000.....	425	320	320	320	290	230	.....	.....

Cords	1-3 conductor	4-6 conductor	7-9 conductor
No. 14.....	15	12	8
No. 12.....	20	16	11
No. 10.....	25	20	14

longer than 4 minutes after the gas flame has been cut off.

(d) For a complete official test, at least 3 samples of a given cable will be subjected to the foregoing test. If 2 out of the 3 samples pass this test, the cable will be accepted for listing as "flame resistant" and shall be suitably marked at intervals not exceeding 12 feet with an identifying number assigned by the Bureau of Mines.

§ 18.31 *Certification of electrical components.* Manufacturers of electrical components that are designed for use on permissible machines may request the Bureau of Mines to issue a letter certifying to the suitability of components for such use. In order to qualify for certification, electrical components shall have satisfactorily met the prescribed inspection and test requirements and the construction thereof shall be adequately covered by specifications officially recorded and filed at the Bureau. Certification letters may be cited to builders and assemblers of permissible equipment as evidence that further inspection and test of the components will not be required, provided

they are constructed in strict accordance with specifications on file at the Bureau. Since the Bureau of Mines does not sanction the words "permissible" or "approved" except as applying to complete assembled equipment, no person shall advertise or label components in a manner purporting to indicate that such components are permissible or approved by the Bureau. However, certified components may be advertised as explosion-proof and suitable for use on permissible equipment upon receipt of certification letters from the Bureau. Certified components shall bear labels or plates, which shall contain the following: "Explosion-proof Mine ----" — Built to Bureau of Mines Schedule ----, Bureau of Mines File No. X/P- ----: *Provided, however,* That this requirement shall be applicable only to components that are manufactured for sale as separate components." The Bureau will assign an identifying X/P file number in the certification letter.

* This blank space will be filled in with a word designating the type of component, such as motor, starter, or headlight as the case may be.

The Bureau reserves the right to rescind for cause, at any time, any certification granted under this section.

§ 18.32 *Final inspection.* (a) In addition to the detailed inspections and the tests, the Bureau reserves the right to inspect the machine as a whole at the close of the investigation to ascertain whether the assembly of motors, controllers, rheostats, and other parts in relation to each other has any unsafe features, special note being made of the position and guarding of wiring between these parts. The drawings and specifications also will be checked to see that they have been corrected to show all changes made in parts during the course of the investigation.

(b) Manufacturers shall notify the Bureau, at the Central Experiment Station, when the first of a given design of machine built for approval will be completed in order that a Bureau engineer may have an opportunity to examine it, when such examination is considered necessary. Examinations are preferably made at the factory, where cranes and other facilities make it possible to inspect a machine more thoroughly and quickly than elsewhere. Final inspections are made before approvals are granted.

§ 18.33 *Inspection and test reports.* Written reports giving the results of inspections and tests will be made to the manufacturer to keep him informed of the progress of the investigation of his equipment. These reports also will indicate whether or not any changes are required. They are not to be construed as giving approval to the equipment under consideration, or to any of its parts.

§ 18.34 *Approvals*—(a) *Approval letter.* (1) After all tests, as well as detailed and final inspections, have been satisfactorily completed and suitable drawings and specifications have been placed on file, the manufacturer of the completed equipment will be given official notification by letter from the Bureau of Mines, stating that his equipment satisfied the conditions of this part and is approved as permissible for use in gassy and dusty mines. The letter will assign an approval number for reference and identification of the equipment approved. No informal, temporary, or verbal approvals will be granted.

(2) An official drawing list numbered to correspond to the approval number assigned will accompany each approval letter. This list will include the drawings and specifications covering the details of construction upon which the approval is based.

(3) The manufacturer shall not advertise his equipment as permissible or approved until he has received the formal notification of approval.

(b) *Approval plate.* (1) With the approval letter the manufacturer will receive a photograph of a design of approval plate. This plate shall bear the seal of the Bureau of Mines, United States Department of the Interior, a space for the approval number, the type, the serial number, and the name of the class of equipment to which the equipment belongs, and the name of the manufacturer. When necessary, an appropriate statement giving the precautions to be observed in maintaining the equipment in an approved condition shall be added.

(2) Copies of a "caution statement" satisfactory to the Bureau are to be furnished with each machine in a form that will readily draw the attention of the proper persons. This information should be placed in the repair parts book, the instruction envelope, the wiring diagram, or in other material which electricians and maintenance men refer to frequently.

(3) The manufacturer himself shall have this design reproduced either as a separate plate or by stamping or molding it in some suitable place on each permissible machine. The size, method of attaching, and location of the approval plate shall be satisfactory to the Bureau, and a sample of the plate adopted shall be sent to the Bureau at the Central Experiment Station. The method of attaching the plate shall not impair the explosion-proof features of any enclosure.

(c) *Purpose and significance of approval plate.* (1) The approval plate is a label which identifies the equipment so that anyone can tell at a glance whether or not that equipment is of permissible type. This plate is the manufacturer's guarantee that his equipment complies with the requirements of the Bureau of Mines for use in gassy and dusty mines. Without a plate, an approved machine loses its permissible status.

(2) The use of the approval plate on his equipment obligates the manufacturer to maintain the quality of his product and to see that each permissible machine is constructed according to the drawings and specifications accepted and recorded by the Bureau. Equipment having changes in design which do not have official authorization from the Bureau is not permissible and therefore must not bear an approval plate.

(d) *Withdrawal of approval.* The Bureau reserves the right to rescind for cause, at any time, any approval granted under the regulations in this part.

§ 18.35 *Changes in design after approval.* Every approval is granted with the understanding that all equipment built under that approval will be in exact accordance with drawings and specifications that have been examined and recorded by the Bureau in the approval. Therefore, when a manufacturer desires to make any change in the design of his approved equipment, he shall first obtain the Bureau's authorization of the change. The procedure is as follows:

(a) The manufacturer shall make application by letter for an extension of his original approval and shall describe the change or changes proposed. This application in duplicate, accompanied by a check, bank draft, or money order, payable to the Bureau of Mines, to cover all the necessary fees, shall be sent to the Central Experiment Station, Bureau of Mines, 4800 Forbes Street, Pittsburgh 13, Pennsylvania, together with revised drawings and specifications showing the changed design in detail. The Bureau will, upon inquiry by the applicant, advise him as to the amount of fees he should submit.

(b) The Bureau will consider the application and examine the drawings, and specifications to determine whether they are sufficiently detailed for the Bureau's records and whether it will be necessary to have the modified part submitted for tests. (In general, changes increasing the air space more than 10 percent, modification of joints and bearings, or use of a different material for explosion-proof enclosures will make explosion tests of the modified enclosure necessary. Adequacy tests also may be necessary if changes such as reduction in electrical clearance and insulation are proposed.) If tests are deemed to be necessary, the

applicant will be informed of the parts that will be required.

(c) When the modification has been found to comply with the requirements of the regulations in this part, both as to construction and drawings, formal authorization, known as an extension of approval, allowing the modification will be issued in the form of a letter by the Bureau of Mines. This letter will be accompanied by a list of new and corrected drawings to be added to the official drawing list.

(d) Revisions in drawings or specifications which do not involve actual change in the explosion-proof features of equipment may be handled informally by the Central Experiment Station at Pittsburgh.

§ 18.36 *Acceptance of changes made in the field on permissible equipment.* Changes made on permissible equipment by mine operators may be accepted in writings by the Bureau: *Provided*, Such changes conform to the applicable requirements of §§ 18.3 to 18.35: *And, provided* further, That in the judgment of a duly qualified representative of the Bureau of Mines, such changes do not increase the explosion or fire hazards involved in the operation of equipment so modified in gassy or dusty mines. A report on the modifications together with a copy of the acceptance letter shall be placed in the Bureau's official record for the permissible equipment affected.

§ 18.37 *Rebuilding or repairing of equipment.* Any person or company, other than the original manufacturer of permissible equipment, desiring to rebuild or repair either nonpermissible-type equipment to become permissible equipment, or permissible-type equipment needing rebuilding or repair, and to secure approval thereof, may do so only if (a) the Bureau determines that such person or company has adequate facilities and personnel to engage in such operations, and (b) such person or company (1) has changed or restored the equipment to meet the permissibility requirements of this part as determined by the Bureau after inspection by a qualified representative of the Bureau, and (2) has received an approval letter from the Bureau. A person or company that complies with the provisions of this section may thereafter attach suitable approval plates to identical types of equipment.

SUBPART B—EXPERIMENTAL ELECTRIC FACE EQUIPMENT IN GASSY MINES

§ 18.50 *General.* This subpart is prescribed pursuant to and must be complied with in accordance with the requirements of the Federal Coal Mine Safety Act.

§ 18.51 *Permit.* As used in this subpart, a permit is a special, written certificate of authorization giving conditions under which a machine built or purchased for experimental purposes may be operated in a gassy mine. This permit will be issued only by the Director, Bureau of Mines.

§ 18.52 *Application for permit.* Before a permit can be issued, the purchaser or prospective user shall file a written application with the Director, Bureau of Mines, Washington 25, D. C., which application shall be accompanied by a check, money order, or bank draft payable to the United States Bureau of Mines to cover all the necessary fees. A copy of the application shall be sent to the Central Experiment Station, Bureau of Mines, 4800 Forbes Street, Pittsburgh 13, Pennsylvania, together with drawings or other satisfactory identification of the machine which it is proposed to be given trial.

§ 18.53 *Fees charged.* The schedule of fees under this subpart shall be the same as those set forth in § 18.3.

§ 18.54 *Drawings and specifications required.* Drawings, descriptive material, specifications, or other suitable information establishing positive identification of the electrical components of an experimental machine shall be furnished to the Bureau before a permit covering trial installation will be issued. (An experimental machine is one intended for experimental use, including among others, one constructed at the mine, one imported from foreign manufacturers, or one developed for trial by an American manufacturer or inventor, etc.) Drawings already on file at the Bureau need not be duplicated by the applicant. Detailed drawings of parts comprising explosion-proof enclosures of imported electrical components will not be required, provided satisfactory proof is given that such enclosures comply with standards established by a testing authority recognized by the Bureau of Mines, to the extent that such standards are substantially equivalent to those set out in Subpart A of this part.

§ 18.55 *Constructional requirements.*

(a) Electrical components whose classification calls for explosion-proof constructions shall meet the inspection and test requirements for such components set forth in Subpart A of this part.

(b) Components which have previously met the inspection and test requirements of the Bureau or of a testing authority recognized by the Bureau shall be deemed to meet the requirements of paragraph (a) of this section. The Bureau may, in its discretion, waive the requirements of paragraph (a) of this section as to any other component.

§ 18.56 *Final inspection.* The applicant shall notify the Central Experiment Station, when an experimental machine is ready for trial installation so that a Bureau engineer may have an opportunity to examine it. Such examination shall be completed before a permit is issued.

§ 18.57 *Issuance of permit.* Upon compliance with the requirements of this subpart, the Director will issue a permit authorizing operation in a gassy mine of the machine covered by the application. Copies of the permit will be sent to the applicant, to the purchaser or user, and to the machine manufacturer or his agent or supplier. Each permit will be numbered and state the terms under which, and the time during which, the machine may be used. The permit granted under this subpart shall indicate that the equipment covered thereby is for the duration of the permit, permissible within the meaning of sections 201 (a) (9) and 212 (a) of the Federal Coal Mine Safety Act.

§ 18.58 *Duration of permit.* The permit will be effective for a period of 6 months. Extension of the permit for an additional period not to exceed 6 months may be granted by letter from the Director upon application addressed to him and supported by a showing of satisfactory reason. Further extension will be granted only where, after investigation, the Director finds that, for reasons beyond the control of the mine operator, it has not been possible to complete the experiments within the period covered by the extended permit.

§ 18.59 *Permit label.* (a) With the permit letter, the applicant will receive a permit label which shall bear: (1) The seal of the Bureau of Mines, United States Department of the Interior, (2)

the permit number, (3) the expiration date of the permit, and (4) the name of the applicant.

(b) The applicant shall have this label attached to the experimental equipment.

§ 18.60 *Withdrawal of permit.* The Director, Bureau of Mines, may rescind for cause, at any time, any permit granted under this subpart.

Part 19—Electric Cap Lamps

- Sec.
- 19.1 Purpose.
 - 19.2 Fees charged.
 - 19.3 Applications.
 - 19.4 Conditions governing investigations.
 - 19.5 General requirements for approval.
 - 19.6 Specific requirements for approval.
 - 19.7 Protection against explosion hazard.
 - 19.8 Protection against bodily hazard.
 - 19.9 Performance.
 - 19.10 Material required for Bureau of Mines records.
 - 19.11 How approvals are granted.
 - 19.12 Wording, purpose, and use of approval plate.
 - 19.13 Instructions for handling future changes in lamp design.

AUTHORITY: §§ 19.1 to 19.13 issued under sec. 5, 36 Stat. 370, as amended, sec. 212, 66 Stat. 709; 30 U. S. C. 7, 482. Interpret or apply secs. 2, 3, 36 Stat. 370, as amended; 30 U. S. C. 3, 5.

SOURCE: §§ 19.1 to 19.13 contained in Schedule 6D, 4 F. R. 4003, Sept. 21, 1939, except as otherwise noted.

§ 19.1 *Purpose.* (a) The purpose of investigations made under this part is to promote the development of electric cap lamps that may be used in mines, especially in mines that may contain dangerous concentrations of methane. Lists of such lamps will be published from time to time in order that State mine-inspection departments, compensation bureaus, mine operators, miners, and others interested in safe equipment for mines may have information in regard to available permissible electric cap lamps. This part supersedes Schedule 6C issued under date of December 21, 1935, and goes into effect August 26, 1939.

(b) Any electric cap lamp that meets the requirements set forth in this part will be termed "permissible" by the Bureau and, if actively marketed, will be listed as such in publications relating to permissible electric cap lamps.

(c) *Definition of permissible.* Completely assembled and conforming in every respect with the design formally

approved by the Bureau of Mines under this part. (Approvals under this part are given only to equipment for use in gassy and dusty mines.)

[Sched. 6D, 4 F. R. 4003, Sept. 21, 1939, as amended by Supp. 1, 20 F. R. 2718, Apr. 23, 1955]

§ 19.2 *Fees charged.*—(a) *Item 1.* The fee for a complete investigation of an electric cap lamp under this schedule is \$565.00. A check for this amount, payable to the United States Bureau of Mines, should be submitted at the time the application is made.

(b) *Item 2.* (1) The fee for a partial investigation leading to the extension of an approval to cover modifications involving tests shall be proportional to the work involved. The applicant in this case will be advised of the amount of the deposit he should submit after an examination of the modified lamp has been made. Extensions of approval that do not require conducting of tests will be made without charge.

(2) All applications for such tests must be made by the manufacturer of the cap lamp.

(c) *Item 3.* Tests to assist manufacturers in the development of electric cap lamps may be made upon request to the Central Experiment Station, Bureau of Mines, 4800 Forbes Street, Pittsburgh 13, Pa., and will be charged for in amounts proportionate to the work involved. The making of this class of tests shall, however, be optional with the Bureau.

[Sched. 6D, 4 F. R. 4003, Sept. 21, 1939, as amended by Supp. 1, 20 F. R. 2718, Apr. 23, 1955]

§ 19.3 *Applications.* Before the Bureau of Mines will undertake the active investigation leading to approval of any lamp, the manufacturer shall make application by letter for an investigation leading to approval of his lamp. This application in duplicate, accompanied by a check, bank draft, or money order, payable to the United States Bureau of Mines, to cover all the necessary fees, shall be sent to the Central Experiment Station, Bureau of Mines, 4800 Forbes Street, Pittsburgh 13, Pa., together with the required drawings, one complete lamp, and instructions for its operation. [Supp. 1, 20 F. R. 2718, Apr. 23, 1955]

§ 19.4 *Conditions governing investigations.* (a) One complete lamp, with the assembly and detail drawings that show the construction of the lamp and

the materials of which it is made, should be submitted at the time the application for test is made. This material should be sent prepaid to the Central Experiment Station, Bureau of Mines, 4800 Forbes Street, Pittsburgh 13, Pa.

(b) When this lamp has been inspected by the Bureau's engineers, the applicant will be notified as to the amount of material that will be required for the tests. In general, the material required will be as follows: (1) Thirty complete lamps; (2) 500 bulbs; (3) 50 feet of cord; (4) a battery discharge rack for 20 batteries; and (5) a 50-bulb rack. Specifications for items (4) and (5) will be furnished by the Bureau.

(c) The applicant will be notified of the date on which the tests will start and will be given an opportunity to witness them.

(d) *Observers at formal investigations and demonstrations.* No one shall be present during any part of the formal investigation conducted by the Bureau which leads to approval for permissibility except the necessary Government personnel, representatives of the applicant, and such other persons as may be mutually agreed upon by the applicant and the Bureau. Upon granting approval for permissibility, the Bureau will announce that such approval has been granted to the device and may thereafter conduct, from time to time in its discretion, public demonstrations of the tests conducted on the approved device. Those who attend any part of the investigation, or any public demonstration, shall be present solely as observers; the conduct of the investigation and of any public demonstration shall be controlled wholly by the Bureau's personnel. Results of chemical analyses of material and all information contained in the drawings, specifications, and instructions shall be deemed confidential and their disclosure will be appropriately safeguarded by the Bureau.

(e) Permissibility tests will not be made unless the lamp has been completely developed and is in a form that can be marketed.

(f) The results of the tests shall be regarded as confidential by all present at the tests and shall not be made public in any way prior to the formal approval of the lamp by the Bureau of Mines.

(g) No verbal report of approval or disapproval will be made to the applicant. After the Bureau's engineers have

considered the results of the tests, a formal report of the approval or disapproval will be made to the applicant in writing by the Central Experiment Station. The applicant shall not advertise the lamp as being permissible or as having passed the tests prior to receipt of formal notice of approval.

[Sched. 6D, 4 F. R. 4003, Sept. 21, 1939, as amended by Supp. 1, 20 F. R. 2718, Apr. 23, 1955]

§ 19.5 *General requirements for approval.* Electric cap lamps shall be complete units. They shall be durable in construction, practical in operation, and suitable for the conditions of underground service. They shall offer no probable explosion hazard if used in gassy or dusty mine atmospheres or bodily hazard from the spilling of the battery electrolyte. They shall exhibit, under laboratory test conditions, the various minimum performance requirements specified in this part.

§ 19.6 *Specific requirements for approval—(a) Design.* In the determination of the adequacy of the lamp, with respect to design, the following points will be considered: (1) The materials used; (2) construction; (3) weight; (4) amount of light; (5) distribution of light; and (6) exclusion of dust from the headpiece. The suitability of the materials and the construction shall be determined by preliminary inspection, by dropping tests,¹ by durability tests of the cord and cord armor,² and by the general behavior of the lamp equipment during the investigation. The amount and distribution of the light shall be judged both by observation of the illumination on a white screen and by photometric measurements.

(b) *Angle of light beam.* The Bureau recommends that the angle of the light beam be at least 130 degrees horizontally to insure that the contrast edge of the beam is away from the more sensitive sector of the wearer's vision; however, to allow for manufacturing and assembly tolerances and the use of multiple filament bulbs, the Bureau will approve

¹ Batteries are dropped 3 feet, at least 20 times onto an oak floor. Headpieces are dropped 6 feet, at least 20 times, onto concrete.

² Ten cords, assembled with the cord armor and outlet of the lamp with which it is to be used, are slatted at least 100,000 times through an arc of 50 degrees at approximately 90 slattings per minute.

lamps giving a minimum beam angle of 120 degrees. If the bulb has more than one major filament, the one giving the smaller angle will be used in the determination.

(c) *Light distribution, visual.* Excepting special headpieces for inspection purposes, the area illuminated by the beam shall be free from sharp gradations in light intensity and spectral shadows.

(d) *Light distribution, photometric.* (1) Excepting special headpieces for inspection purposes, the maximum candlepower of the light beam shall not be greater than 25 times the average or mean candlepower of the beam.³

(2) The minimum candlepower of the beam based upon readings at the design voltage of the bulb shall not be less than 1.

§ 19.7 *Protection against explosion hazard.* Unless properly designed, electric cap lamps may present two sources of probable explosion hazards: Ignition of an explosive atmosphere by the heated filament of the bulb in case the bulb glass is accidentally broken, and ignition by sparks or flashes from the battery. The Bureau therefore requires the following safeguards:

(a) *Safety device (design).* The headpiece shall be provided with a safety device which shall prevent the ignition of explosive mixtures of the methane and air when the bulb glass surrounding the filament is broken.

(b) *Headpiece lock or seal.* The headpiece shall be provided with a lock or seal to prevent unauthorized removal of the lens and tampering with the safety device, the bulb, or the electrical contacts.

(c) *Locks on charging terminals.* Lamps shall be equipped with a magnetic or other equally effective lock at the battery, the headpiece, or the cord assembly to prevent unauthorized access to live charging terminals.

(d) *Protection of battery terminals.* The battery covers of lamps that are recharged through the cord shall be so constructed and assembled as to prevent unauthorized access to the battery terminals.

³The minimum allowable angle of 120 degrees will be used in determining the mean candlepower of the beam.

(e) *Battery current restricted.* The amount of current flow between the conductors of the cord, if short-circuited just outside of the battery casing or cord armor, shall be limited by the design of the battery or by a fuse to such a value⁴ as will not produce sparks that will ignite an explosive mixture of methane and air.

(f) It shall not be possible to obtain a difference of potential between any two accessible points of the cap lamp when assembled for use.

§ 19.8 *Protection against bodily hazard.* This hazard is chiefly due to the possible burning of the wearer by electrolyte spilled from the battery. The Bureau therefore requires that:

(a) *Spilling of electrolyte.* The lamp shall be so designed and constructed that, when properly filled, the battery will neither leak nor spill electrolyte under actual service conditions. Lamps passing a laboratory spilling test will be considered satisfactory in this respect, contingent upon satisfactory performance in service.

(b) *Corrosion of battery container.* The material of which the container is made shall resist corrosion under conditions of use.

§ 19.9 *Performance.* In addition to the general design and the safety features, the Bureau considers that a lamp of permissible type should meet certain minimum requirements with respect to performance, as follows:

(a) *Time of burning and candlepower.* Permissible electric cap lamps shall burn for at least 10 consecutive hours on one charge of the battery and shall give during that period a mean candlepower of light beam of not less than 1.

(b) *Bulb life.* The average life of the bulbs shall be not less than 200 hours, and at least 92 percent of the bulbs shall have a life of 150 hours. The life of a bulb is the number of hours its main filament will burn in the cap lamp or its equivalent.

The life of a bulb having main filaments in parallel is considered ended when the first filament ceases to burn;

⁴The following maximum short-circuit current values may be used as a guide in the design of cap lamp batteries: 100 amperes for a 4-volt battery; 75 amperes for a 6-volt battery; 50 amperes for an 8-volt battery.

the life of a bulb having independent main filaments is considered ended when the last filament ceases to burn.

(c) *Bulb uniformity.* (1) The bulbs submitted shall meet the following minimum requirements for variation in current consumption and candlepower:

(2) The current consumption of at least 94 percent of the bulbs shall not exceed the average current by more than 6 percent. The candlepower (s. cp.) of at least 90 percent of the bulbs shall not fall short of the average candlepower by more than 30 percent.

(d) *Corrosion of contacts.* Battery terminals and leads therefrom, as well as the battery gas vents, shall be designed to minimize corrosion of the electrical contacts.

§ 19.10 *Material required for Bureau of Mines records.* In order that the Bureau may know exactly what it has tested and approved, detailed records are kept covering each investigation. These include drawings and actual equipment, as follows:

(a) *Drawings.* The original drawings submitted with the application for the tests and the final drawings, which the manufacturer must submit to the Bureau before the approval is granted, to show the details of the lamp as approved. These drawings are used to identify the lamp in the approval and as a means of checking the future commercial product of the manufacturer.

(b) *Actual equipment.* (1) If the Bureau so desires, parts of the lamps which are used in the tests will be retained as a permanent record of the investigation and of the lamps submitted.

(2) If the lamp is approved, the Bureau will require the manufacturer, as soon as his first manufactured lamps are available, to submit one complete lamp, bearing the approval plate, as a record of his commercial product.

§ 19.11 *How approvals are granted.*

(a) All approvals are granted by official letter from the Bureau of Mines. A lamp will be approved under this part only when the testing engineers judge that the lamp has met the requirements of the part and the Bureau's records concerning the lamp are complete, including drawings from the manufacturer that show the lamp as it is to be commercially made. No verbal reports of the Bureau's decisions concerning the investigation

will be given, and no informal approvals will be granted.

(b) As soon as the manufacturer has received the formal approval he shall be free to advertise his lamps as permissible. [Sched. 6D, 4 F. R. 4003, Sept. 21, 1939, as amended by Supp. 1, 19 F. R. 2718, Apr. 23, 1955]

§ 19.12 *Wordings, purpose, and use of approval plate—*(a) *Approval plate.* The manufacturer shall attach, stamp, or mold an approval plate on the battery container of each permissible lamp. The plate shall bear the seal of the Bureau of Mines and be inscribed as follows: "Permissible Electric Cap Lamp. Approval No. _____ issued to the _____ Company." When deemed necessary, an appropriate caution statement shall be added. The size and position of the approval plate shall be satisfactory to the Bureau.

(b) *Purpose of approval plate.* The approval plate is a label which identifies the lamp so that anyone can tell at a glance whether or not the lamp is of the permissible type. By it, the manufacturer can point out that his lamp complies with specifications of the Bureau of Mines and that it has been judged as suitable for use in gassy mines.

(c) *Use of approval plate.* Permission to place the Bureau's approval plate on his lamp obligates the manufacturer to maintain the quality of his product and to see that each lamp is constructed according to the drawings which have been accepted by the Bureau for this lamp and which are in the Bureau's files. Lamps exhibiting changes in design which have not been approved are not permissible lamps and must not bear the Bureau's approval plate.

(d) *Withdrawal of approval.* The Bureau reserves the right to rescind, for cause, at any time any approval granted under this part.

§ 19.13 *Instructions for handling future changes in lamp design.* All approvals are granted with the understanding that the manufacturer will make his lamp according to the drawings which he has submitted to the Bureau and which have been considered and included in the approval. Therefore, when he desires to make any change in the design of the lamp, he should first of all obtain the Bureau's approval of the change. The procedure is as follows:

(a) The manufacturer shall write to the Central Experiment Station, Bureau of Mines, 4800 Forbes Street, Pittsburgh 13, Pa., requesting an extension of his original approval and stating the change or changes desired. With this letter he should submit a revised drawing or drawings showing the changes in detail, and one of each of changed lamp parts.

(b) The Bureau will consider the application and inspect the drawings and parts to determine whether it will be necessary to make any tests.

(c) If no tests are necessary, the applicant will be advised of the approval or disapproval of the change by letter from the Bureau of Mines.

(d) If tests are judged necessary, the applicant will be advised of the material that will be required and of the necessary deposit to cover the fee for the test. [Sched. 6D, 4 F. R. 4003, Sept. 21, 1939, as amended by Supp. 1, 20 F. R. 2718, Apr. 23, 1955]

Part 20—Electric Mine Lamps Other Than Standard Cap Lamps

Sec.	
20.0	Compliance with the requirements necessary for obtaining approval.
20.1	Purpose.
20.2	Definitions.
20.3	Applications.
20.4	Fees charged for investigations of lamps.
20.5	Conditions governing investigations.
20.6	General requirements.
20.7	Specific requirements.
20.8	Class 1 lamps.
20.9	Class 2 lamps.
20.10	Tests (class 1 and 2 lamps).
20.11	Material required for Bureau of Mines records.
20.12	How approvals are granted.
20.13	Approval plate.
20.14	Instructions for handling future changes in lamp design.

AUTHORITY: §§ 20.0 to 20.14 issued under sec. 5, 36 Stat. 370, as amended, sec. 212, 66 Stat. 709; 30 U. S. C. 7, 482. Interpret or apply secs. 2, 3, 36 Stat. 370, as amended; 30 U. S. C. 3, 5.

SOURCE: §§ 20.0 to 20.14 contained in Schedule 10C, May 17, 1938, as amended at 5 F. R. 3467, Aug. 30, 1940, except as otherwise noted.

§ 20.0 Compliance with the requirements necessary for obtaining approval. To receive approval of the Bureau of Mines for any electric mine lamps other than standard cap lamps a manufac-

turer must comply with the requirements specified in this part.

§ 20.1 Purpose. (a) The purpose of the investigations made under this part is to aid in the development and use of electric lamps, other than standard cap lamps, that may be used in mines, especially in mines that may contain dangerous proportions of methane.

(b) This part supersedes Schedule 10B, issued under date of June 1, 1932, and Schedule 11A, issued under date of January 13, 1936, and goes into effect May 17, 1938.

(c) Electric lamps and flashlights that meet the requirements set forth in this part will be termed "permissible" by the Bureau, and if actively marketed will be listed as such in publications relating to permissible equipment, in order that State mine inspection departments, compensation bureaus, mine operators, miners, and others interested in safety equipment for mines may have information in regard to electric lamps and flashlights approved by the Bureau.

§ 20.2 Definitions—(a) Adequate. Appropriate and sufficient as determined by mutual agreement between the manufacturer and the Bureau of Mines.

(b) **Approval.** Official notification in writing from the Bureau of Mines to a responsible organization, stating that upon investigation its lamp has been adjudged satisfactory under the requirements of this part.

(c) **Explosion-proof compartment.** An enclosure that withstands internal explosions of methane-air mixtures without damage to itself or discharge of flame and without ignition of surrounding explosive methane-air mixtures.

(d) **Permissible.** Completely assembled and conforming in every respect with the design formally approved by the Bureau of Mines under this part. (Approvals under this part are given only to equipment for use in gassy and dusty mines.)

[Sched. 10C, May 17, 1938, as amended by Supp. 1, 20 F. R. 2718, Apr. 23, 1955]

§ 20.3 Applications. Before the Bureau of Mines will undertake the active investigation leading to approval of any lamp, the manufacturer shall make application by letter for an investigation of his lamp. This application in duplicate, accompanied by a check, bank draft, or money order, payable to the United States Bureau of Mines, to cover

all the necessary fees, shall be sent to the Central Experiment Station, Bureau of Mines, 4800 Forbes Street, Pittsburgh 13, Pa., together with the required drawings, one complete lamp, and instructions for its operation.

[Supp. 1, 20 F. R. 2718, Apr. 23, 1955]

§ 20.4 *Fees charged for investigations of lamps.* (a) Complete investigation of a storage-battery lamp, \$225.

(b) Complete investigation of a lamp using dry cells, \$85.

(c) The Bureau reserves the right to charge amounts proportionate to the work involved in case an unusually complicated design of lamp is to be investigated.

(d) The fee for a partial investigation leading to the extension of an approval to cover modifications involving tests shall be proportional to the work involved. The applicant in this case will be advised of the amount of the deposit he should submit after an examination of the modified lamp has been made.

(e) Extensions of approval that do not require conducting of tests will be made without charge.

(f) Tests to assist manufacturers in the development of electric lamps may be made upon request to the Central Experiment Station and will be charged for in amounts proportionate to the work involved. The making of this class of tests shall, however, be optional with the Bureau.

[Supp. 1, 20 F. R. 2718, Apr. 23, 1955]

§ 20.5 *Conditions governing investigations.* (a) One complete lamp, with assembly and detail drawings that show the construction of the lamp and the materials of which it is made, should be submitted at the time the application for investigation is made. This material should be sent prepaid to the Central Experiment Station, 4800 Forbes Street, Pittsburgh 13, Pa.

(b) When the lamp has been inspected by the Bureau's engineers, the applicant will be notified as to the amount of material that will be required for the tests. He will also be notified of the date on which the tests will start and will be given an opportunity to witness the tests.

(c) *Observers at formal investigations and demonstrations.* No one shall be present during any part of the formal investigation conducted by the Bureau

which leads to approval for permissibility except the necessary Government personnel, representatives of the applicant, and such other persons as may be mutually agreed upon by the applicant and the Bureau. Upon granting approval for permissibility, the Bureau will announce that such approval has been granted to the device and may thereafter conduct, from time to time in its discretion, public demonstrations of the tests conducted on the approved device. Those who attend any part of the investigation, or any public demonstration, shall be present solely as observers; the conduct of the investigation and of any public demonstration shall be controlled wholly by the Bureau's personnel. Results of chemical analyses of material and all information contained in the drawings, specifications, and instructions shall be deemed confidential and their disclosure will be appropriately safeguarded by the Bureau.

(d) Permissibility tests will not be made unless the lamp is complete and in a form that can be marketed.

(e) The results of the tests shall be regarded as confidential by all present at the tests and shall not be made public in any way prior to the formal approval of the lamp by the Bureau of Mines.

(f) No verbal report of approval or disapproval will be made to the applicant. Approval will be made only in writing by the Bureau of Mines. The applicant shall not be free to advertise the lamp as being permissible, or as having passed the tests, prior to receipt of formal notice of approval.

[Sched. 10C, May 17, 1938, as amended by Supp. 1, 20 F. R. 2719, Apr. 23, 1955]

§ 20.6 *General requirements.* (a) The lamps shall be durable in construction, practical in operation, and suitable for the service for which they are designed and approved.

(b) The intensity of light, distribution of light, and battery capacity shall be adequate for the use for which the lamp is intended.

(c) Battery terminals and leads therefrom, as well as the battery gas vents, shall be designed to minimize corrosion of the electrical contacts.

(d) Bulbs and other replacement parts of the lamps shall be adequately marked as a means of identification.

§ 20.7 *Specific requirements.* Two general classes of electric lamps are rec-

ognized in these requirements, namely: Class 1, those that are self-contained and easily carried by hand, and class 2, those that may or may not be self-contained and not so readily portable as the first class.

(a) *Class 1.* Class 1 includes hand lamps, signal lamps, inspection lamps, flashlights, and animal lamps which are operated by small storage batteries or dry cells.

(b) *Class 2.* Class 2 includes lamps such as the pneumatic-electric types and large battery lamps.

§ 20.8 *Class 1 lamps—(a) Protection against explosion hazards.* Unless properly designed, class 1 lamps present two sources of probable explosion hazards: Ignition of an explosive atmosphere by the heated filament of the bulb in case the bulb glass is accidentally broken, and ignition by electric sparks or arcs from the battery or connections thereto. The Bureau, therefore, requires the following safeguards:

(1) *Safety device.* The lighting unit shall be provided with a safety device which shall prevent the ignition of explosive mixtures of methane and air by the heated filament if the bulb glass surrounding the filament is broken.

(2) *Safety device (protection).* The design of the safety device and the housing which protects it shall be such that the action of the safety device is positive; yet the lamp shall not be too readily extinguished during normal service by the unnecessary operation of the device.

(3) *Locks or seals.* For lamps other than flashlights, all parts, such as bulb housing and battery container, through which access may be had to live terminals or contacts shall be adequately sealed or equipped with magnetic or other equally reliable locks to prevent opening by unauthorized persons. For flashlights, provision shall be made for sealing the battery container.

(4) *Battery current restricted.* Unless all current-carrying parts, including conductors, are adequately covered and protected by the sealed or locked compartments, the maximum possible current flow through that part shall be limited by battery design, or by an enclosed-type fuse inside the sealed or locked container, to values that will not produce sparks or arcs sufficient to ignite an explosive mixture of methane and air.

(b) *Protection against bodily hazard.* This hazard is chiefly due to the possible burning of the user by electrolyte spilled from the battery. The Bureau, therefore, requires that:

(1) *Spilling of electrolyte.* The lamp shall be so designed and constructed that when properly filled the battery will neither leak nor spill electrolyte under conditions of normal use. Lamps passing a laboratory spilling test will be considered satisfactory in this respect, contingent upon satisfactory performance in service.

(2) *Corrosion of battery container.* The material of which the container is made shall resist corrosion under conditions of normal use.

§ 20.9 *Class 2 lamps—(a) Safety.* (1) Unless special features of the lamp prevent ignition of explosive mixtures of methane and air by the broken bulb or other igniting sources within the lamp, the bulb and all spark-producing parts must be enclosed in explosion-proof compartments.

(2) Explosion-proof compartments will be tested while filled and surrounded with explosive mixtures of Pittsburgh natural gas¹ and air. A sufficient number of tests of each compartment will be made to prove that there is no danger of ignition of the mixture surrounding the lamp by explosions within the compartment. The lamp will not pass the above tests, even though the surrounding explosive mixtures are not ignited, if external flame is observed, if excessive pressures are developed, or if excessive distortion of any part of the compartment takes place.

(3) Glass-enclosed parts of such compartments must be guarded and be of extra-heavy glass to withstand pick blows, and be adequately protected by shrouds or by an automatic cut-out that opens the lamp circuit if the enclosure is broken.

(4) When an explosion-proof enclosure consists of two or more parts that are held together securely by bolts or some suitable means to permit assembly, the flanges comprising the joints between parts shall have surfaces with metal-to-metal contact, except enclosures requiring glass, in which case glass-to-metal

¹ Investigation has shown that for practical purposes Pittsburgh natural gas (containing a high percentage of methane) is a satisfactory substitute for pure methane.

joints are permitted. Gaskets, if adequate, may be used to obtain a firm seat for the glass but not elsewhere. Rubber, putty, and plaster of paris are not acceptable as material for gaskets. For enclosures having an unoccupied volume (air space) of more than 60 cubic inches the width of the joint measured along the shortest flame path from the inside to the outside of the enclosure shall not be less than 1 inch. When the unoccupied volume (air space) is less than 60 cubic inches, this path shall not be less than three-fourths inch.

(b) *Locks and seals (lighting attachment)*. Explosion-proof compartments shall be equipped with seals or locks that prevent unauthorized and unsafe opening of the compartments in a mine.

(c) *Locks or seals (battery)*. The battery shall be enclosed in a locked or sealed container that will prevent exposure of live terminals.

(d) *Temperature of lamp*. The temperature of the lamp under conditions of use shall not be such that a person may be burned in handling it.

(e) *Cable and connection*. (1) The cable or cord connecting the lamp to its battery shall be of high-grade design and materials, comparable to the specially recommended tralling cables as listed by the Bureau, and shall be not more than 15 feet in length.

(2) The cable (or cord) shall be adequately protected at the battery end by a fuse in the locked battery box or housing. The cable (or cord) and the fuse shall be considered parts of the lamp, and specifications for them shall be submitted by the lamp manufacturer.

(3) The method of terminating the cable (or cord) at the lamp and at the battery housing shall be adequate, but in no case shall the cable or cord be detachable.

The Bureau reserves the right to make minor changes in the requirements outlined in subparagraphs (1), (2), and (3) of this paragraph (No. 9, class 2 lamps), as experience and service prove to be necessary in the interests of safety.

§ 20.10 *Tests (class 1 and 2 lamps)*. Such tests will be made as are necessary to prove the adequacy of a lamp or any of its parts in fulfilling the purposes for which it was designed. These tests include the following:

(a) Safety tests, including tests of safety devices, electrical contacts, and explosion-proof features.

(b) Photometric tests.

(c) Tests to demonstrate adequacy of mechanical strength.

(d) Tests of nonspilling features (storage-battery lamps of class 1).

(e) Temperature tests.

§ 20.11 *Material required for Bureau of Mines records*. In order that the Bureau may know exactly what it has tested and approved, detailed records are kept covering each investigation. These include drawings and actual equipment, as follows:

(a) *Drawings*. The original drawings submitted with the application for the tests and the final drawings which the manufacturer must submit to the Bureau before approval is granted, to show the details of the lamp as approved, are retained. These drawings are used to identify the lamp and its parts in the approval and as a means of checking the future commercial product of the manufacturer.

(b) *Equipment*. (1) If the Bureau so desires, parts of the lamps which are used in the tests will be retained as a permanent record of the investigation and of the lamps submitted.

(2) If the lamp is approved, the Bureau will require the manufacturer, as soon as his first manufactured lamps are available, to submit one complete lamp, with the approval plate attached, as a record of his commercial product.

§ 20.12 *How approvals are granted*.

(a) All approvals are granted by official letter from the Bureau of Mines. A lamp will be approved under this part only when the testing engineers judge that the lamp has met the requirements of this part and after the Bureau's records concerning the lamp are complete, including manufacturer's drawings that show the lamp as it is to be made commercially. No verbal reports of the Bureau's decision concerning the investigation will be given, and no informal approvals will be granted.

(b) As soon as the manufacturer has received the formal approval he shall be free to advertise his lamp as permissible. [Sched. 10C, May 17, 1938, as amended by Supp. 1, 20 F. R. 2719, Apr. 23, 1955]

§ 20.13 *Approval plate*. The manufacturer shall attach, stamp, or mold an approval plate on the battery container

or housing of each permissible lamp. The plate shall bear the seal of the Bureau of Mines, and be inscribed as follows: "Permissible ----- Lamp. Approval No. ----- issued to the ----- Company." When deemed necessary, an appropriate caution statement shall be added. The size, material, and position of the approval plate shall be satisfactory to the Bureau.

(a) *Purpose of approval plate.* The approval plate is a label which identifies the lamp so that anyone can tell at a glance whether the lamp is of the permissible type or not. By it the manufacturer can point out that his lamp complies with specifications of the Bureau of Mines and that it has been adjudged safe for use in gassy and dusty mines.

(b) *Use of approval plate.* Permission to place the Bureau's approval plate on his lamp obligates the manufacturer to maintain the quality of his product and to see that each lamp is constructed according to the drawings which have been accepted by the Bureau for this lamp and which are in the Bureau's files. Lamps exhibiting changes in design which have not been approved are not permissible lamps and must not bear the Bureau's approval plate.

(c) *Withdrawal of approval.* The Bureau reserves the right to rescind for cause at any time any approval granted under this part.

§ 20.14 *Instructions for handling future changes in lamp design.* All approvals are granted with the understanding that the manufacturer will make his lamp according to the drawings which he has submitted to the Bureau and which have been considered and included in the approval. Therefore, when he desires to make any change in the design of the lamp, he should first of all obtain an extension of the original approval to cover the change. The procedure is as follows:

(a) The manufacturer shall write to the Central Experiment Station, Bureau of Mines, 4800 Forbes Street, Pittsburgh 13, Pa., requesting an extension of his original approval and describing the change or changes proposed. With this letter he should submit a revised drawing or drawings showing the changes in detail, and one of each of the changed lamp parts.

(b) The Bureau will consider the application and inspect the drawings and parts to determine whether it will be necessary to make any tests.

(c) If no tests are necessary, the applicant will be advised of the acceptance or rejection of the proposed change by letter from the Bureau of Mines.

(d) If tests are judged necessary, the applicant will be advised of the material that will be required and of the necessary deposit to cover the fee for the test.

[Sched. 10C, May 17, 1938, as amended by Supp. 1, 20 F. R. 2719, Apr. 23, 1955]

Part 21—Flame Safety Lamps

Sec.	
21.0	Compliance with the requirements necessary for obtaining approval.
21.1	Purpose.
21.2	Definitions.
21.3	Fees charged.
21.4	Applications.
21.5	Conditions governing investigations.
21.6	General requirements.
21.7	Material required for Bureau of Mines records.
21.8	How approvals are granted.
21.9	Approval plate.
21.10	Instructions for handling future changes in lamps design.

AUTHORITY: §§ 21.0 to 21.10 issued under sec. 5, 36 Stat. 370, as amended, sec. 212, 66 Stat. 709; 30 U. S. C. 7, 482. Interpret or apply secs. 2, 3, 36 Stat. 370, as amended; 30 U. S. C. 3, 5.

SOURCE: §§ 21.0 to 21.10 contained in Schedule 7C, Aug. 30, 1935, except as otherwise noted.

§ 21.0 *Compliance with the requirements necessary for obtaining approval.* To receive approval of the Bureau of Mines for any flame safety lamps a manufacturer must comply with the requirements specified in this part.

§ 21.1 *Purpose.* (a) The purpose of investigations under this part is to make available flame lamps that may be safely used for detecting the presence of methane and deficiency of oxygen in mine atmospheres. Lists of such lamps will be published from time to time in order that State mine-inspection departments, compensation bureaus, mine operators, miners, and others interested in safe equipment for the mines may have information regarding permissible flame safety lamps. This part supersedes Schedule 7B, issued September 19, 1922, and goes into effect August 30, 1935.

These drawings are used to identify the lamp in the approval and as a means of checking the future commercial product of the manufacturer.

(b) *Actual equipment.* (1) If the Bureau so desires, parts of the lamps which are used in tests will be retained as a permanent record of the investigation and of the lamps submitted.

(2) If the lamp is approved, the Bureau will require the manufacturer, as soon as his first manufactured lamps are available, to submit one complete lamp, with the approval plate attached, as a record of his commercial product.

§ 21.8 *How approvals are granted.*

(a) All approvals are granted by official letter from the Bureau of Mines. A lamp will be approved under this part only when the testing engineers judge that the lamp has met the requirements of the schedule and the Bureau's records concerning the lamp are complete, including drawings from the manufacturer that show the lamp as it is to be made commercially. No verbal reports of the Bureau's decisions concerning the investigation will be given, and no informal approvals will be granted.

(b) As soon as the manufacturer has received the formal approval he shall be free to advertise his lamp as permissible. [Sched. 7C, Aug. 30, 1935, as amended by Supp. 1, 20 F. R. 2961, May 3, 1955]

§ 21.9 *Approval plate.* The manufacturer shall attach, stamp, or mold an approval plate on each permissible lamp. The plate shall bear the seal of the Bureau of Mines, and be inscribed as follows: "Permissible Flame Safety Lamp. Approval No. ----- issued to the ----- Company."

When deemed necessary, an appropriate caution statement shall be added. The size and position of the approval plate shall be satisfactory to the Bureau.

(a) *Purpose of approval plate.* The approval plate is a label which identifies the lamp so that anyone can tell at a glance whether the lamp is or is not of the permissible type. By it the manufacturer can point out that his lamp complies with specifications of the Bureau of Mines and that it has been adjudged safe for use in gassy mines.

(b) *Use of approval plate.* Permission to place the Bureau's approval plate on his lamp obligates the manufacturer to maintain the quality of his product

and to see that each lamp is constructed according to the drawings which have been accepted by the Bureau for this lamp and which are in the Bureau's files. Lamps exhibiting changes in design which have not been approved are not permissible lamps and must not bear the Bureau's approval plate.

(c) *Withdrawal of approval.* The Bureau reserves the right to rescind for cause at any time any approval granted under this schedule.

§ 21.10 *Instructions for handling future changes in lamp design.* All approvals are granted with the understanding that the manufacturer will make his lamp according to the drawings which he has submitted to the Bureau and which have been considered and included in the approval. Therefore, when he desires to make any change in the design of the lamp, he should first of all obtain the Bureau's approval of the change. The procedure is as follows:

(a) The manufacturer shall write to the Central Experiment Station, Bureau of Mines, 4800 Forbes Street, Pittsburgh 13, Pa., requesting an extension of his original approval and stating the change or changes desired. With this letter he should submit a revised drawing or drawings showing the changes in detail and one of each of the changed lamp parts.

(b) The Bureau will consider the application and inspect the drawings and parts to determine whether it will be necessary to make any tests.

(c) If no tests are necessary the applicant will be advised of the approval or disapproval of the change through the Director's office.

(d) If tests are judged necessary the applicant will be advised of the material that will be required and of the deposit necessary to cover the fee for the test. [Sched. 7C, Aug. 30, 1935, as amended by Supp. 1, 20 F. R. 2961, May 3, 1955]

Part 22—Portable Methane Detectors

Sec. 22.0	Compliance with the requirements necessary for obtaining approval.
22.1	Purpose.
22.2	Definitions.
22.3	Fees charged.
22.4	Applications.
22.5	Conditions governing investigations.
22.6	General requirements.
22.7	Specific requirements.

- Sec.
 22.8 Material required for Bureau of Mines records.
 22.9 How approvals are granted.
 22.10 Approval plate.
 22.11 Instructions on handling future changes in design.

AUTHORITY: §§ 22.0 to 22.11 issued under sec. 5, 36 Stat. 370, as amended, sec. 212, 66 Stat. 709; 30 U. S. C. 7, 482. Interpret or apply secs. 2, 3, 36 Stat. 370, as amended; 30 U. S. C. 3, 5.

SOURCE: §§ 22.0 to 22.11 contained in Schedule 8C, Oct. 31, 1935, except as otherwise noted.

§ 22.0 *Compliance with the requirements necessary for obtaining approval.* To receive approval of the Bureau of Mines for any portable methane detectors a manufacturer must comply with the requirements specified in this part.

§ 22.1 *Purpose.* (a) The purpose of investigations under this part is to provide portable methane detectors that may be safely used in mines. Lists of such detectors will be published from time to time in order that State mine-inspection departments, compensation bureaus, mine operators, miners, and others interested in safe equipment, for mines may have information in regard to permissible methane detectors. This part supersedes Schedule 8B, issued under date of November 17, 1926, and goes into effect October 31, 1935.

(b) Any methane detector that meets the requirements set forth in this part will be termed permissible by the Bureau of Mines and if actively marketed will be listed as such in publications relating to permissible mining equipment.

§ 22.2 *Definitions*—(a) *Methane detector.* A methane detector is a device that may be used to detect the presence of methane in a gassy mine.

(b) *Methane-indicating detector.* A methane-indicating detector is a device that will show, within certain limits of error, on an adequate scale, the percentage of methane in a gassy atmosphere.

(c) *Permissible.* Completely assembled and conforming in every respect with the design formally approved by the Bureau of Mines under this part. (Approvals under this part are given only to equipment for use in gassy and dusty mines.)

[Sched. 8C, Oct. 31, 1935, as amended by Supp. 1, 20 F. R. 2575, Apr. 19, 1955]

§ 22.3 *Fees charged.* (a) The fee for a complete investigation of a methane detector under this part is \$280.

(b) If the detector has an attachment that is used for illumination and is not covered by a former approval, an additional fee will be required for the investigation of the attachment.

(c) The fee for tests covering only a part of a complete investigation shall be proportional to the work involved.

Application for retests that may be equivalent to more than one-half of a complete investigation should be accompanied by a check for the full fee. Application for tests covering other changes in design, which may require less than one-half of a complete investigation, should be accompanied by a check for one-half of the full fee. Any surplus will be refunded at the close of the investigation.

(d) Under the present provisions of this part, extensions of approvals that do not require tests will be made without charge.

(e) Tests to assist a manufacturer in the development of his device may be made upon request to the Central Experiment Station, Bureau of Mines, 4800 Forbes Street, Pittsburgh 13, Pa., and will be charged for in amounts proportionate to the work involved.

[Sched. 8C, Oct. 31, 1935, as amended by Supp. 1, 20 F. R. 2575, Apr. 19, 1955]

§ 22.4 *Applications.* Before the Bureau of Mines will undertake the active investigation leading to approval of any methane detector, the manufacturer shall make application by letter for an investigation leading to approval of his detector. This application in duplicate, accompanied by a check, bank draft, or money order, payable to the United States Bureau of Mines, to cover all the necessary fees, shall be sent to the Central Experiment Station, Bureau of Mines, 4800 Forbes Street, Pittsburgh 13, Pa., together with the required drawings, one complete detector, and instructions for its operation.

[Supp. 1, 20 F. R. 2575, Apr. 19, 1955]

§ 22.5 *Conditions governing investigations.* (a) One complete detector, with assembly and detail drawings that show the construction of the device and the materials of which it is made, should be forwarded prepaid to the Central Experiment Station, Bureau of Mines,

Pittsburgh 13, Pa., at the time the application for tests is made.

(b) When this has been inspected by the Bureau's engineers, the applicant will be notified as to the amount of material that will be required for the tests. The manufacturer will be notified of the date on which the tests will be started and will be given an opportunity to witness the tests.

(c) *Observers at formal investigations and demonstrations.* No one shall be present during any part of the formal investigation conducted by the Bureau which leads to approval for permissibility except the necessary Government personnel, representatives of the applicant, and such other persons as may be mutually agreed upon by the applicant and the Bureau. Upon granting approval for permissibility, the Bureau will announce that such approval has been granted to the device and may thereafter conduct, from time to time in its discretion, public demonstrations of the tests conducted on the approved device. Those who attend any part of the investigation, or any public demonstration, shall be present solely as observers; the conduct of the investigation and of any public demonstration shall be controlled wholly by the Bureau's personnel. Results of chemical analyses of material and all information contained in the drawings, specifications, and instructions shall be deemed confidential and their disclosure will be appropriately safeguarded by the Bureau.

[Sched. 8C, Oct. 31, 1935, as amended by Supp. 1, 20 F. R. 2575, Apr. 19, 1955]

§ 22.6 *General requirements.* Methane detectors approved under this part shall be portable. They shall be durable in construction, practical in operation, and suitable for service conditions underground. They shall offer no probable explosion hazard if used in gaseous mine atmospheres nor any bodily hazard, such as spilling of battery electrolyte. They shall exhibit under laboratory test conditions various requirements of minimum performance that are specified in this part.

§ 22.7 *Specific requirements—(a) Design.* In the determination of adequacy of design, the following points will be considered: (1) Materials used, (2) construction, (3) accuracy, (4) size and shape, (5) range of detection (or indication), (6) life of the active parts, and (7) attention required. The suitability

of the materials and the construction shall be determined by preliminary inspection, by dropping tests, by laboratory and field tests in gas and air mixtures, and by the general behavior of the equipment during the investigation.

(b) *Safety against explosion hazard—*

(1) *Detectors.* Detectors shall be constructed so that they will not cause external ignitions when used in gaseous mine atmospheres.

(2) *Seals or locks.* All parts through which external ignitions might result shall be covered and protected adequately. All covers shall be sealed adequately or equipped with magnetic or other equally reliable locks to prevent their being opened by unauthorized persons.

(3) *Glasses.* Glasses or glass windows shall be of good-quality glass and protected adequately against breakage. Unguarded windows may be considered adequate in this respect, provided they are of small diameter and are of reasonably thick glass.

(4) *Battery.* If the detector is equipped with a battery, it shall be of such design that it will not produce sparks that will ignite an explosive mixture of methane and air.

(5) *Detectors of the flame type.* Methane detectors of the flame type shall be subject to the requirements of the flame-lamp schedule then in force.

(c) *Safety against bodily hazard.* Bodily hazard with battery-type detectors is due chiefly to possible burning of the user by electrolyte that has spilled from the battery. The Bureau, therefore, requires that:

(1) *Spilling of electrolyte.* The battery shall be so designed and constructed that when properly filled it will not spill electrolyte under actual service conditions.

(2) *Corrosion of battery container.* The material of which the container is made shall resist corrosion under conditions of use.

(d) *Performance.* In addition to the general design and safety features, the Bureau considers that permissible types of methane detectors should meet certain minimum requirements with respect to their performance, as follows:

(1) *Detectors.* (i) When the detector is operated according to the manufacturer's instructions, it shall be possible

to detect at least 1 percent methane in air, and increasing percentages up to 5 percent shall be shown by continuously increasing evidence.

(ii) The average number of determinations that may be made in approximately 2-percent methane mixtures without recharging a battery or replacing a chemical accessory shall not be less than 25, and the average number of such determinations that may be made without replacing any other part shall be not less than 100.

(2) *Indicating detectors.* Indicating detectors shall give indications of as low as 0.25 percent methane. Detectors having an upper scale limit of 2 percent may be approved, but it is recommended that the detector be designed to give indications of as high as 4 percent methane. The indications for these percentages shall be within the limits of error specified in the following table:

ALLOWABLE VARIATIONS IN
SCALE READING

Methane in mixtures	Minimum indication	Maximum indication
Percent	Percent	Percent
0.25	0.10	0.40
.50	.35	.65
1.00	.80	1.20
2.00	1.80	2.20
3.00	2.70	3.30
4.00	3.70	4.30

(i) Tests shall be made at several percentages within the range of the indicating detector and at temperatures between the limits of 50° and 70° F. by increments of 5°. Ten determinations shall be made at each percentage. Neither the average of the 10 readings nor more than 2 readings for each percentage shall exceed the limits of error given in the table.

(ii) The average number of determinations that may be made with an indicating detector without replacement of any part shall be not less than 30, and the average number that may be made without recharging the battery shall be not less than 15.

(iii) The scale shall not be subdivided into smaller divisions than the general accuracy of the indicating detector warrants.

(3) *Mechanical strength.* Detectors and indicating detectors shall be subjected to the following mechanical tests: Four of each of those parts or groups of

assembled parts that are not normally strapped to the user shall be dropped 20 times on a wood floor from a height of 3 feet. Parts that are strapped to the user may be subjected to a jarring or bumping test to demonstrate adequate strength. The average number of times that any one of the detectors can be dropped before breakage or material distortion of essential parts shall be not less than 10.

(e) *Attachments for illumination.* If detectors are provided with attachments for illuminating purposes, such attachments shall be subject to the same requirements as those applying to that type of lamp under the lamp schedule then in force.

§ 22.8 *Material required for Bureau of Mines records.* In order that the Bureau may know exactly what it has tested and approved, it keeps detailed records covering each investigation. These records include drawings and actual equipment as follows:

(a) *Drawings.* The original drawings submitted with the application for the tests and the final drawings which the manufacturer must submit to the Bureau before the approval is granted, to show the details of the detector as approved, are retained. These drawings are used to identify the detector in the approval and as a means of checking the future commercial product of the manufacturer.

(b) *Actual equipment.* If the Bureau so desires, parts of the detectors that are used in the tests will be retained as records of the equipment submitted. If the detector is approved, the Bureau will require the manufacturer to submit one of his detectors, with the approval plate attached, as a record of his commercial product.

§ 22.9 *How approvals are granted.* All approvals are granted by official letter from the Bureau of Mines. A detector will be approved under this part only when the testing engineers have judged that it has met the requirements of the schedule and the Bureau's records are complete, including drawings from the manufacturer that show the detector as it is to be commercially made. No verbal reports of the investigation will be given and no informal approvals will be granted. As soon as the manufacturer has received the formal approval, he

shall be free to advertise his detector as permissible.

[Sched. 8C, Oct. 31, 1935, as amended by Supp. 1, 20 F. R. 2575, Apr. 19, 1955]

§ 22.10 *Approval plate.* (a) (1) Manufacturers shall attach, stamp, or mold an approval plate on each permissible methane detector. The plate shall bear the seal of the Bureau of Mines and be inscribed as follows:

Permissible Methane Detector (or Permissible Methane Indicating Detector) Approval No. _____ issued to the _____ Company.

(2) When deemed necessary, an appropriate caution statement shall be added. The size and position of the approval plate shall be satisfactory to the Bureau.

(b) *Purpose of approval plate.* The approval plate is a label that identifies the device so that anyone can tell at a glance whether it is of the permissible type or not. By the plate, the manufacturer can point out that his detector complies with the Bureau's requirements and that it has been approved for use in gassy mines.

(c) *Use of approval plate.* Permission to place the Bureau's approval plate on his detector obligates the manufacturer to maintain the quality of his product and to see that each detector is constructed according to the drawings that have been accepted by the Bureau and are in the Bureau's files. Detectors exhibiting changes in design that have not been approved are not permissible and must not bear the Bureau's approval plate.

(d) *Withdrawal of approval.* The Bureau reserves the right to rescind for cause at any time any approval granted under this part.

§ 22.11 *Instructions on handling future changes in design.* All approvals are granted with the understanding that the manufacturer will make his detector according to the drawings that he has submitted to the Bureau and that have been considered and included in the approval. Therefore, when he desires to make any changes in the design he should first of all obtain the Bureau's approval of the change. The procedure is as follows:

(a) The manufacturer should write to the Central Experiment Station, Bureau of Mines, Pittsburgh 13, Pa., requesting an extension of his original approval and stating the change or changes desired.

With this request, he should submit a revised drawing or drawings showing changes in detail, together with one of each of the parts affected.

(b) The Bureau will consider the application and inspect the drawings and parts to determine whether it will be necessary to make any tests.

(c) If no tests are necessary, the applicant will be advised of the approval or disapproval of the change by letter from the Bureau of Mines.

(d) If tests are judged necessary, the applicant will be advised of the material that will be required and of the necessary deposit to cover the fee for the tests.

[Sched. 8C, Oct. 31, 1935, as amended by Supp. 1, 20 F. R. 2575, Apr. 19, 1955]

Part 23—Telephones and Signaling Devices

Sec.	Purpose.
23.1	Definitions.
23.2	Applications.
23.3	Fees charged.
23.4	Conditions governing investigations.
23.5	General requirements for approval.
23.6	Specific requirements for approval.
23.7	Inspection and tests.
23.8	Special requirements for complete devices.
23.9	Material required for Bureau of Mines records.
23.10	How approvals are granted.
23.11	Wording, purpose, and use of approval plate.
23.12	Withdrawal of approval.
23.13	Instructions for handling future changes in design.
23.14	

AUTHORITY: §§ 23.1 to 23.14 issued under sec. 5, 36 Stat. 370, as amended, sec. 212, 66 Stat. 709; 30 U. S. C. 7, 482. Interpret or apply secs. 2, 3, 36 Stat. 370, as amended; 30 U. S. C. 3, 5.

SOURCE: §§ 23.1 to 23.14 contained in Schedule 9B, 4 F. R. 1955, Apr. 11, 1939, except as otherwise noted.

§ 23.1 *Purpose.* (a) The purpose of investigations under this part is to promote the development of telephones and signaling devices that may be used safely in mines, especially in coal mines that may have gassy or dust-laden atmospheres. This schedule supersedes Schedule 9A, issued under date of December 5, 1922, and becomes effective October 18, 1938.

(b) Telephones and signaling devices approved under the requirements of this

part will be termed "permissible" by the Bureau, and if actively marketed will be listed as such in publications relating to permissible equipment, for the information of State mine inspection departments, compensation bureaus, mine operators, miners, and others interested in safety equipment for mines.

§ 23.2 *Definitions.* (a) "Adequate" means appropriate and sufficient, as determined by mutual agreement of the manufacturer, operators, and the Bureau of Mines.

(b) "Approval" means official notification by letter, from the Bureau of Mines to a responsible organization, stating that the device under consideration has been judged to meet the requirements of this part.

(c) "Normal operation" means the performance by each part of the device of those functions for which the part was designed.

(d) "Permissible" as used in this part means completely assembled and conforming in every respect with the design formally approved by the Bureau of Mines under this part. (Approvals under this part are given only to equipment for use in gassy and dusty mines.)

(e) "Protected" means effectively covered, enclosed, or otherwise guarded by adequate covers.

(f) "Signaling device." As used in this part, a signaling device is one that gives visual or audible signals without connection to any power or lighting circuit. (Devices operated from such circuits will not be considered for approval.)

[Sched. 9B, 4 F. R. 1555, Apr. 11, 1939, as amended by Supp. 1, 20 F. R. 2975, May 4, 1955]

§ 23.3 *Applications.* Before the Bureau of Mines will undertake the active investigation leading to approval of any telephone or signaling service, the manufacturer shall make application by letter for an investigation leading to approval of his device. This application in duplicate, accompanied by a check, bank draft, or money order, payable to the United States Bureau of Mines, to cover all the necessary fees, shall be sent to the Central Experiment Station, Bureau of Mines, 4800 Forbes Street, Pittsburgh 13, Pa., together with the required drawings, one complete telephone or signal-

ing device, and instructions for its operation.

[Supp. 1, 20 F. R. 2975, May 4, 1955]

§ 23.4 *Fees charged.* (a) The fee for the complete investigation of a telephone or signaling device under this part is \$95.

(b) *Charges for development tests.* Special tests to assist the manufacturer in the development of his device may be made upon request to the Central Experiment Station and will be charged for in amounts proportionate to the work involved.

[Sched. 9B, 4 F. R. 1555, Apr. 11, 1939, as amended by Supp. 1, 20 F. R. 2975, May 4, 1955]

§ 23.5 *Conditions governing investigations.* (a) One complete device together with assembly and detail drawings that show its construction and the materials of which the parts are made, shall be submitted, preferably at the time the application for test is made. These shall be sent prepaid to the Bureau of Mines Central Experiment Station, 4800 Forbes Street, Pittsburgh, Pa.

(b) After the device has been inspected by the Bureau's engineers, the applicant will be notified as to the amount of material that he will be required to supply for the tests and of the date on which testing will be started.

(c) *Observers at formal investigations and demonstrations.* No one shall be present during any part of the formal investigation conducted by the Bureau which leads to approval for permissibility except the necessary Government personnel, representatives of the applicant, and such other persons as may be mutually agreed upon by the applicant and the Bureau. Upon granting approval for permissibility, the Bureau will announce that such approval has been granted to the device and may thereafter conduct, from time to time in its discretion, public demonstrations of the tests conducted on the approved device. Those who attend any part of the investigation, or any public demonstration, shall be present solely as observers; the conduct of the investigation and of any public demonstration shall be controlled wholly by the Bureau's personnel. Results of chemical analyses of material and all information contained in the drawings, specifications, and instructions shall be deemed confidential and their disclosure will be appropriately safeguarded by the Bureau.

(d) Formal tests will not be made unless the device has been completely developed and is in a form that can be marketed.

(e) The results of the tests shall be regarded as confidential by all present at the tests and shall not be made public in any way prior to the formal approval of the device by the Bureau.

(f) No verbal report of approval or disapproval will be made to the applicant. After the Bureau's engineers have considered the results of the inspections and tests, a formal written report of the approval or disapproval will be made to the applicant by the Bureau of Mines. The applicant shall not advertise his device as being permissible or approved, or as having passed the tests, prior to receipt of the formal notice of approval.

[Sched. 9B, 4 F. R. 1555, Apr. 11, 1939, as amended by Supp. 1, 20 F. R. 2975, May 4, 1955]

§ 23.6 General requirements for approval. Telephones and signaling devices shall be durable in construction, practical in operation, and suitable for conditions of underground service. They shall offer no probable explosion hazard under normal operation if used in gassy or dusty mine atmospheres.

§ 23.7 Specific requirements for approval. (a) The circuits external to telephones and signal devices shall be intrinsically safe; that is, the electrical design and construction of telephones and signal devices shall be such that neither contact between wires comprising the external circuits nor contact of tools or other metal objects with external terminals and circuits will result in electrical sparks capable of igniting explosive methane-air mixtures (or such mixtures with coal dust in suspension) during normal operation of the telephones or signal devices.

(b) All parts which, during normal operation, are capable of producing sparks that might ignite explosive methane-air mixtures shall be enclosed in explosion-proof compartments. All openings in the casings of such compartments shall be adequately protected. It is desirable that openings be as few as possible. All joints in the casings of an explosion-proof compartment shall be metal-to-metal so designed as to have a width of contact, measured along the shortest path from the inside to the outside of the compartment, of not less

than 1 inch if the unoccupied volume (air space) in the compartment is more than 60 cubic inches. For unoccupied volume of 60 cubic inches or less, a $\frac{3}{8}$ -inch width of contact will be acceptable.

(c) All bolts and screw holes shall be "blind" or bottomed if the omission of a bolt or screw would otherwise leave an opening into the compartment. An adequate lock or seal shall be provided to prevent tampering and exposure of spark-producing parts by unauthorized persons.

(d) Battery cells shall be placed in an explosion-proof compartment or else in one that is locked or sealed, and the terminals and the connections thereto shall be so arranged and protected as to preclude meddling, tampering, or making other electrical connections with them.

(e) Manufacturers shall furnish adequate instructions for the installation and connection of telephones and signal devices in order that the safety of these devices and their circuits shall not be diminished by improper installation. The Bureau reserves the right to require the attachment of wiring diagrams to the cases of telephones and signal devices.

(f) If electric light bulbs are used in signaling devices, they shall be either equipped with effective safety devices, such as are required for permissible electric mine lamps,¹ or enclosed in explosion-proof compartments.

§ 23.8 Inspection and tests. (a) A thorough inspection of the telephone or signaling device will be made to determine its adequacy and permissibility. Tests may be made to check the electrical characteristics and constants of the various parts, and determine the adequacy of the insulation and other parts of features of the device.

(b) In addition, compartments of explosion-proof design will be tested while filled and surrounded with explosive mixtures containing varying percentages of Pittsburgh natural gas² and air, the mixture within the compartment being

¹In this case, the requirements of the current schedule for mine lamps will apply.

²Investigation has shown that for test purposes Pittsburgh natural gas (containing a high percentage of methane) is a satisfactory substitute for pure methane.

ignited by a spark plug or other suitable means. For some of the tests bituminous-coal dust will be introduced into the compartment in addition to the explosive mixtures, and the effects will be noted. A sufficient number of tests will be made under the foregoing conditions to determine the ability of the compartment to retain flame without bursting. Even though the surrounding mixtures are not ignited, the compartment will not be considered as having passed the tests, if flames are discharged from any joint or opening; if excessive pressures are developed or if serious distortion of the compartment walls takes place.

§ 23.9 *Special requirements for complete devices.* Telephones and signaling devices will be considered nonpermissible if used under any of the following conditions:

(a) Without the approval plate, mentioned hereafter.

(b) With unprotected openings in any of the explosion-proof compartments. This condition refers to any openings in these compartments, but especially to those equipped with removable covers.

(c) If not complete with all of the parts considered in the approval.

(d) If installed or connected otherwise than in accordance with the instructions furnished by the manufacturer.

(e) If modified in any manner not authorized by the Bureau.

§ 23.10 *Material required for Bureau of Mines records.* In order that the Bureau may know exactly what it has tested and approved, it keeps detailed records covering each investigation. These records include drawings and actual equipment as follows:

(a) *Drawings.* The original drawings submitted with the application for the tests and the final drawings which the manufacturer must submit to the Bureau before the approval is granted, to show the details of the device as approved. These drawings are used to identify the device in the approval and as a means of checking the future commercial product of the manufacturer.

(b) *Actual equipment.* If the Bureau so desires, parts of the devices that are used in the tests will be retained as records of the equipment submitted. If the device is approved, the Bureau reserves the right to require the manufacturer to

submit one, with the approval plate attached and without cost to the Bureau, as a record of his commercial product.

§ 23.11 *How approvals are granted.* All approvals are granted by official letter from the Bureau of Mines. A device will be approved under this part only when the testing engineers have judged that it has met the requirements of the part and the Bureau's records are complete, including drawings from the manufacturer that show the device as it is to be commercially made. Individual parts of devices will not be approved. No verbal reports of the investigation will be given and no informal approvals will be granted. As soon as the manufacturer has received the formal approval, he shall be free to advertise his device as permissible.

[Sched. 9B, 4 F. R. 1555, Apr. 11, 1939, as amended by Supp. 1, 20 F. R. 2975, May 4, 1955]

§ 23.12 *Wording, purpose, and use of approval plate—(a) Approval plate.* (1) Manufacturers shall attach, stamp, or mold an approval plate on each permissible device. The plate shall bear the seal of the Bureau of Mines and be inscribed as follows:

Permissible Telephone (or Permissible Signaling Device) Approval No. ----- Issued to the ----- Company.

(2) When deemed necessary, an appropriate caution statement shall be added. The size and position of the approval plate shall be satisfactory to the Bureau.

(b) *Purpose.* The approval plate is a label that identifies the device so that anyone can tell at a glance whether or not it is of the permissible type. By the plate, the manufacturer can point out that his device complies with the Bureau's requirements and that it has been approved for use in gassy or dusty mines.

(c) *Use.* Permission to place the Bureau's approval plate on his device obligates the manufacturer to maintain the quality of his product and to see that each device is constructed according to the drawings that have been accepted by the Bureau and are in the Bureau's files. Devices exhibiting changes in design that have not been authorized are not permissible and must not bear the Bureau's approval plate.

§ 23.13 *Withdrawal of approval.* The Bureau reserves the right to rescind for

der this part shall be practical in construction and operation as well as suitable for service conditions underground. They shall offer no probable ignition hazard when used in gassy mine atmospheres. They shall meet, under laboratory test conditions, the following requirements of minimum performance:

(a) The unit shall fire consistently single electric blasting caps through a total resistance of $4\frac{1}{2}$ ohms.

(b) The unit shall not produce sparks capable of igniting explosive mixtures of methane and air.¹

(c) Units of the battery type shall be designed to prevent accidental connection to the firing circuit. Batteries having a short-circuit current greater than 10 amperes, shall be enclosed in an effectively locked or sealed housing.

(d) Storage batteries supplying current for both blasting and illumination at the same time shall have ample capacity for the combined service or shall be equipped with an automatic device that cuts off the lamp during shot firing. The lamp part of the unit shall meet the requirements of the current lamp schedules.

(e) Magneto units shall be operable only by a special key or handle.

(f) A unit that depends on some special modification, such as a shunt resistance, to prevent igniting sparks, shall have its housing sealed or locked to prevent removal or disturbance of this safety feature.

[Sched. 12D, 10 F. R. 14895, Dec. 11, 1945, as amended by Supp. 1, 20 F. R. 2719, Apr. 23, 1955]

§ 24.5 Materials required for Bureau of Mines records. In order that the Bureau may know exactly what it has tested and approved, it keeps detailed records

¹ Sparking tests of battery-type units will be made with a contactor disk 8 inches in diameter equipped with brush-type contacts, each of approximately 50 No. 34 copper wires. The contactor will be surrounded by an explosive mixture of Pittsburgh natural gas and air. The test shall consist of making and breaking the discharge of each of three units at least 300 times with the contactor operating at 60 revolutions per minute. The resistance of the contactor circuit shall not be greater than 0.25 ohm. Similar tests will be made of magneto- and generator-type units but with the contactor equipped with a $\frac{1}{16}$ -inch bronze brush and brass contact and operating at speeds up to 1,200 revolutions per minute.

covering each investigation. These records include drawings and actual equipment, as follows:

(a) *Drawings.* The original drawings submitted with the application for approval and any drawings that are needed to show changes in design. These drawings are used to identify the unit in the approval and to check the future product of the manufacturer.

(b) *Actual equipment.* If the Bureau so desires, parts of the units that are used in the tests will be retained as records of the equipment submitted. If the unit is approved, the Bureau will require the manufacturer to submit one of his units, with the approval plate attached, as a record of his future commercial product.

§ 24.6 Approvals. All approvals are granted by letter from the Bureau of Mines. A blasting unit will be approved under this part only when the testing engineers shall have judged that it has met the requirements of the schedule and the Bureau's records are complete, including drawings from the manufacturer that show the unit as it is to be made. No verbal reports of the investigation will be given, and no informal approval will be granted. The manufacturer shall not advertise his blasting unit as permissible or approved until he has received the formal notification of approval from the Bureau of Mines.

[Sched. 12D, 10 F. R. 14895, Dec. 11, 1945, as amended by Supp. 1, 20 F. R. 2719, Apr. 23, 1955]

§ 24.7 Approval plate—(a) Design. Manufacturers shall attach, stamp, or mold an approval plate on each permissible single-shot blasting unit. The plate shall bear the seal of the Bureau of Mines, United States Department of the Interior, and be inscribed as follows:

Permissible Single-Shot Blasting Unit.
Approval No. ----- issued to the -----
----- Co.

When deemed necessary, an appropriate cautionary statement shall be added. A photograph of the approval plate design will be supplied to the manufacturer with the approval letter. The size and position of the approval plate adopted shall be satisfactory to the Bureau.

(b) *Purpose.* The approval plate is a label that identifies the device so that any one can tell at a glance whether or not it is of the permissible type. By the plate, the manufacturer can point out

that his blasting unit complies with the Bureau's requirements, and that it has been approved for use in gassy mines.

(c) *Significance.* Permission to place the approval plate on his unit obligates the manufacturer to maintain the quality of his product and to see that each unit is constructed according to the drawings that have been accepted and placed on file by the Bureau. Blasting units exhibiting changes in design that have not been authorized by the Bureau are not permissible and must not bear the approval plate.

§ 24.8 *Withdrawal of approval.* The Bureau of Mines reserves the right to rescind for cause, at any time, any approval granted under this part.

§ 24.9 *Future changes in design.* All approvals are granted with the understanding that the manufacturer will make each blasting unit according to the drawings that were submitted to the Bureau and that have been included in the approval. Changes in the design shall not be made without first obtaining the Bureau's authorization, procedure for which is as follows:

(a) The manufacturer shall write to the Central Experiment Station, Bureau of Mines, 4800 Forbes Street, Pittsburgh 13, Pa., requesting an extension of his original approval and stating the change or changes desired. A copy of the letter, a revised drawing of the change in detail, and one of each of the parts affected shall be sent by the manufacturer to the Central Experiment Station, 4800 Forbes Street, Pittsburgh 13, Pa.

(b) The Bureau will consider the application and inspect the drawings and parts to determine whether it will be necessary to make any tests.

(c) If the Bureau finds the change to be acceptable without test, extension of approval authorizing the change will be granted in writing from the Bureau of Mines.

(d) If tests are judged necessary, the applicant will be advised of the material that will be required and of the necessary deposit to cover the fee for the tests. When the changed design has been found to comply with the requirements of this schedule, extension of approval authorizing the changes will be granted.

[Sched. 12D, 10 F. R. 14895, Dec. 11, 1945, as amended by Supp. 1, 20 F. R. 2719, Apr. 23, 1955]

Part 25—Multiple-Shot Blasting Units

Subpart A—General Provisions

Sec.	
25.1	Purpose.
25.2	Definitions.
25.3	Consultation.
25.4	Fees for investigation.
25.5	Tests and investigations.
25.6	Applications.
25.7	Specifications; all types of units.
25.8	Specifications; particular types of units.
25.9	Conduct of investigations and demonstrations.
25.10	Certificate of approval.
25.11	Approval plate.
25.12	Changes after approval.
25.13	Withdrawal of approval.

Subpart B—Blasting Units Capable of Detonating 10 Short-Delay Electric Detonators

25.20	Definition.
25.21	Specifications.

Subpart C—Blasting Units Capable of Detonating 20 Short-Delay Electric Detonators

25.25	Definition.
25.26	Specifications.

AUTHORITY: §§ 25.1 to 25.26 issued under sec. 5, 36 Stat. 370, as amended, sec. 212, 66 Stat. 709; 30 U. S. C. 7, 482. Interpret or apply secs. 2, 3, 36 Stat. 370, as amended, secs. 201, 209, 66 Stat. 692, 703; 30 U. S. C. 3, 5, 471, 479.

SOURCE: §§ 25.1 to 25.26 contained in Schedule 16D, 23 F. R. 7533, Sept. 27, 1958.

SUBPART A—GENERAL PROVISIONS

§ 25.1 *Purpose.* The regulations in this part set forth the specifications and requirements for multiple-shot blasting units to procure their approval and certification as permissible for use in coal mines; procedures for applying for such certification; and fees.

§ 25.2 *Definitions.* As used in this part—

(a) "Permissible," as applied to a multiple-shot blasting unit, means that the unit conforms to the specifications and requirements of this part, and that a certificate of approval to that effect has been issued.

(b) "Certificate of approval" means a formal document issued by the Bureau stating that the unit has met the specifications and requirements in this part and authorizing the use and attachment of an official approval plate.

(c) "Blasting unit" means an apparatus for detonating high explosives by

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and the fee must be paid in advance before the investigation will be undertaken.

§ 25.5 *Tests and investigations.* Unless the application states otherwise, it will be presumed that a complete investigation for certification is desired. However, the application may be expressly limited to some element or phase less than a complete investigation; and in any case if the tests at any stage indicate that the unit does not conform to the specifications in this part, the Bureau may treat the application as one for a partial investigation up to that point. Complete investigation for certification will not be undertaken unless the unit has been fully developed, is ready to be marketed, and is submitted completely assembled including parts, connectors, and all related materials.

means an individual,
 corporation, as-
 organization that de-
 or assembles, and
 of approval or
 a multiple-shot

§ 25.6 *Applications.* (a) No investigation or testing will be undertaken by the Bureau except pursuant to a written application, in duplicate, accompanied by a check, bank draft, or money order, payable to the United States Bureau of Mines, to cover the fees, and all prescribed drawings, specifications, and related material. The application and all related matters and all correspondence concerning it shall be sent to the Central Experiment Station, Bureau of Mines, 4800 Forbes Avenue, Pittsburgh 13, Pennsylvania, Attention: Chief, Branch of Electrical-Mechanical Testing.

By appoint-
 or their represent-
 the Bureau's Central
 4800 Forbes Avenue,
 13, Pennsylvania, to discuss
 Bureau representatives
 of equipment to be sub-
 of this part. No
 for such consultation.

(b) The unit to be tested may be shipped (charges prepaid) at the same time the application is submitted, or at the option of the applicant shipment of the unit may be deferred until the Bureau has notified the applicant that the application will be accepted.

§ 25.7 *Fees for investigation.* (a) The fee for a complete investigation of a multiple-shot blasting unit is \$250.

(c) Drawings and specifications shall be adequate in number and detail to identify fully the design of the unit and to disclose its materials, detailed dimensions of all parts, and wiring diagram. Drawings must be numbered and dated to insure accurate identification and reference to records, and must show the latest revision. Specifications must be given for materials, components, and subassemblies.

(b) The full fee must accompany an application for retesting a unit which has been previously tested and disapproved; but if less work is involved than for a complete investigation, the charge will be in proportion to the work done, and any surplus will be refunded to the applicant.

(c) The fee for tests covering only part of a complete investigation, such as to assist an applicant in developing a unit, will be charged according to the work involved and will be in proportion to that charged for a complete investigation. A fee for such tests shall be determined in advance by the Bureau and the applicant notified accordingly in writing.

§ 25.7 *Specifications; all types of units.* (a) The Bureau will not test or investigate any unit that in its opinion is not constructed of suitable materials, that evidences faulty workmanship, or that is not designed upon sound engineering principles. In addition to any

(d) Ordinarily a fee is not charged for an application covering an extension of approval that does not require test work. Each case, however, will be considered individually, and if a fee is required, the applicant will be notified accordingly,

specifications or requirements imposed by the regulations in this part, the Bureau may impose such further specifications or requirements as in its opinion are necessary or proper to investigate or test the particular device submitted.

(b) Any unit that satisfies all of the requirements of this part may be certified as permissible.

(c) Adequacy of design and construction will be determined in connection with the following factors: Kind and durability of materials, test of active parts, resistance to moisture, drop test, insulation measurements, durability of construction, practicality in operation, suitability for underground service, and performance characteristics during the investigation.

(d) The unit must not ignite explosive gas-air mixtures or cause misfires or premature firing under any condition of use.

(e) The firing operation must be accomplished by a removable key or other acceptable means to prevent accidental or premature firing.

(f) A suitable means, incorporated as an integral part of the blasting unit, shall be provided to indicate, before each round of shots is fired, the ability of the unit to meet the average current and energy requirements, as stated in paragraphs (h) and (i) of this section.

(g) The voltage must be cut off or be reduced within 15 milliseconds (0.015 second) after the firing contact is made to such a value that no incendive spark (an electric spark of sufficient intensity to ignite flammable methane-air mixtures) can result from accidental post-firing contact of wires in the firing circuit.

(h) The average current produced by the unit shall be not less than 1.5 amperes, based on a 5-millisecond application to the bridgewire of the short-delay electric detonator.

(i) The energy applied to the firing circuit of the blasting unit shall be as stated in § 25.21 (a) or § 25.26 (a).

(j) The difference of potential at the terminals of the blasting unit shall be as stated in § 25.21 (b) or § 25.26 (b).

(k) Terminals of the unit for connecting the firing (blasting) cable shall be well insulated, without exposed parts that can become "alive" when energized.

(l) The housing for the unit shall be sealed to prevent tampering with the

contents, and mechanically strong for mine service.

§ 25.8 *Specifications; particular types of units.* (a) Generator type: The energy output shall not depend upon the physical effort of an operator of the blasting unit.

(b) Generator or battery, condenser-discharge type:

(1) Condensers must be capable of withstanding 25,000 charge and discharge cycles at the normal rate specified by the applicant.

(2) An automatic means shall be provided to insure that no residual electrical charge will remain in the condenser(s) when the blasting unit is not in use.

(3) Firing shall not occur automatically upon operation of the device provided for charging the condenser(s) but must be accomplished by a separate manual operation.

(4) If battery-powered, the unit shall be so designed and constructed that the battery can be replaced without disturbing or damaging other electrical components.

§ 25.9 *Conduct of investigations and demonstrations.* (a) Prior to the issuance of a certificate of approval, only Bureau personnel, representatives of the applicant, and such other persons as may be mutually agreed upon, may observe the investigations or tests. After the issuance of a certificate of approval, the Bureau may conduct such public demonstrations and tests of the approved unit as it sees fit. The conduct of all investigations, tests, and demonstrations shall be under the sole direction and control of the Bureau, and any other persons shall be present only as observers. The Bureau shall hold as confidential and shall not disclose the results of chemical analyses of material or the contents of the application and its accompanying drawings, specifications, and related material.

§ 25.10 *Certificate of approval.* (a) Upon the completion of the investigation the Bureau shall issue to the applicant either a certificate of approval or a written notice of disapproval. If a certificate of approval is issued, no test data or detailed results of the test will accompany it. If the unit is disapproved, the notice of disapproval will be accompanied by details of the defects, with a view to possible correction. The Bureau

...the results of ... are disapproved.

...written certificates ... of disapproval will

...certificate of approval will be ... by a list of the drawings ... covering the details ... and construction upon which ... is based, and with the official approval number marked thereon. Applicants shall keep exact duplicates of the drawings and specifications that have been submitted to the Bureau and that relate to any unit which has received a certificate of approval, and these are to be adhered to exactly in production of the approved unit for commercial purposes.

§ 2511 Approval plate. (a) A certificate of approval will be accompanied by a photograph of a design for an approval plate bearing the seal of the Bureau, space for the approval number, the type the serial number, the class of unit to which the approval relates, and the name of the applicant. Where necessary, an appropriate statement of the conditions to be observed in manufacturing the unit is to appear on the reverse side of the plate.

(b) The applicant shall reproduce the design either as a separate plate or as stamping or molding in a steel matrix plate or dies into which is placed the size, type, method of stamping and location of approval plates and letters as approved by the Bureau. The method of stamping the plate shall be under the inspection and direction of the Bureau.

(c) The approval plate identifies the unit in which it is stamped or stamped into, and is the applicant's guarantee that the unit conforms with the specifications and requirements in this part. Without an approval plate, no unit may be used in "permissible" areas or processes in this part.

(d) The use of the approval plate identifies the applicant as guaranteeing the quality of such unit and bearing a responsibility that it is manufactured and assembled according to the drawings and specifications upon which a certificate of approval is based. The use of the approval plate is not authorized except in units that conform strictly with the drawings and specifications upon which the certificate of approval is based.

§ 2512 Changes after approval. If an applicant desires to change any feature of an approved unit and still have it covered by an existing certificate of approval, he shall first obtain the Bureau's approval of the change, pursuant to the following procedures:

(a) Application shall be made, as for an original certification, requesting that the existing certificate of approval be extended to cover the proposed change. The application shall be accompanied by drawings and specifications and related material as in the case of an original application.

(b) The application will be examined by the Bureau to determine whether inspection and testing of the modified unit or any part thereof will be required. Generally, inspection and testing will be necessary if there is a possibility that the modification may affect adversely the performance of the unit. The Bureau will inform the applicant whether such inspection and testing is required, the parts or materials to be submitted for that purpose, and the fee required.

(c) If the proposed modification meets the requirements and specifications of this part a formal extension of approval will be issued accompanied by a list of new and amended drawings and specifications to be added to those already on file in the files for the certificate of approval.

§ 2513 Withdrawal of approval. The Bureau reserves the right to withdraw approval from any unit or approval granted under this part.

§ 2514 BATTERY UNIT'S CAPABLE OF DETONATING A SHORT-DELAY ELECTRIC DETONATOR

(a) Definition. As used in this section, "battery-unit capable unit" means any unit capable of detonating a short-delay electric detonator with a single application of electrical energy to the firing circuit with the electrical impedance in series with a load that is not a component of the unit and the battery.

(b) Specifications. The electrical energy stored in the firing circuit of any battery-unit capable unit shall be not less than 1.4 watt-second meter joules per gram of lead.

(c) The interference of potential in the operation of the battery-unit capable unit shall not exceed 100 volts.

SUBPART C—BLASTING UNITS CAPABLE OF DETONATING 20 SHORT-DELAY ELECTRIC DETONATORS

§ 25.25 *Definition.* As used in this subpart—(a) “Multiple-shot blasting unit” means that the unit is capable of consistently detonating not to exceed twenty (20) short-delay electric detonators with a single application of electrical energy to the firing circuit, with the detonators connected in series, and with a total firing-circuit resistance of not less than 150 ohms.

§ 25.26 *Specifications.* (a) The electrical energy applied to the firing circuit by the multiple-shot blasting unit shall be not less than 1.7 watt-seconds under any condition of use.

(b) The difference of potential at the terminals of the multiple-shot blasting unit shall not exceed 400 volts.

Part 26—Lighting Equipment for Illuminating Underground Workers

Sec.	
26.1	Purpose.
26.2	Definitions.
26.3	Consultation.
26.4	Type of equipment that may be granted certificates for permissibility.
26.5	Components that may be certified.
26.6	Fees for investigation.
26.7	Tests and investigations.
26.8	Applications.
26.9	Specifications; all types of lighting systems.
26.10	Specifications; intrinsically safe lighting fixtures.
26.11	Specifications; explosion-proof lighting fixtures.
26.12	Specifications; cable connectors.
26.13	Specifications; portable cables.
26.14	Conduct of investigations and demonstrations.
26.15	Certificate of approval for permissibility.
26.16	Certification of components.
26.17	Approval plate for permissible lighting systems.
26.18	Markings for certified components.
26.19	Changes after certification.
26.20	Withdrawal of certification.

AUTHORITY: §§ 26.1 to 26.20 issued under sec. 5, 36 Stat. 370, as amended, sec. 212, 66 Stat. 709; 30 U. S. C. 7, 482. Interpret or apply secs. 2, 3, 36 Stat. 370, as amended, secs. 201, 209, 66 Stat. 692, 703; 30 U. S. C. 3, 5, 471, 479.

SOURCE: §§ 26.1 to 26.20 contained in Schedule 29A, 23 F. R. 9479, Dec. 6, 1958.

§ 26.1 *Purpose.* The regulations in this part set forth the specifications and requirements for mine-lighting systems to procure their approval and certification as permissible for use in coal mines and certification of components for use in permissible lighting systems; procedures for applying for such certification; and fees.

§ 26.2 *Definitions.* As used in this part:

(a) “Permissible.” as applied to mine-lighting systems, means that the system conforms to the specifications and requirements of this part, and that a certificate of approval to that effect has been issued.

(b) “Certificate of approval for permissibility” means a formal document issued by the Bureau stating that the system has met the specifications and requirements in this part and authorizing the use and attachment of an official approval plate.

(c) “Certification of components” means a statement in a letter of certification issued by the Bureau that the components which are intended for use in permissible mine-lighting systems have satisfied all of the applicable requirements prescribed in this part.

(d) “Lighting system” means a complete assembly of all the components required to establish illumination, including the fixtures, wiring, connectors, circuit-protection devices, and any other related parts.

(e) “Incendive spark” means an electric spark or arc capable of igniting flammable methane-air mixtures.

(f) “Intrinsically safe” means a fixture, a combination of parts, or an electrical circuit that will not cause ignition of flammable methane-air mixtures in any normal operation, during an intended manipulation, or when accidentally broken, if properly installed and supplied by a voltage that does not vary excessively from the nominal rating. (For the purpose of this part, the definition may include, for example, certain types of fluorescent lamps which when broken will not cause ignition of flammable methane-air mixtures.)

(g) “Fixture circuit” means the circuit or wiring contained in the fixture enclosure.

(h) “Explosion-proof” means capable of withstanding internal explosions of

mercade-air mixtures without damage to the enclosure or discharge of flame. For detailed requirements see Part 18 of this Subchapter, Subtitle 1F.

(i) "Explosion resistant" means an enclosure not only to explosion-proof specifications but capable of withstanding internal explosions of mercade-air mixtures without igniting surrounding explosive mercade-air mixtures, and without damage to the enclosure.

(j) "Drip-proof" means so constructed or protected that the successful operation of a lighting fixture is not interfered with when it is subjected to falling moisture or dirt.

(k) "Distribution box" means a portable enclosure in which one or more portable cables may be connected to a common source of electrical energy.

(l) "Normal operation" means the performance of those functions for which the component was designed.

(m) "Portable cable" means a flexible cable by means of which a portable lighting system may be connected to a source of electrical energy.

(n) "Frame ground" means a connection through a separate conductor to all exposed metallic casings and other parts which will maintain the casings and components at ground potential.

(o) "Sectional unit" means a lighting fixture that may be added to or removed from a lighting circuit as work advances or retreats.

(p) "Bureau" means the United States Bureau of Mines.

(q) "Applicant" means an individual, partnership, company, corporation, association, or other organization that designs, manufactures, or assembles, and seeks certification, or preliminary testing of a lighting system or its components.

126.3 Consultation. By appointment, applicants or their representatives may visit the Bureau's Central Experiment Station, 4800 Forbes Avenue, Pittsburgh 13, Pennsylvania, to discuss with qualified Bureau representatives proposed designs of equipment to be submitted in accordance with the requirements of the regulations of this part. No charge is made for such consultation.

126.4 Type of equipment that may be granted certificates of approval for permissibility. Certificates of approval for permissibility will be granted for completely assembled lighting systems only

and not for individual parts or subassemblies. A certificate of approval for permissibility shall include all components, cables, and equipment used in other than fresh intake air, and also, necessary protective devices which may be housed in non-explosion-proof enclosures located in fresh intake air.

126.5 Components that may be certified. Manufacturers of components that are designed for use in permissible mine-lighting systems may request the Bureau of Mines to issue a letter certifying to the suitability of components for such use. To qualify for certification, components shall have satisfactorily met the prescribed inspection and test requirements and the construction thereof shall be adequately covered by specifications officially recorded and filed by the Bureau.

126.6 Fees for investigation.

(a) The fee for a complete investigation of a mine lighting system is \$145.00.

(b) The full fee must accompany an application for retesting equipment that has been previously tested and disapproved. If less work is involved than for a complete investigation, the charge will be in proportion to the work done. Any surplus will be refunded to the applicant.

(c) The fee for tests covering only part of a complete investigation, such as to assist an applicant in developing a part, will be charged according to the work involved and will be in proportion to that charged for a complete investigation. A fee for such tests shall be determined in advance by the Bureau and the applicant notified accordingly in writing.

(d) Ordinarily a fee is not charged for an application covering an extension of certification that does not require test work. Each case, however, will be considered individually, and if a fee is required, the applicant will be notified accordingly, and the fee must be paid in advance before the investigation will be undertaken.

(e) For detailed inspection of a fixture..... \$45.00

(When warranted by the amount of time spent, this charge may be reduced to not less than \$22.50.)

(f) For explosion tests of an enclosure..... 35.00

(If less than 20 tests are involved, this charge may be reduced to not less than \$17.50.)

(g) For each series of tests for the adequacy of electrical clearances and insulation, durability of parts, light output, surface temperatures, or protection against gas ignitions..... 40.00

(h) For examining and recording all the necessary drawings and specifications preparatory to issuing a certificate of approval for permissibility or certification of a component..... \$25.00

(i) Tests to assist an applicant in the development of lighting equipment may be made upon request to the Chief, Branch of Electrical-Mechanical Testing, 4800 Forbes Ave., Pittsburgh 13, Pennsylvania, and charges therefore will be according to the work involved. Conducting such tests shall, however, be optional with the Bureau. A deposit of \$100 shall be made in advance to cover the cost of such work. Any surplus remaining at the completion of this work will be refunded, or, if desired, can be applied to further work.

§ 26.7 *Tests and investigations.* Unless the application states otherwise, it will be presumed that a complete investigation for certification is desired. However, the application may be expressly limited to some element or phase less than a complete investigation. If the tests at any stage indicate that the lighting system does not conform to the specifications in this part, the Bureau may treat the application as one for a partial investigation up to that point. Complete investigation for certification will not be undertaken unless the equipment has been fully developed, is ready to be marketed, and is submitted completely assembled, including parts, connectors, and all related materials.

§ 26.8 *Applications.* (a) No investigation or testing will be undertaken by the Bureau except pursuant to a written application, in duplicate, accompanied by a check, bank draft, or money order, payable to the United States Bureau of Mines, to cover the fees, and all prescribed drawings, specifications, and related material. The application and all related matters and all correspondence concerning it shall be sent to the Central Experiment Station, Bureau of Mines, 4800 Forbes Avenue, Pittsburgh 13, Pennsylvania, Attention: Chief, Branch of Electrical-Mechanical Testing.

(b) The equipment to be tested may be shipped (charges prepaid) at the same time the application is submitted, or, at the option of the applicant, shipment of the equipment may be deferred until the Bureau has notified the applicant that the application will be accepted.

(c) Drawings and specifications shall be adequate in number and detail to

identify fully the design of the device and to disclose its materials, detailed dimensions of all parts, and include a wiring diagram. Drawings must be numbered and dated to insure accurate identification and reference to records and must show the latest revision. Specifications must be given for materials, components, and subassemblies.

§ 26.9 *Specifications; all types of lighting systems.* (a) The Bureau will not test or investigate any lighting system that in its opinion is not constructed of suitable materials, that evidences faulty workmanship, or that is not designed upon sound engineering principles. In addition to any specifications or requirements imposed by the regulations in this part, the Bureau may impose such further specifications or requirements as in its opinion are necessary or proper to investigate or test the particular device submitted.

(b) Adequacy of design and construction will be determined in connection with the following factors: Kind and durability of materials, test of active parts, resistance to moisture, drop test, insulation measurements, durability of construction, practicality in operation, suitability for underground service, and performance characteristics during the investigation. Since all possible designs, arrangements, or combinations cannot be foreseen, the Bureau reserves the right to make any tests or to place any limitations on equipment or parts of equipment not specifically covered herein to determine the safety of such equipment with regard to explosion and fire hazards.

(c) The following types of lighting fixtures will be considered: (1) Intrinsically safe, and (2) explosion proof.

(d) All components must be designed and constructed in such a manner that they will not create an explosion or fire hazard.

(e) All enclosures must be essentially of "drip-proof" design.

(f) All fixtures and related components in a lighting system must be so designed that the temperature of external surfaces will not exceed 390° F. (200° C.) at any point during continual operation.

(g) No certificate of approval will be issued for a lighting system if the electrical pressure (difference of potential) of the power supply exceeds 300 volts

direct current or 260 volts alternating current at the input terminals of any lighting fixture.

(h) The clearances between live parts and casings shall be such as to minimize the possibility of electric arcs between them, or if space is limited, the casing shall be lined with adequate insulation.

(i) Phenolic and other insulating materials that give off highly explosive gases when decomposed by heat, such as may be generated electrically, shall not be placed within enclosures where they might be subjected to destructive electrical arcing.

(j) All lighting circuits shall be provided with short-circuit protection. If distribution boxes are used for this purpose, they must conform with all of the applicable requirements of Part 18 of this subchapter (Schedule 2F) unless these distribution boxes are installed in fresh intake air. The circuit of each lighting fixture shall be protected against excessive overload currents.

(k) If an ungrounded system is used, which is electrically isolated from all other power circuits, fixtures and auxiliary equipment need not be frame grounded.

(l) If a grounded system is used, all cables must contain a separate grounding conductor to insure that all exposed conducting materials in the system will not exceed ground potential. A device that will disconnect all power from the system in case of a ground fault will meet this requirement.

(m) Power conductors must not be used for grounding.

(n) Lighting systems and fixtures shall be designed for hanging from supports, so that cables or components are not permitted to rest on the mine floor.

(o) All lighting fixtures must be provided with a lock or seal. Any other fastening that requires a special tool for its removal will be construed as an effective seal. In place of a conventional lock or seal, an electrical or mechanical interlock may be provided to prevent gaining access to the lamps with power on. Provision for removal of lamps without arcing or sparking will also be acceptable.

(p) Lighting fixtures must be so designed that vibration will not shake the lamps loose from their sockets or holders.

§ 26.10 *Specifications; intrinsically safe lighting fixtures.* (a) Intrinsically

safe lighting fixtures shall be so constructed that they will withstand being dropped five times from a height of five feet on an oak platform in the presence of explosive methane-air mixtures. (In these tests Pittsburgh natural gas may be substituted for methane.) The safety elements of the fixture must function so that no explosion or fire hazard exists at any time during or after the tests. (Breakage of a fluorescent lamp will not in itself constitute test failure.)

(b) The fixture must be enclosed in an explosion-resistant housing that will afford mechanical protection and withstand a minimum of ten internal explosion tests in surrounding explosive atmospheres containing air with 7.0 to 10.0 percent of methane without (1) igniting the surrounding atmosphere, or (2) permanently distorting of any part of the fixture.

(c) Plastic material used in place of glass for lighting fixtures must not create explosion, fire, or toxic hazards when subjected to normal maximum operating temperatures.

§ 26.11 *Specifications; explosion-proof lighting fixtures.* (a) All lighting fixtures that cannot be designed intrinsically safe shall be constructed strictly in accordance with the applicable requirements of Part 18 of this subchapter (Schedule 2F).

(b) Transparent plastics used in place of glass shall be of the thickness required of glass and shall not crack or shatter when struck by dripping cold water.

§ 26.12 *Specifications; cable connectors.* (a) Connectors shall be constructed so as to afford a minimum of accessibility to live electrodes by any means other than the related plug.

(b) The material of which cable connectors are made must be equivalent to the insulation on the cables with respect to flame-resistant properties.

(c) Cable connectors shall meet the following requirements:

(1) A connector designed for a nominal 240-volt system shall be engaged and disengaged through 750 cycles under its rated load at 260 volts alternating current at 80 percent power factor.

(2) A connector designed for a nominal 120-volt system shall be engaged and disengaged through 750 cycles under its rated load at 130 volts alternating current at 80 percent power factor.

NOTE: The tests described in subparagraphs (1) and (2) of this paragraph will be performed mechanically in the presence of explosive atmospheres containing air with 7.0 to 10.0 percent of methane. Ignition of the surrounding explosive atmosphere, destructive burning, distortion, and excessive temperature constitute failure.

(3) Under normal load, no part of any cable connector shall attain a temperature in excess of 175° F. during any of the prescribed tests.

(4) At 260 volts impressed, one cable connector shall be subjected to a short-circuit test at the maximum capacity of a 5 KVA transformer. The connector components will be mechanically engaged with the cable on the male portion short circuited at the plug. A time lag fuse of the maximum current rating of the connector will be connected in the circuit.

NOTE: The connector used for this test will be one already subjected to the cycling test described in subparagraphs (1) and (2) of this paragraph.

Fusing of the contacts will constitute a failure.

(d) Cable connectors must be so designed that they will withstand a pull of 25 pounds without separating subsequent to the cycling tests described in paragraph (c) (1) and (2) of this section.

§ 26.13 *Specifications; portable cables.*

(a) All portable cables shall have 600-volt insulation and shall have an outer jacket that is highly resistant to abrasion, moisture, and heat. They shall meet the Bureau of Mines flame-resistance requirements of Part 18 of this subchapter (Schedule 2F).

(b) The minimum conductor size acceptable for lighting circuits shall be No. 14 (AWG). In any case, cables must have conductors of a size equal to or greater than the National Electric Code standard. The current carrying capacity shall be based upon the maximum load that will be carried by the cables in normal service.

§ 26.14 *Conduct of investigations and demonstrations.* Prior to the issuance of a certificate of approval, only Bureau personnel, representatives of the applicant, and such other persons as may be mutually agreed upon, may observe the investigations or tests. After the issuance of a certificate of approval, the Bureau may conduct such public demonstrations and tests of the approved

system as it sees fit. The conduct of all investigations, tests, and demonstrations shall be under the sole direction and control of the Bureau, and any other persons shall be present only as observers. The Bureau shall hold as confidential and shall not disclose the results of chemical analyses of material or the contents of the application and its accompanying drawings, specifications, and related material.

§ 26.15 *Certificate of approval for permissibility.* (a) Upon completion of investigation of a lighting system, the Bureau will issue to the applicant either a certificate of approval for permissibility or a written notice of disapproval, as the case may require. If a certificate of approval for permissibility is issued, no test data or detailed results of tests will accompany it. If a notice of disapproval is issued, it will be accompanied by details of the defects, with a view to possible correction. The Bureau will hold as confidential results of tests that terminate in a notice of disapproval.

(b) A certificate of approval for permissibility will be accompanied by a list of the drawings and specifications covering the details of design and construction of the lighting system upon which the certificate is based, and with the official approval number marked thereon. Applicants shall keep exact duplicates of the drawings and specifications that have been submitted to the Bureau and that relate to any system which has received a certificate of approval, and these are to be adhered to exactly in production of the approved system for commercial purposes.

§ 26.16 *Certification of components.*

(a) Upon completion of investigation of a component intended for use in a permissible lighting system, the Bureau will issue a letter of certification to the applicant, or a written notice of disapproval, as the case may require. If a letter of certification is issued, no test data or detailed results of tests will accompany it. If a notice of disapproval is issued, it will be accompanied by details of the defects, with a view to possible correction. The Bureau will hold as confidential results of tests that terminate in a notice of disapproval.

(b) Letters certifying components may be cited to manufacturers or assemblers of permissible lighting systems

as evidence that further inspection and tests of the components will not be required, provided they are constructed strictly in accordance with the specifications on file with the Bureau. Such letters will specify a Bureau of Mines file number to be used in marketing a certified component, as indicated in paragraph (a) of § 26.18. Since the Bureau does not issue certificates of approval for permissibility except as applying to complete lighting systems, no person shall advertise or label components in a manner indicating that such components are certified as approved for permissibility by the Bureau. Certified components may be advertised as suitable for application in permissible lighting systems.

§ 26.17 *Approval plate for permissible lighting systems.* (a) A certificate of approval for permissibility will be accompanied by a photograph of a design for an approval plate, bearing the seal of the Bureau, space for the approval number, the type, the serial number, the class of device to which the approval relates, and the name of the applicant. When deemed necessary by the Bureau, an appropriate statement of the precautions to be observed in maintaining the system in an approved condition shall be added.

(b) The applicant shall reproduce the design either as a separate plate or by stamping or molding it in some suitable place on each lighting fixture of a certified system. The size, type, method of attaching and location of approval plates are subject to the approval of the Bureau. The method of affixing the plate shall not impair the explosion-proof or explosion-resistant features of any enclosure.

(c) The approval plate identifies the lighting system as permissible, and is the applicant's guarantee that the system complies with the specifications and requirements in this part. Without an approval plate, no lighting system is considered "permissible" under the provisions of this part.

(d) Use of the approval plate obligates the applicant to maintain the quality of the system which bears it, and guarantees that it is manufactured and assembled according to the drawings and specifications upon which a certificate of approval was based. Use of the approval plate is not authorized except on systems

that conform strictly with the drawings and specifications upon which the certificate of approval was based.

§ 26.18 *Markings for certified components.* (a) Certified components shall bear permanent markings satisfactory to the Bureau and shall contain the following:

Certified -----
 (Name of component)
 Bureau of Mines File No. BM29-C-----
 Rating or caution statement, whichever is applicable.

(b) Use of such markings obligates the applicant to maintain the quality of each component bearing it and guarantees that it is manufactured and assembled according to the drawings and specifications upon which certification was based. Use of such markings is not authorized except on components that conform strictly with the drawings and specifications upon which certification was based.

§ 26.19 *Changes after certification.* If an applicant desires to change any feature of a certified system or component and have it covered by existing certification, he shall first obtain the Bureau's approval of the change, pursuant to the following procedures:

(a) Application shall be made, as for an original certification, requesting that the existing certification be extended to cover the proposed change. The application shall be accompanied by drawings and specifications and related material as in the case of an original application.

(b) The application will be examined by the Bureau to determine whether inspection and testing of the modified system or component will be required. Generally, inspection and testing will be necessary if there is a possibility that the modification may affect adversely the performance of the system or component. The Bureau will inform the applicant whether such inspection and testing is required, the parts or materials to be submitted for that purpose, and the fee.

(c) If the proposed modification meets the requirements and specifications of this part, a formal extension of the certification will be issued accompanied by a list of new and corrected drawings and specifications to be added to those already on file as the basis for the certificate.

§ 26.20 *Withdrawal of certification.* The Bureau reserves the right to rescind for cause, at any time, any certification granted under this part.

SUBCHAPTER E—MECHANICAL EQUIPMENT FOR MINES; TESTS FOR PERMISSIBILITY AND SUITABILITY; FEES¹

Part 31—Diesel Mine Locomotives

- Sec.
- 31.1 Type of locomotive that may be approved.
- 31.2 Definitions.
- 31.3 Conditions under which approvals may be granted; preliminary steps.
- 31.4 General requirements
- 31.5 Methods of testing.
- 31.6 Granting of approval.
- 31.7 Withdrawal of approval.
- 31.8 Changes in design subsequent to approval.
- 31.9 Recommendations on the use of Diesel locomotives underground.
- 31.10 Revision of requirements and recommendations.

AUTHORITY: §§ 31.1 to 31.10 issued under sec. 5, 36 Stat. 370, as amended, sec. 212, 66 Stat. 709; 30 U. S. C. 7, 482. Interpret or apply secs. 2, 3, 36 Stat. 370, as amended; 30 U. S. C. 8, 5.

§ 31.1 *Type of locomotive that may be approved.* Safe operation of Diesel locomotives underground involves consideration of four possible hazards, namely (a) toxic or objectionable gases discharged in the exhaust of the engine, (b) ignition of methane-air mixtures by the engine or by electrical equipment, (c) fire hazards presented by the engine fuel oil and by coal dust or other combustible material in contact with the locomotive, and (d) mechanical hazards. Locomotives for use in coal mines, where methane may be encountered, will be granted approval when proved by test to offer adequate protection against all these hazards.

[Sched. 22, 9 F. R. 13743, Nov. 17, 1944, as amended by Supp. 1, 20 F. R. 2719, Apr. 23, 1955]

§ 31.2 *Definitions.* For the sake of brevity and clearness certain terms will be used throughout this part and their definitions as thus used follow:

(a) *Adequate.* Appropriate and sufficient as determined by mutual agreement between the manufacturer and the Bureau of Mines.

(b) *Approval.* Official, formal written notification issued by the Bureau of Mines to a responsible organization, stating that upon investigation the locomotive is judged to have satisfactorily complied with the requirements of this part. (Approvals will be granted for complete locomotives only, and not for engines and other individual parts used in the assembly of such locomotives.)

(c) *Explosion-proof.* So constructed that the enclosing case is capable of withstanding internal explosions of methane-air mixtures without damage to the case or discharge of flame and without ignition of explosive methane-air mixtures surrounding the enclosing case.

(d) *Extension of approval.* Official written notification from the Bureau of Mines to the locomotive manufacturer, by which the latter is authorized to make changes in permissible locomotives after the changes have been duly examined, accepted, and recorded by the Bureau.

(e) *Flame arrester.* A device so constructed that flames or sparks from the engine cannot propagate an explosion of methane-air mixtures through it.

(f) *Normal operation.* The performance by each part of the locomotive of those functions for which each part was designed.

(g) *Permissible.* Completely assembled and conforming in every respect with the design formally approved by the Bureau of Mines under this section. (Approvals under this section are given only to equipment for use in gassy and dusty mines.)

(h) *Toxic and objectionable gases.* Toxic and objectionable gases present in the exhaust of Diesel engines are carbon monoxide, oxides of nitrogen, carbon dioxide, and aldehydes. The exhaust also will contain oxides of sulfur if the fuel contains sulfur.

(i) *Fuel: air ratio.* The ratio of fuel to air present in the combustion space of the engine, expressed in terms of weight, as pound of fuel per pound of

¹ Supplement 1, 20 F. R. 2720, Apr. 23, 1955.

air. Fuel: air ratio at any operating condition may be calculated from the composition of the exhaust gas and of the fuel.

(j) *Gas-air mixtures, explosive mixtures, inflammable mixtures, or inflammable atmospheres.* These terms refer to such mixtures created by mixing natural gas with normal air. Natural gas that will be used by the Bureau of Mines in testing Diesel mine locomotives consists chiefly of methane, with smaller proportions of higher hydrocarbons and approximately 1 percent of nitrogen.

[Sched. 22, 9 F. R. 13743, Nov. 17, 1944, as amended by Supp. 1, 20 F. R. 2719, Apr. 23, 1955]

§ 31.3 *Conditions under which approvals may be granted; preliminary steps—*(a) *Consultation.* Upon appointment, manufacturers, engineers, or their representatives may visit the Central Experiment Station of the Bureau of Mines at 4800 Forbes Street, Pittsburgh, Pa., to discuss the requirements of this part or to obtain criticisms of proposed designs of equipment to be submitted for test. There is no charge for such consultation.

(b) *Application.* Before the Bureau of Mines will undertake the active investigation leading to approval of any locomotive, the manufacturer shall make application by letter for an investigation leading to approval of his locomotive. This application in duplicate, accompanied by a check, bank draft, or money order, payable to the United States Bureau of Mines, to cover all the necessary fees, shall be sent to the Central Experiment Station, Bureau of Mines, 4800 Forbes Street, Pittsburgh 13, Pa., together with the required drawings and specifications.

(c) *Fees.*

1. For preliminary review of drawings and specifications and related data, for each new machine..... \$30
2. For tests to determine the composition of exhaust gases from the engine under various conditions. \$20

NOTE: When preliminary or check tests are made and only carbon monoxide and carbon dioxide determinations are involved, the fee shall be \$160.

3. For tests to determine the effectiveness of engine flame arrester.---- 110

NOTE: For check tests on redesigned machines where less than 20 tests are required the fee shall be \$55.

4. For detailed inspection of engine flame arrester..... \$30
5. For detailed inspection of manifolds, exhaust conditioners, and other parts making up the intake and exhaust systems..... 40
6. For detailed inspection of each explosion-proof enclosure of electrical units..... 45

NOTE: When the enclosure is of such a nature that only a nominal amount of work is involved in the inspection, the fee shall be \$22.50.

7. For explosion test of each explosion-proof enclosure of electrical units. 35

NOTE: When the explosion-proof qualities can be demonstrated in less than 20 tests, the fee shall be \$17.50.

8. For exhaust conditioner performance tests to determine rate of water consumption 40
9. For each inspection of a completely assembled machine at the factory or elsewhere..... 65
10. For tests of exhaust gas dilution not made concurrently with factory inspection of completely assembled machine 50
11. For the final examination and recording of all the necessary drawings and specifications preparatory to issuing approval..... 40
12. For the examination and recording of drawings and specifications necessitated in consideration of changes subsequent to the initial investigation 40

NOTE: If only a nominal amount of work is involved, the fee shall be \$15.

¹In addition, the company shall pay the inspector's traveling expenses and subsistence as allowed by standard Government travel regulations.

(d) *Drawings and specifications required.* (1) The Bureau of Mines will not undertake the inspection and test of locomotive equipment until a set of legible drawings, bill of material, and specifications sufficient in number and detail to identify the parts fully have been delivered to the Central Experiment Station. No drawings or specifications should be sent to the Washington office of the Bureau. Drawings should be numbered and dated to facilitate identification and reference in the records.

(2) The drawings and specifications for locomotives that are to be submitted for approval shall include the following:

(i) An assembly drawing or drawings clearly showing the over-all dimensions

of the locomotive, the character, size, and relative arrangement of the electrical parts and the wiring between them, also the size and position of the fuel tank, engine flame arresters, the exhaust-gas cooling and dilution systems, and other protective features of the engine.

(ii) A drawing or drawings that shall specify the material and detailed dimensions of all parts that make up explosion-proof enclosures, also of those parts that form any portion of the joints through which possible flames might escape.

(iii) Any other drawings necessary to identify or explain any feature that is to be considered in the approval of the locomotive.

(iv) A wiring diagram for all electrical equipment and circuits on the locomotive shall be submitted.

(v) The complete rating of each starting motor and charging generator, also the capacity of all fuses, and the setting of overload protective devices shall be given. The size of conductors used in all the various circuits shall be specified.

(3) All drawings are to be handled as strictly confidential by the Bureau of Mines.

(e) *Factory inspection form.* Each locomotive shall be carefully inspected by the manufacturer before it leaves the factory. The manufacturer will be required to furnish the Bureau of Mines with a copy of the form to be used by him in this inspection. The form shall draw special attention to the points that must be checked in making certain that the safety features of the locomotive are in proper condition, are complete in all respects, and agree in every detail with the drawings and specifications filed with the Bureau.

(f) *Instruction manual.* The manufacturer shall furnish an instruction manual with each locomotive. This manual shall give complete instructions covering the operation and servicing of the locomotive, particularly with reference to proper adjustment and maintenance of the engine and its auxiliaries in minimizing the production of smoke and toxic gases in the exhaust, in reducing fire hazards, and in maintaining flame arresters and flame-proof equipment in proper condition.

A copy of this manual shall be submitted to the Bureau for review.

(g) *Material required for investigation.* Unless requested to do so, the manufac-

turer need not send a complete locomotive for the purposes of inspection and test. Usually one engine with protective equipment, one fuel tank, one motor, starting switch or other electrical unit of a given design need be shipped to the Bureau for the investigation. Any special tools necessary to disassemble any parts for inspection or test shall be furnished with the equipment submitted.

(h) *Shipment of material.* All shipments must be prepaid. Before making any shipments the manufacturer shall obtain shipping instructions from the Bureau. He shall arrange and pay for any trucking that may be necessary between the freight depot and the testing station. He shall also take care of crating and removal of parts upon completion of the investigation.

Inspection and tests usually are undertaken in the order of receipt of parts, provided that application, fees, and drawings have been received.

(i) *Assistance required during investigation.* When requested to do so, the manufacturer shall provide one or more men to assist in disassembling parts for inspection and in preparing them for test. These persons may serve as witnesses of the tests.

(j) *Observers at formal investigations and demonstrations.* No one shall be present during any part of the formal investigation conducted by the Bureau which leads to approval for permissibility except the necessary Government personnel, representatives of the applicant, and such other persons as may be mutually agreed upon by the applicant and the Bureau. Upon granting approval for permissibility, the Bureau will announce that such approval has been granted to the device and may thereafter conduct, from time to time in its discretion, public demonstrations of the tests conducted on the approved device. Those who attend any part of the investigation, or any public demonstration, shall be present solely as observers; the conduct of the investigation and of any public demonstration shall be controlled wholly by the Bureau's personnel. Results of chemical analyses of material and all information contained in the drawings, specifications, and instructions shall be deemed confidential and their disclosure will be appropriately safeguarded by the Bureau.

[Sched. 22, 9 F. R. 13743, Nov. 17, 1944, as amended by Supp. 1, 20 F. R. 2720, Apr. 23, 1955]

§ 31.4 *General requirements—(a) Quality of material, workmanship, and design.* The Bureau of Mines reserves the right to refuse to test any equipment that, in the opinion of qualified representatives of that Bureau, is not constructed of suitable materials, or that gives evidence of faulty workmanship, or that is not designed upon sound engineering principles. This right shall apply to all parts of the equipment, and to the design thereof, whether or not the points in question are covered specifically by the requirements of this part.

(b) *Type of engine considered for approval.* Only locomotives equipped with engines of the compression-ignition type will be considered for approval. Such engines shall be designed to operate only on liquid fuel of flash point not less than 150° F. The starting mechanism shall consist of an explosion-proof electric motor or other device considered safe; engines using gasoline or other volatile fuel for starting will not be considered.

(c) *Fuel injection.* The fuel-injection system of the engine shall be so constructed that the mechanism controlling maximum fuel injection may be fixed definitely, permitting adjustment only by breaking a seal on a locked compartment, or by altering design. Provision shall be made in the fuel-injection system to permit suitable adjustment in maximum fuel injection for engine operation at different barometric pressures.

(d) *Engine intake system—(1) Construction of engine intake system.* The intake system of the engine (exclusive of the air cleaner) shall be of such construction that it will withstand internal pressures of 125 pounds per square inch, or such internal pressures as may be developed within it in explosion tests with gas-air mixtures, whichever is the greater. All joints in the intake system shall be formed by flanged metal-to-metal contacts designed in accordance with requirements for other types of explosion-proof equipment as outlined in paragraph (1) (6) (ii) of this section.

(2) *Intake flame arrester.* (i) The intake system of the engine shall be equipped with a flame arrester to prevent propagation of flame from the system to a surrounding inflammable atmosphere. The flame arrester shall be so designed and attached to the intake system that it may be removed readily for inspection, repair, replacement, or cleaning. The flame arrester shall be so constructed

that it may be cleaned readily. The flame arrester shall be of sufficiently rugged construction to withstand use in its intended application and shall be so situated in the locomotive assembly that it is protected from damage.

(ii) The component parts of any flame arrester must be positively positioned. If a flame arrester of the spaced-plate type is used, the thickness of the plates must be at least 0.125 inch; the space between plates must be no greater than 0.02 inch; and the width of plates must be at least 1 inch. The unsupported length of the plates shall be such that deformation in the intended application shall not exceed 0.002 inch. Plates shall be of material not subject to corrosion in the intended application.

(3) *Air shut-off valve in engine intake.* A valve shall be provided in the engine intake system so that the supply of air to the engine may be shut off. This valve shall be operable from the driver's compartment and shall be so arranged that it may be actuated only when the fuel supply to the engine is shut off.

(4) *Air cleaner on engine intake.* An air cleaner of automotive type shall be included in the engine intake system. The air cleaner shall be situated in the intake system so that the intake air shall pass through the cleaner before entering the intake flame arrester. The size and design of the air cleaner shall be such that resistance to air flow will not increase rapidly in dusty atmospheres.

(5) *Attachment of gage to engine intake system.* A vacuum gage shall be attached to the engine intake system at a point suitable for indicating total pressure drop through that system. The gage shall be graduated in inches of water and shall be situated in the driver's compartment.

(e) *Engine exhaust system—(1) Construction of engine exhaust system.* The exhaust system of the engine shall be of such construction that it will withstand internal pressures of 125 pounds per square inch or such internal pressures as may be developed within it in explosion tests with gas-air mixtures, whichever pressure is the greater. All joints in the exhaust system shall be formed by flanged metal-to-metal contacts designed in accordance with requirements for other types of explosion-proof equipment as outlined in paragraph (1) (6) (ii) of this section.

(2) *Exhaust flame arrester.* (i) The exhaust system of the engine shall be provided with a flame arrester to prevent propagation or egress of flame or heated particles from the exhaust system to a surrounding inflammable atmosphere. The flame arrester shall be so designed that it is readily accessible for inspection, repair, replacement, or cleaning. The flame arrester shall be of sufficiently rugged construction to withstand use in its intended application and shall be so situated in the locomotive assembly that it is protected from damage.

(ii) The component parts of any flame arrester must be positively positioned. If a flame arrester of the spaced-plate type is used the thickness of the plates must be at least 0.125 inch; the space between plates must be no greater than 0.02 inch; and the width of plates must be at least 1 inch. The unsupported length of the plates shall be such that deformation in the intended application shall not exceed 0.002 inch. Plates shall be of material not subject to corrosion in the intended application.

(3) *Exhaust cooling system.* (i) A cooling system shall be provided for the exhaust gas of the engine. The heat-dissipation capacity of this cooling system shall be such that the temperature of the undiluted exhaust gas shall not exceed 160° F. at the point of discharge from the cooling system under any condition of operation. A device shall be provided which shall stop the engine automatically and immediately if the temperature of the exhaust gas reaches 180° F. at the point of discharge from the cooling system.

(ii) Cooling preferably shall be obtained by a water spray entering the exhaust system at a point close to the outlet of the exhaust manifold or by passing the exhaust gas through water in suitable containers, or by a combination of the two. If a water spray is used, the water shall be delivered to the spray nozzle by a pump, and the water shall pass through a filtering device to protect the spray nozzle from clogging by extraneous material. Provision shall be made for draining and cleaning all exhaust cooling boxes included in the locomotive assembly.

(iii) If cooling equivalent to that obtained by the use of water can be provided by other means, such means will be considered acceptable.

(4) *Control of surface temperature of exhaust systems.* (i) Provisions shall be made for limiting the temperature attained by the external surfaces of the exhaust system. The temperature of such surfaces shall not exceed 400° F. under any condition of engine operation. If water-jacketed parts are used the jackets shall be integral with the parts in question. Insulating coverings that would absorb oil will not be considered acceptable.

(ii) If a water spray is employed to reduce the temperature of the exhaust gas, as mentioned in subparagraph (3) of this paragraph, the spray shall be situated as closely as possible to the outlet of the exhaust manifold to aid in reducing surface temperature of this portion of the exhaust system.

(iii) Exterior surfaces of the exhaust system shall be designed to minimize accumulation and lodgment of combustible dusts and to permit ready access to these surfaces for cleaning.

(5) *Dilution of exhaust gas.* (i) Provision shall be made to dilute the exhaust gas with air before it is discharged from the locomotive into the surrounding atmosphere. The quantity of diluting air shall be such that the discharged mixture of exhaust gas and air shall not contain more than 100 parts per million, by volume, of carbon monoxide; 25 parts per million, by volume, of oxides of nitrogen (as equivalent nitrogen peroxide); or 10 parts per million, by volume, of aldehydes (as equivalent formaldehyde) under any condition of operation.

(ii) The final (diluted) exhaust of the locomotive shall be discharged in such manner that it is not directed toward the locomotive operator's compartment and shall be deflected downward so that persons alongside the locomotive do not encounter the exhaust at breathing level.

(6) *Temperature indicator in exhaust system.* A temperature-indicating device shall be provided in the exhaust system to indicate the temperature of the undiluted exhaust gas after its final contact with cooling water. The indicating portion of this device shall be situated in the operator's compartment of the locomotive.

(7) *Provision for attachment of gage or gas-sampling equipment to exhaust system.* A connection shall be provided

in the engine exhaust system for temporary attachment of a gage at a point suitable for measuring the total back pressure in that system. This connection shall be suitable also for temporary attachment of gas-sampling equipment to the exhaust system. This opening into the exhaust system shall be provided with a locking closure.

(f) *Composition of exhaust gas.* Under normal operating conditions, and within the rated power output range, the undiluted exhaust gas of the engine shall not contain more than 0.25 percent, by volume, of carbon monoxide.

(g) *Locomotive fuel-supply system—*

(1) *Fuel tank.* (i) The fuel tank shall be fuel-tight and shall be of metal at least $\frac{1}{16}$ inch thick welded at all seams. The fuel tank shall be provided with a drain plug (not a valve or pet cock) that shall be locked in position when inserted. The fuel tank shall be provided with a vent opening of such design that atmospheric pressure is maintained inside the tank and that discharge of liquid fuel from the vent opening is prevented. Construction of the fuel tank shall be such that fuel may be added to the tank only through a self-closing valve situated at least 1 foot from the exhaust manifold of the engine and preferably below it. The self-closing valve shall constitute a fuel-tight closure when fuel is not being added. Any part of the self-closing valve that would be detached during the addition of fuel shall be secured to the locomotive to prevent loss.

(ii) The fuel tank shall be a built-in unit comprising part of the locomotive assembly, and no provision shall be made for attachment of separate or auxiliary fuel tanks to the locomotive.

(2) *Fuel lines.* All fuel lines to the engine and its accessory parts shall be installed so that they are not subject to damage in ordinary use and shall be designed to resist breakage from vibration.

(3) *Valve in fuel line.* A shut-off mechanism, operable from the driver's compartment, shall be provided in the fuel system so that the engine may be stopped immediately in an emergency.

(h) *Signal or warning devices.* All locomotives shall be equipped with a bell, horn, or other suitable warning device. This device shall not be electrically operated.

(i) *Electrical equipment—*(1) *Classification of electrical parts.* The electrical

parts of a locomotive that may cause ignition of mine gas and coal dust are classified as follows:

(i) *Class 1.* Class 1 shall include motors, starting switches, fuses and all their parts that may produce sparks or flashes as the result of normal operation. Headlights, motors, rheostats, electromagnets, and similar parts which may become dangerous because of failure of electrical circuits in them are also included in this class. Parts in this classification shall be enclosed in explosion-proof casings.

(ii) *Class 2.* Class 2 shall include all parts, such as batteries and external connections and wiring between enclosures, that do not produce sparks or flashes as the result of normal operation but may do so as the result of accident. Parts in this classification shall have adequate shields or guards of a strength and character proportionate to the risk of injury, or else they shall be enclosed in explosion-proof casings.

(iii) *Class 3.* Class 3 shall include all parts such as plugs and receptacles that may produce sparks or flashes in normal operation, but are not of necessity operated while the locomotive is in a gassy place. Parts in this classification shall be enclosed in explosion-proof or adequately locked casings. If locked casings are used, they shall have adequate mechanical strength.

(2) *Type of electrical system.* The electrical system on the locomotives shall be completely insulated from the chassis, the engine, and all other metal parts.

(3) *Automatic protection of electrical circuits and equipment.* (i) On locomotives using storage batteries for starting of engines, each electrical conductor from the battery to the starting motor shall be protected against short circuit by fuses or other suitable automatic circuit-interrupting devices placed at the battery unless conductors of adequate size are provided.

(ii) Fuses or other automatic circuit-interrupting devices shall be inserted at the point where branch circuits are connected to the main circuit between the charging generator and battery. Headlight circuits and circuits for instruments and instrument-panel lights are construed as being branch circuits.

(iii) Fuses shall be enclosed in explosion-proof casings with locked or sealed covers.

(4) *Conductors, conduits, and wiring.*
 (i) Every conductor shall have adequate insulation from "ground" and from conductors of opposite polarity. Insulation shall be selected with special reference to its ability to resist deterioration from engine heat and oil.

(ii) It is recommended that all conductors have a carrying capacity of not less than 110 percent of the total current rating of the motor or other load connected to them. The basis for determining such carrying capacity shall be that given by the National Electrical Code for "allowable carrying capacities of wires."

(iii) All wiring, particularly that outside of locked or explosion-proof enclosures, shall have adequate mechanical and electrical protection to minimize gas-ignition hazards as well as fire hazards. If for any reason rigid conduit is unsuitable or undesirable a good grade of rubber air hose or equivalent may be construed as meeting the requirement for mechanical protection if used where it will not be damaged by engine heat and oil. Flexible metal conduit is not acceptable. All conduit ends must be adequately clamped or otherwise secured to prevent their being pulled out. Inserts should be used to prevent collapse of hose conduit ends that are secured by external clamps.

(iv) Sharp edges and corners shall be removed at all points where there is possibility of damaging the insulation of wires, cables, or conduits by cutting or abrasion.

(v) Wiring and conduits shall be well-secured or otherwise held to prevent vibration and displacement.

(vi) The ends and terminal lugs of wires and cables shall be held or clamped in a manner that will minimize the possibility of the ends and lugs coming loose from their connections and swinging against sides of enclosing casings or against parts of opposite polarity.

(5) *Electrical clearances and insulation.* The clearance between live parts and casings of electrical equipment shall be such as to minimize the possibility of arcs striking to the casings, or if space is limited the casings shall be lined with adequate insulation.

(6) *Detailed requirements for class 1 electrical parts; enclosure casings—(1) Materials and construction.* The casings forming the enclosure for class 1 parts

shall be of suitable material and especially durable in order that, with proper care and maintenance, the explosion-proof qualities will remain unimpaired not only when subjected to pressures developed during explosion tests, but also under the severe conditions imposed by mining service. Sheet metal used in the fabrication of explosion-proof casings shall be at least $\frac{1}{4}$ inch thick for any wall or cover having an area of 216 square inches or more (12 by 18), unless adequate reinforcing ribs, or their equivalent, are used to prevent deformation. Less than $\frac{3}{16}$ -inch thickness is not recommended. If welding is employed to join the side and wall pieces, the joints shall be continuously welded gas tight both inside and out.

Casings may be either of the totally enclosed type, in which no provision is made for ventilation of the interior, or else the type having provision for ventilation or relief of pressure from internal explosions. Totally enclosed construction, however, is recommended by the Bureau. Complicated castings and fabricated housings should be pressure-tested at the factory to reveal blowholes and other weaknesses.

If provision is not made for pressure relief through special devices, the casing will need to be strong enough to withstand explosion pressures approaching 100 pounds per square inch. However, if a casing communicates with another through a small passage or is itself divided by a partition, the effect of "pressure-piling" may be produced, and pressures considerably in excess of 100 pounds per square inch may be anticipated.

The use of phenolic and other insulating materials that give off highly explosive gases when decomposed by electric arcs should be avoided in mounting live parts within explosion-proof enclosures.

(ii) *Joints and machining tolerances.* Where an explosion-proof enclosure consists of two or more metal parts that are held together by bolts or other suitable means, the flanges comprising the joints between parts shall have surfaces making metal-to-metal contact. Glass-to-metal joints are permitted in casings such as those for headlamps and meters. Gaskets, if adequate, may be used to obtain a firm seat for the glass, but not elsewhere. Rubber, putty and plastic parts are not acceptable as gasket materials.

The surfaces comprising a flange joint need not be all in one plane. For enclosures having an unoccupied volume (air space) of more than 60 cubic inches, the total width of joint measured along the shortest path from inside to outside of the enclosure shall be not less than 1 inch, except as follows:

A rabbet joint having a total width of $\frac{3}{4}$ inch may be accepted if neither the cylindrical nor the plane fit is less than $\frac{3}{16}$ inch wide, with a maximum radial clearance of 0.002 inch for the cylindrical fit. When the unoccupied volume (air space) is less than 60 cubic inches, a minimum width of $\frac{3}{4}$ inch may be accepted for plane joints, but a 1-inch width of plane or rabbet joint is recommended.

The width of blow holes in joint surfaces will be deducted in measuring flange widths. Diameters of holes for bolts or screws required to maintain tight joints will also be deducted in such measurement: (a) If excessive clearance (over $\frac{1}{64}$ -inch radial) is allowed for the bolt in its hole, and (b) if the diameter of the bolt hole is more than half of the required metal-to-metal contact. It is recommended that such holes be located so that the shortest distance along the joint from the interior of the enclosure to the edge of the hole is not less than $\frac{1}{16}$ inch. However, less than $\frac{1}{4}$ inch will not be accepted for 1-inch joints, nor less than $\frac{1}{16}$ inch for joints under 1 inch. (Exception may be made for narrow interpoles, in which case the distance from the edge of pole piece to the bolt hole in the motor frame shall not be less than $\frac{1}{8}$ inch and the diametrical clearance around the bolt shall be as stated in the next paragraph of this subdivision. Furthermore, the pole piece shall seat against the frame surface.)

Bolts and screws shall be close-fitting in holes that cut through joint surfaces. If the edge of a bolt or screw hole is less than $\frac{1}{16}$ inch from the interior of the enclosure, the diametrical clearance around the bolt or screw shall not exceed $\frac{1}{64}$ inch and this clearance shall be maintained for a distance of at least $\frac{1}{2}$ inch as measured from the joint.

When the flanges of a joint cannot be brought into actual contact with each other owing to warping or faulty machining of parts or necessity for sliding fits, the requirement for metal-to-metal contact will be construed as having been met for plane flanges under the following conditions:

1. If the separation does not exceed 0.004 inch at any point.
2. If the 0.004-inch separation does not extend over 6 inches along the joint.
3. Provided the joint does not permit discharge of flame during the explosion tests.

When it is necessary in manufacture to provide for a running fit between cylindrical surfaces other than motor shafts, a shoulder shall be included in the design to provide a change in direction through the flame path between the parts. In joints of this type, the diametral clearance between cylindrical surfaces shall be kept as small as feasible, but in no case shall it exceed 0.01 inch.

Laminated motor frames having end rings assembled as an integral part under high pressure may be considered with less width of contact between the end rings and laminations than that specified in the preceding paragraphs of this subdivision. It is recommended that the metal-to-metal contact be kept as near the 1-inch standard as practical, but less than $\frac{1}{4}$ inch will not be accepted. If less than the 1-inch standard width is used for joints of this type, the construction must permanently preclude any separation between the end rings and lamination, and if a 0.0015-inch-thickness gage can be inserted $\frac{1}{8}$ inch at any point, the construction will be considered unsatisfactory. The joint should not open under explosion pressures.

(iii) *Bolts and similar fastenings.* Bolts and similar means of clamping flange joints together shall be generously proportioned to minimize stripping of threads and to give adequate strength. Steel inserts shall be used when it is necessary to thread screws or bolts into aluminum castings. Clamping bolts and screws should be at least $\frac{1}{4}$ inch in diameter and preferably not less than $\frac{1}{2}$ inch.

Unless the design permits especially rigid construction between bolts, spacings greater than 6 inches are not recommended for flange joints.

All bolts, nuts, and screws used in fastening flange joints, as well as those used in holding parts such as pole pieces, brush rigging, and bearing caps, shall be provided with lock washers or other suitable means to prevent loosening. The length of threads in bottomed holes and on bolts, screws, and studs shall be such that the joint can be made tight even though lock washers are omitted.

(iv) *Through holes for bolts, screws, and rivets.* Through holes into explosion-proof casings shall be kept to a minimum. Holes for bolts, screws, etc., shall be "blind" or bottomed if the omission of a bolt or screw would leave an unprotected opening into the casing. If unavoidable, holes may be made through casings for bolts, studs, or screws that are necessary to hold essential parts such as pole pieces and brush rigging, providing the bolts, etc. have an adequate long close fit through the casing and providing at least two holes, studs, or screws are used for each part held. In addition one of the following optional conditions shall apply: (a) Each hole must be bottomed in the part held and adequate metal-to-metal contact provided between the part and the casing to insure an effective internal seal around the hole in the event that the bolt or screw is omitted or lost, or (b) if studs are used they must be permanently fastened in the part held, or (c) bolts passing entirely through pole pieces must be arranged so that they cannot be removed without removal of the armature, or (d) special nonremovable bolts must be adequate for the intended purpose.

Holes shall not be drilled through walls of explosion-proof casings for screws or rivets holding name plates or approval plates.

(v) *Inspection openings and covers.* The number of openings in explosion-proof enclosures shall not exceed the minimum required for proper assembly and inspection of parts. Openings such as those necessary for inspection of motor commutator and brushes are permitted if suitable covers are provided. These covers must have the width of flange joint previously specified or a threaded joint with sufficient threads to give the required width of surface in contact. Screw covers and those held by special clamps and screws must be secured against unauthorized opening by means of a lock or a nonrusting wire and seal. Where the seal wire alone is of insufficient mechanical strength, an additional fastening such as a set screw or a pin secured by a seal should be used. The distance between the two holes through which the seal wire is threaded shall not exceed 3 inches.

(vi) *Bearing and shaft clearances.* Armature, controller, switch, and other shafts or rods carried through walls of explosion-proof enclosures do not require stuffing boxes. For plain jour-

naled bearings the diametral clearance between the shaft and bearing shall not exceed 0.01 inch to provide for a running fit, and this running fit shall not be less than $\frac{3}{4}$ inch long for an enclosure having an internal air space under 60 cubic inches, nor less than 1 inch for enclosures having more than 60 cubic inches air space.

Roller and ball bearings are not accepted as suitable barriers for stoppage of flames, and therefore the flame path provided between a shaft and the inner parts of bearing housings shall not be less than 1 inch long for enclosures of more than 60 cubic inches air space. If the air space is 60 cubic inches or less, this part of the flame path may be reduced to $\frac{3}{4}$ inch. In either case the diametral clearance shall not be greater than 0.03 inch at any point in the $\frac{3}{4}$ - or the 1-inch path. This clearance is allowed providing it does not permit discharge of flame.

Reduced clearances may be required for the fit of bearing cartridges, collars and other parts forming cylindrical flame paths in bearing housings. Flame paths having radial clearances of more than 0.005 inch should have one change of direction in them.

Oil grooves in bearings and felt rings or oil grooves in bearing housings are not to be included in the measurement of the length of running fit along a shaft. Such grooves are not allowed if not of sufficient volume to reduce the effectiveness of the path. Openings made for purposes of filling and draining bearings shall be outside of the required length of path.

Labyrinths or other special arrangements may be accepted in place of straight paths if they provide equivalent lengths and clearances and are made up of rugged parts not likely to be readily omitted. A removable outer bearing cap is not considered as part of the required length of fit.

(vii) *Cable entrances.* All electrical conductors that pass through the walls of explosion-proof enclosures shall be provided with adequate insulation and guards at the point of entrance to the enclosure in accordance with one or more of the following:

(a) If stuffing-box cable entrances are used, the packing material shall be an untreated asbestos, such as woven valve-stem packing, and it shall be not less than $\frac{3}{16}$ inch in diameter. The size, length, and kind shall be specified

(i) A detailed inspection to determine the adequacy of materials, workmanship, and design.

(ii) A detailed check of parts or assemblies against drawings as to materials, dimensions, and position, making notations for necessary correction of any discrepancies that may exist between the drawings and the parts or assemblies.

(iii) Measurements of joints, flanges, and other possible flame paths in the intake and exhaust systems of the engine.

(iv) Measurement of specified dimensions of flame arresters for the intake and exhaust systems of the engine.

(2) *Determination of composition of exhaust gas.* (i) The exhaust gas of the engine will be sampled while the engine is operating at minimum speed and at maximum rated speed. At both speeds the engine will be operated at minimum power output, at approximately one-half maximum rated power output, and at maximum rated power output. Under any of these test conditions the engine will be at temperature equilibrium before exhaust-gas samples are collected or other test data recorded. Under each test condition rate of fuel consumption will be determined, and atmospheric pressure and temperature will be noted.

(ii) The exhaust-gas samples will be analyzed for carbon dioxide, oxygen, carbon monoxide, hydrogen, methane, nitrogen, oxides of nitrogen, and aldehydes.

(iii) In connection with tests to determine composition of exhaust gas, the maximum permissible reduced pressure in the intake system of the engine and the maximum permissible positive pressure in the exhaust system will be determined. In such tests the engine will be operated at maximum rated speed and the intake and exhaust systems will be complete with all accessory equipment such as air cleaners, flame arresters, and exhaust cooling devices. These maximum pressures will be determined by gradually adding resistance to air flow in the intake system and by similarly adding resistance to exhaust gas flow in the exhaust system and noting the pressure, in each system, at which measurable increase occurs in the content of carbon monoxide (or other toxic constituent) in the exhaust gas. These data will be used, allowing a suitable margin of safety, in determining the maximum permissible reduced pressure and positive pressure, respectively, in the intake and exhaust systems of the engine.

(3) *Maximum permissible fuel: air ratio.* (i) If the carbon monoxide content of the engine exhaust does not exceed 0.25 percent by volume throughout the rated range of speeds and power outputs, the manufacturer's adjustment of the fuel-injection equipment will be considered acceptable. The maximum fuel: air ratio (pound of fuel per pound of air) attained under test will be calculated and will be designated as the maximum permissible fuel: air ratio.

(ii) If the carbon monoxide content of the exhaust is found to exceed 0.25 percent by volume only at or near maximum power output, the maximum fuel:air ratio will be determined at which the carbon monoxide content of the exhaust does not exceed 0.25 percent by volume, and this fuel:air ratio will be designated as the maximum permissible fuel:air ratio. Adjustment of the fuel injection system may be made in the course of these tests to meet the requirement of maximum permissible fuel:air ratio.

(iii) In connection with establishment of maximum permissible fuel:air ratio, the barometric pressure existing during the tests and the rate of fuel consumption at maximum permissible fuel:air ratio will be recorded as part of the requirements for operation of the locomotive under permissible conditions. As stated in § 31.9 operation at barometric pressures significantly lower than that existing during tests to determine the maximum permissible fuel: air ratio will necessitate readjustment of the fuel-injection system so that the maximum permissible fuel: air ratio is not exceeded as a result of the decrease in air density at the lower barometric pressure.

(4) *Adequacy tests of intake and exhaust flame arresters and determination of ability of intake and exhaust systems to withstand internal explosions.* (i) To test the adequacy of intake and exhaust flame arresters and to determine the ability of the intake and exhaust systems to withstand internal explosions, these systems with their respective flame arresters will be connected to the engine and will be filled and surrounded by inflammable gas-air mixtures containing different concentrations of Pittsburgh natural gas. The mixture within the intake and exhaust systems will be ignited by a spark or other suitable means and the pressure developed in the system will be determined. The igniting source

will be placed in different locations to determine the maximum pressure developed by the explosion.

(ii) Explosion tests will be made both with quiescent inflammable gas-air mixtures in the intake and exhaust systems and with inflammable gas-air mixtures in motion. In the latter tests the engine will be driven at selected speeds throughout its operating range and no liquid fuel will be supplied to the injection valves.

(iii) Explosion tests will be made both with bituminous-coal dust introduced into the intake system and with oil fog introduced into the exhaust system. These tests will be made with quiescent mixtures in the intake and either quiescent or moving inflammable gas-air mixtures in the exhaust. In tests with bituminous-coal dust in the intake, the intake system will be blanked off from the cylinder head to protect the interior of the engine.

(iv) The temperatures of the flame arresters on the intake and exhaust systems will be maintained at 212° F. or less. The water-spray cooling system will not be in operation, and no water will be present in the exhaust cooling boxes during explosion tests. At least 10 explosion tests will be made for each explosion-proof intake and exhaust system. If the intake and exhaust systems contain questionable construction features more than 10 explosion tests will be made.

(v) The explosion tests of an intake and exhaust system shall not result in: (a) Discharge of flame from any joint or opening; (b) ignition of surrounding inflammable gas-air mixture; (c) development of dangerous afterburning;¹ or (d) excessive pressures. (Pressures greater than 150 pounds per square inch gage are considered excessive.) An intake or exhaust system will be rejected if it fails to meet any one of the four conditions.

(vi) In addition to explosion tests, certain other tests may be made at the option of the Bureau's engineers to determine the adequacy of a part for the service intended:

¹ The term "afterburning" as used in this part is applied to combustion of an inflammable gas-air mixture drawn into the system under test by the cooling of the products from an explosion in the system.

(a) Spaced-plate flame arresters mounted in the intake and exhaust systems will be examined to determine the space between the plates. When spaced-plate flame arresters are used in the exhaust system the temperature of these plates will be 212° F. when the examination is made.

(b) Where the durability of flame arresters is in doubt, such mechanical tests as are deemed necessary may be made to determine points requiring strengthening.

(5) *Determination of adequacy of exhaust-gas cooling system and accessory parts thereof.* (i) The adequacy of the exhaust-gas cooling system and its accessory parts will be determined with the engine operating at its maximum power output for a period sufficient for all parts of the engine and exhaust-gas cooling system to reach their respective equilibrium temperatures. The cooling water spray will be in operation, and when equilibrium has been reached all compartments designed to hold cooling water will be filled with a measured quantity of water (at the equilibrium temperature) in accordance with the recommendations of the manufacturer. No cooling air will be circulated over the engine or its accessories during the test.

(ii) The following determinations will be made: (a) Exhaust-gas temperature at outlet of exhaust manifold but upstream from cooling water spray; (b) final exhaust-gas temperature;² (c) cooling water consumed; (d) temperature of water in all compartments; and (e) temperature of cooling water to spray.

(iii) The final exhaust-gas temperature shall not exceed 160° F.

(iv) The water consumed in cooling the exhaust gas under the test conditions of operation shall not exceed that required for the adiabatic saturation of the exhaust gas at the final temperature by more than 10 percent. The water consumed in excess of that required for adiabatic saturation at the final exhaust temperature will be considered as entrained water.

(v) The adequacy of the automatic fuel shut-off actuated by the exhaust temperature will be determined with the

² Temperature at point of discharge from exhaust cooling system and before exhaust gas is mixed with diluting air.

engine operating at its maximum power output and with the cooling spray initially in operation. The water to the cooling spray will be shut off, the water in all compartments designed to hold cooling water will be drained, and the final exhaust-gas temperature at which the fuel to the engine is automatically shut off will be noted. The temperature must be between 180° and 190° F.

(vi) Following this test the temperature at the control point will be permitted to drop to 160° F. At this temperature it must be possible to start the engine. If a manual reset is provided in the automatic fuel shut-off control it shall be possible to reset the control and start the engine when the temperature at the control point is 160° F.

(vii) At the option of the Bureau's engineers any other tests may be made to determine the adequacy of a part for the service intended.

(6) *Determination of surface temperature of engine and accessories.* (i) The surface temperatures of the engine, the exhaust cooling system, and any accessories will be determined with the engine operating at its maximum power output for a period sufficient for all parts of the engine and its accessories to reach their respective equilibrium temperatures. The exhaust-gas cooling system will be in operation, but no air will be circulated over the engine or accessories. Under the foregoing conditions the following surface temperatures will be measured: (a) Exhaust-gas manifold at inlet; (b) exhaust-gas manifold at outlet; (c) engine-surface temperatures at various locations; (d) crankcase; (e) exhaust flame arrester; (f) intake flame arrester; and (g) at any other location considered necessary.

(ii) The temperature of any surface measured under the foregoing conditions shall not exceed 400° F.

(iii) At the option of the Bureau's engineers the engine may be operated under the foregoing test conditions while completely surrounded by an inflammable natural gas-air mixture. Combustible materials likely to be encountered in service may be placed on any surface. Operation under such conditions shall not cause an ignition of the surrounding inflammable atmosphere.

(iv) In addition to the foregoing tests any other tests may be made at the option of the Bureau's engineers to deter-

mine the adequacy of the cooling of surfaces of the engine and its accessories.

(7) *Tests of exhaust-gas dilution system.* The adequacy of the exhaust-gas dilution system will be determined by tests of the assembled locomotive. The engine will be operated in normal air, at minimum speed and at maximum rated speed, and will be at temperature equilibrium during the tests. Samples of the final (diluted) exhaust of the locomotive and of the undiluted engine exhaust will be collected simultaneously at both speeds. Analyses of these samples will serve as a basis for calculating the extent of dilution effected by the system. The dilution ratios thus obtained will be applied to the data obtained in tests described in subparagraph (2) of this paragraph to determine whether the concentrations of carbon monoxide, oxides of nitrogen, and aldehydes in the diluted exhaust of the locomotive are within the required limits.

(8) *Tests of fuel tank.* The fuel tank will be tested to determine that it is fuel-tight, that the vent will maintain atmospheric pressure within the tank, and that the vent and closure do not permit the egress of liquid fuel.

(b) *Tests of electrical equipment—(1) Detailed inspection of class 1 electrical parts.* In the investigation of any machine or equipment for approval and also in the investigation of separate electrical units (individual motors, controllers, etc.) as to suitability for use on permissible machines, explosion-proof casings shall be given careful inspection by the Bureau's engineers. This inspection will include the following items:

(i) A detailed check of parts against drawings as to materials, dimensions, and position, making notations for necessary correction of discrepancies between the drawings and the parts checked.

(ii) Measurement of joints, bearings, and other possible flame paths.

(iii) Examination for unnecessary through holes.

(iv) Examination for adequacy of lead entrance design and construction.

(v) Examination for adequacy of electrical clearance of insulation between live parts of opposite polarity and between live parts and ground.

(vi) Examination for adequacy and security of fastenings.

NOTE: For further information regarding the details of this inspection reference should be made to Bureau of Mines Information Circular 7185, *Inspection and Testing of Mine-Type Electrical Equipment for Permissibility*.

(2) *Explosion tests of class 1 electrical parts.* (i) To test enclosures for their ability to retain flame, they will be filled and surrounded with explosive mixtures containing varying percentages of Pittsburgh natural gas³ and air. The mixture within the enclosure will be ignited by a spark plug or other suitable means, and a record of explosion pressures developed will be taken. The point of ignition will be varied to determine the condition that gives the greatest pressure. For some of the tests, bituminous-coal dust will be introduced into enclosures, and the effects will be noted. Motor armatures and rotors will be stationary in some tests and revolving in others.

(ii) Not less than 10 tests will be made of each design of explosion-proof enclosure. If, on account of the size of enclosure or questionable construction features, it is the judgment of the Bureau's engineers that the explosion-proof qualities cannot be completely demonstrated in 10 tests, more than that number will be made.

(iii) The explosion tests of an enclosure shall not result in: (a) Discharge of flame from any joint, bearing, or opening; (b) ignition of surrounding explosive mixtures; (c) development of dangerous afterburning;⁴ or (d) excessive pressures. (Indicated pressures of 150 pounds per square inch gage or over are considered as being excessive.) An enclosure will be rejected if failing to meet any one of the four above conditions.

(3) *Adequacy tests of electrical parts.* In addition to explosion tests, certain other tests may be made at the option of the Bureau's engineers to determine the adequacy of an accessory for the service intended:

³Investigation has shown that, for practical purposes, Pittsburgh natural gas (containing a high percentage of methane) is a satisfactory substitute for pure methane in these tests.

⁴The term "afterburning" as used in this part is applied to combustion, immediately after an internal explosion, of a gaseous mixture that was not in the enclosure at the time of that explosion, but was drawn in as the result of the cooling of the products of the original explosion.

(i) Where the durability of battery cells, headlights, or other parts is in doubt, such mechanical tests as are deemed necessary may be made to determine points requiring strengthening.

(ii) If there is any question on the efficacy of ventilation of battery boxes, tests may be made to check the ventilation.

(iii) Switches or circuit breakers and contactors intended to function as switches shall be capable of interrupting any overload currents that will flow without causing the protective devices to open the circuit. They also shall be capable of opening these overloads five times at 2-minute intervals without grounding or short-circuiting.

(iv) Fuses or other automatic circuit-interrupting devices may be tested to determine whether they provide the necessary protection without damaging the explosion-proof qualities of their enclosures.

(4) *Factory inspection and tests.* If necessary to expedite the investigation the Bureau of Mines will conduct inspections or tests of the locomotive assembly, or any part thereof, at the plant of the manufacturer.

(5) *Additional tests.* The Bureau of Mines reserves the right to make any additional tests, not covered by the provisions of this part, that may be considered necessary to determine the adequacy of the locomotive, or any part thereof.

[Sched. 22, 9 F. R. 13748, Nov. 17, 1944]

§ 31.6 *Granting of approval*—(a) *Notification of approval or disapproval.* (1) After the Bureau of Mines has considered the results of the investigation, and suitable drawings and specifications have been placed on file, a formal written notification of approval or disapproval of the locomotive will be supplied to the applicant by letter from the Bureau of Mines. If the locomotive meets all requirements, the notification of approval will not be accompanied by test data or detailed results of tests. If the locomotive fails to meet any of the requirements, notification of such failure will be accompanied by details of the failure with a view to possible remedy of defects. The Bureau of Mines will not otherwise release, or make public, results of tests of locomotives that fail to meet the requirements.

(2) No verbal reports of the Bureau's decisions concerning the investigation will be given, and no verbal or informal approvals will be granted.

(3) The manufacturer shall not be free to advertise his equipment as permissible or approved until he has received the formal notification of approval in which an approval number is assigned.

(4) All drawings and specifications that must be submitted to the Bureau in connection with the investigation will be retained by the Bureau. A drawing list numbered to correspond to the approval number will accompany the notification of approval. This list will include the drawings and specifications covering the details of construction upon which the approval is based. The applicant receiving an approval shall keep exact duplicates of the drawings and specifications retained by the Bureau. These are to be adhered to in commercial production of the approved locomotive.

(b) *Approval plate.* (1) With the notification of approval the applicant will receive a photograph of a design of approval plate. The plate will bear the seal of the Bureau of Mines, the approval number, designation of the type of equipment for which the approval is granted, and the name of the manufacturer. The plate will bear also a statement regarding maintenance of the equipment in approved condition.

(2) The manufacturer shall have this design reproduced as a plate for attachment to each permissible locomotive. A sample plate and a sketch or description of its proposed mounting on the locomotive shall be sent to the Central Experiment Station, Bureau of Mines, Pittsburgh 13, Pa., for approval before final adoption.

(c) *Purpose and significance of approval plate.* (1) The approval plate identifies the equipment as having complied with the requirements of the Bureau of Mines for use in gassy and dusty mines.

(2) The use of the approval plate on his equipment obliges the manufacturer to maintain the quality of his product and to see that each locomotive is constructed according to drawings and specifications accepted by, and on file with, the Bureau of Mines. Equipment exhibiting changes in design that do not have official authorization from the Bureau are not per-

missible and therefore must not bear the approval plate.

[Sched. 22, 9 F. R. 13750, Nov. 17, 1944, as amended by Supp. 1, 20 F. R. 2720, Apr. 23, 1955]

§ 31.7 *Withdrawal of approval.* The Bureau of Mines reserves the right to rescind for cause, at any time, an approval granted under this part.

[Supp. 22, 9 F. R. 13750, Nov. 17, 1944]

§ 31.8 *Changes in design subsequent to approval.* All approvals are granted with the understanding that the manufacturer will make his equipment according to final drawings and specifications submitted to the Bureau of Mines. Therefore, before making any change in an approved locomotive the manufacturer shall first obtain the Bureau's approval of the change. This procedure is as follows:

(a) The manufacturer shall write to the Central Experiment Station, requesting an extension of his original approval and stating the change or changes desired. With this letter he should submit a set of revised drawings and specifications showing the change or changes in detail.

(b) The Bureau will consider the application and inspect the drawings and specifications to determine whether it will be necessary to make tests.

(c) If tests are unnecessary, the applicant will be advised by letter from the Bureau of Mines of the approval or disapproval of the change.

(d) If tests are necessary, the applicant will be advised of the fee and the material required for the tests.

[Sched. 22, 9 F. R. 13750, Nov. 17, 1944, as amended by Supp. 1, 20 F. R. 2720, Apr. 23, 1955]

§ 31.9 *Recommendations on the use of Diesel locomotives underground.* The approval of any type of equipment by the Bureau of Mines means only that the equipment has met certain specified requirements of design and performance, but the approval does not guarantee that it is impossible to use an approved device in an unsafe manner. The manufacturer must develop equipment that will meet the specified requirements of this part to be granted an approval, but it is the responsibility of the user to see that the equipment is maintained in permissible condition and is used in a permissible manner. The use of Diesel locomotives underground involves, in addi-

tion to proper maintenance of the locomotive itself, certain other factors, such as ventilation, which are of equal importance in establishing safe operating conditions. The following recommendations on the use of Diesel locomotives underground are included in this part as an expression by the Bureau of Mines of the conditions that should be enforced in the use of such equipment. Any locomotive used under conditions that do not comply with these recommendations shall not be considered by the Bureau as being permissible. The recommendations are as follows:

(a) *Ventilation*—(1) *Definition of ventilation requirements.* The use of Diesel mine locomotives underground should be restricted to haulageways where positive ventilation is maintained by mechanical means. If possible haulage by Diesel locomotives should be on the intake of a separate split of the ventilating air current or arrangements should be made in some manner so that air carrying exhaust gases from the engine is returned to the surface without traversing working places. The quantity of ventilating air supplied must be adequate to dilute all toxic or objectionable constituents of the engine exhaust to such extent that the composition of the air of the haulageways, or any working place connected thereto, meets recognized hygienic standards for working environments. The air supplied for ventilation in haulageways where Diesel locomotives are used should not contain combustible gas or other contaminants in such concentration that combustion processes in the engine may be altered, with resultant increase in production of toxic or objectionable constituents in the engine exhaust.

(2) *Quantity of ventilating air.* (1) The minimum quantity of ventilating air that must be supplied per unit time will be determined in the approval tests of each permissible locomotive, and this quantity will be shown upon all approval plates issued for Diesel mine locomotives. This quantity shall apply to the use of one locomotive only; if more than one locomotive is used in any continuous course of air, then the air quantity required for one locomotive must be multiplied by the number of locomotives in use. Approved locomotives may be used only in places where at least this minimum quantity of ventilation is in effect. As this minimum required quantity of ventilation will be determined during the approval tests,

with engines that are new and presumably in the best mechanical condition, it will be desirable always to supply ventilation in excess of the minimum quantity indicated on the approval plate, thus furnishing a factor of safety in operation.

(ii) Ventilation on haulageways should be measured at intervals sufficiently frequent to insure that the required air quantities are being maintained. Records should be kept of such measurements.

(3) *Quality of ventilating air.* The air supplied for ventilation in connection with the use of Diesel locomotives underground should contain not less than 20 percent by volume of oxygen (dry basis) and should not contain more than 0.25 percent inflammable gas. This statement applies to the air current before the exhaust gases from the locomotive are added to it.

(4) *Examination of air of working places.* (1) The air of haulageways in which Diesel locomotives are used should be examined at intervals sufficiently frequent to determine that the composition of the intake air conforms with the requirements given in subparagraph (3) of this paragraph and that the concentration of contaminants, such as carbon dioxide, carbon monoxide, and oxides of nitrogen, added to this air by the locomotive are within acceptable limits. Methods used in determining the concentrations of these contaminants and the composition of the intake air of the haulageways should be sufficiently sensitive and accurate to produce reliable results, as the interpretation of these results may in some instances depend on variations in concentration of as little as 0.01 percent or less. Concentrations of gases considered permissible in working environments are as follows:

Carbon dioxide (CO₂)—not more than 0.5 percent by volume.

Carbon monoxide (CO)—not more than 0.01 percent by volume.

Oxides of nitrogen (NO_x)—not more than 0.0025 percent by volume.

Oxygen (O₂)—not less than 20 percent by volume.

(ii) Ventilation and locomotive operating condition should be such that the composition of the air of haulageways, and working places connected thereto, always remains within these tolerable limits.

(iii) Aldehydes are self-evident if present in objectionable concentrations and

need not be determined by analysis. Production of sulfur gases by the locomotive may be controlled by using a fuel oil of low sulfur content.

(iv) A smoky exhaust is a good practical indication of faulty operation and is usually accompanied by the production of excessive quantities of carbon monoxide. Therefore abnormal smoke production should be sufficient reason for removing a locomotive from service until this condition has been corrected.

(v) In the event that any of the foregoing conditions of air quality are not maintained, as determined by analysis of the air, or by observation, operation of locomotives should be stopped until proper conditions of air quality are established, either by increasing ventilation or by correcting mechanical imperfections in the locomotives, whichever is found to be the cause of the undesirable conditions.

(vi) Records should be kept of all air analyses and of any changes in ventilation or adjustments of locomotives made as a result of these analyses.

(b) *Maintenance*—(1) *General.* (i) The maintenance of Diesel locomotives in permissible condition is absolutely essential if hazards in the use of such equipment are to be avoided. To insure adequate maintenance a qualified and authorized person should be made responsible for all maintenance work. This person should be thoroughly familiar with the proper procedures for maintaining Diesel locomotives in permissible condition and he should be assisted when necessary by competent mechanics.

(ii) Inspection and maintenance procedures shall be in accordance with the instructions furnished by the manufacturer. When Diesel locomotives are operated for the first time in any situation, daily inspections should be made of the intake and exhaust systems of the engine as outlined below and of other accessories of the locomotive to accumulate information on the frequency of inspections required. Records of all inspections should be kept and a routine inspection schedule should be drafted from experience and information obtained in daily inspections during the first several months of operation.

(iii) All maintenance work should be done in accordance with detailed instructions furnished by the manufacturer of the locomotive. These instructions should form the basis of a routine in-

spection and maintenance schedule. Some of the more important inspection and maintenance procedures are summarized below.

(2) *Engine fuel-injection system*—(1) *Injection valves.* Improperly functioning injection valves may cause incomplete combustion of some of the fuel and lead to increased production of smoke, carbon monoxide, and aldehydes. It is important therefore to maintain injection valves in proper operating condition. Particular attention should be paid to preventing leaking injection valves and to preventing imperfect atomization or distribution of the fuel.

The manufacturer's recommendations regarding inspection and maintenance of injection valves should be followed and periodic checks on injection pressure and spray pattern should be made as outlined in these recommendations.

(ii) *Fuel pump.* The fuel pump on the engine is set by the manufacturer in accordance with permissibility requirements of the Bureau of Mines. This setting is made to limit the fuel injected at full throttle and to prevent operation of the engine on the rich side (insufficient air for complete combustion) with the attendant production of dangerous quantities of carbon monoxide. After this adjustment is made the fuel pump is sealed or locked to prevent alteration.

It should not be necessary to reset the fuel pump unless some part breaks or unless the pump is disassembled for a complete overhaul. When it is necessary to set the fuel pump the seal or lock should be broken by an authorized person and the final adjustment should be made under the supervision of this person. After this adjustment has been made the fuel pump should be sealed or locked by an authorized person.

(iii) *Method of adjusting fuel pump.* When it is necessary to reset the stop limiting the fuel injector at full throttle, it is absolutely essential that some means be available for reproducing the original setting. Failure to reproduce the original setting might lead to the production of dangerous quantities of carbon monoxide if too much fuel were injected at full throttle.

Every shop in which Diesel locomotives are serviced should have equipment for determining the fuel delivered by the fuel pump when operating in the full-throttle position. The fuel delivery at maximum throttle setting can be determined either

by weight or by volume. If the determination is made by volume a suitable correction for the density of the fuel at the existing temperature must be made. The test procedure should be designed so that the maximum quantity of fuel delivered per revolution of the fuel pump can be determined. The fuel pump should be set to deliver a maximum weight of fuel per stroke corresponding to the value specified by the manufacturer for the particular engine and conditions of use.

(iv) *Adjustment of maximum fuel injection for permissible operation at different barometric pressures.* The average barometric pressure existing at the place where a Diesel engine is to be used must be considered in setting the maximum fuel injected at full throttle. Barometric pressure affects the density of the air and therefore affects the weight of air drawn into the engine. Unless the quantity of fuel injected at full throttle is adjusted to maintain a constant fuel : air ratio, dangerous quantities of carbon monoxide might be produced at high altitude and low barometric pressure where the density of the air is low.

The maximum quantity of fuel for permissible operation at different barometric pressures will be determined in permissibility tests made by the Bureau of Mines. This information will be furnished the manufacturer and will be included on the approval plate. The fuel pump of the engine should be set in accordance with the values given for the barometric pressure existing at the place where the engine is to be operated.

(3) *Engine intake system.* (i) The intake system of the engine, including flame arrester, air cleaner, and all joints, should be inspected at periodic intervals. The frequency of these inspections shall be determined in accordance with the recommendations made under general maintenance instructions. Periodic measurements should be made of the reduced pressure in the intake system to determine when it is necessary to clean the flame arrester and air cleaner. The permissible maximum reduced pressure will be determined in permissibility tests made by the Bureau of Mines and will be shown on the approval plates.

(ii) Inspection of the intake system should include the determination of the tightness of all joints and of the cleanliness of all surfaces of the flame arrester.

(iii) The air cleaner should be maintained in accordance with the manufacturer's instructions.

(4) *Engine exhaust system.* (i) The exhaust system of the engine, including the flame arrester, cooling boxes, shut-off mechanism, water spray, and exhaust dilution system, shall be inspected at periodic intervals. The frequency of these inspections shall be determined in accordance with the recommendations made under general maintenance instructions. Periodic measurements should be made of the positive pressure in the system to determine when the exhaust flame arrester should be cleaned. The permissible maximum positive pressure will be determined in permissibility tests made by the Bureau of Mines and will be shown on the approval plates.

(ii) The locomotive operators should be made responsible for maintaining an adequate supply of water in the cooling boxes and in the tank supplying water to the spray. It is important that the water used in the exhaust system be substantially free of acid to prevent corrosion. In some situations this might necessitate chemical treatment of the water used in the locomotive.

(iii) The performance of the fuel shut-off mechanism actuated by the exhaust-gas temperature shall be checked periodically. This mechanism can be checked by operating the engine in the repair shop with no water in the cooling boxes and with the water spray off, so that the exhaust-gas temperature at the control point is greater than the temperature required to actuate the control. The engine shall be operated under such conditions and the performance of the automatic fuel shut-off mechanism determined.

(iv) Periodic inspections should be made of all heated engine surfaces at intervals frequent enough to insure that those surfaces are kept free of combustible materials such as coal dust, fuel oil, lubricants, and rags or waste.

(v) The exhaust-gas dilution system should be inspected and cleaned frequently to insure adequate dilution of the exhaust gas before it is discharged from the locomotive. In order to maintain the proper flow of diluting air, it is important that passages through which diluting air flows be kept clean to prevent restriction of air flow.

(vi) If the exhaust from the engine appears smoky or if objectionable odors

are evident in the exhaust the manufacturer's manual of instructions should be consulted immediately and the cause determined. Particular attention should be paid to inspecting the fuel injection valves, the pressure in the intake and exhaust system, and the quantity of fuel injected by the fuel pump at full throttle. Restrictions in the intake or excessive pressure in the exhaust can cause smoke and objectionable odor. This can be caused also by the injection of fuel in excess of the permissible maximum. A smoky exhaust usually is indicative of the presence of significant concentrations of carbon monoxide and therefore steps should be taken immediately to determine the cause and eliminate it.

(5) *Electrical equipment*—(i) *Locks and seals.* Certain electrical parts, such as battery boxes and headlights on the locomotive, are furnished with locks or seals to prevent opening for adjustments, repairs, etc., by anyone except authorized persons. Such locks and seals should be kept in place. Precautions should be taken to guard against unauthorized persons obtaining keys or sealing tools.

(ii) *Fastenings.* Joints in the casings of motors, starting switches, headlights, and any other parts subject to sparking during normal operation should be kept tightly closed. An opening greater than 0.004 inch for plane (flat) joints is considered unsafe. Accordingly, all bolts, cap screws, and other means of fastening casings together should always be kept in place and secured tightly. Openings caused by the omission of parts or by the burning resulting from arcs should be carefully avoided.

(iii) *Wiring.* Air hose, rigid steel, and other types of conduit should be firmly held at the ends and also between ends, when lengths are such as to require additional supports. Conduit and other means of affording mechanical protection of wiring should be kept intact and in place.

(iv) *Headlight and instrument lenses.* Lenses forming part of the explosion-proof casings of headlights and instruments should be held securely. Lenses with cracks entirely through them should be replaced immediately.

(v) *Overload protection.* Tampering with fuses, relays, and other means supplied by the manufacturer, for overload and short-circuit protection of wiring

and equipment should not be permitted, nor should substitutes that defeat this protection be allowed.

(vi) *Battery.* Battery-cell tops should be kept free of electrolyte and dust. Connections between cells should be kept tight and free of corrosion.

(c) *Fuel.* (1) The fuel used for Diesel locomotives in underground service should conform to the manufacturer's specifications for viscosity, pour point, cetane number, carbon residue, and water. The flash point must not be less than 140° F., and the sulfur content must not be greater than 0.5 percent by weight.

(2) Wherever possible the fuel tanks of the locomotives should be filled above ground. In situations where this is not feasible, fuel should be taken underground only in a strong, tight tank mounted on a car and equipped with a flexible hose and a suitable means for transferring the fuel from the tank car to the fuel tank of the locomotive. The flexible hose shall be grounded to the chassis of the fuel tank car. The valve on the end of the flexible hose of the fuel tank car shall be self-closing and designed so that it is open only when the fuel hose is connected to the fuel tank of the locomotive. The air vent on the tank car must be flameproof.

(3) Tank cars of fuel shall be taken underground only when it is necessary to fill the fuel tanks of the locomotives. After filling the fuel tanks of the locomotives the tank cars shall be removed immediately from the underground workings. The full and empty tank cars must be accompanied during shipment by authorized persons. Under no conditions is fuel to be stored underground.

(4) The transfer of fuel from the tank car to the locomotive must be made in the underground Diesel repair shop. During transfer of fuel the engine must not be in operation.

(5) If there is a drain at the bottom of a tank on a car, this drain must be closed by a screw cap which can be locked in position to prevent self-opening.

(6) Clean fuel is absolutely necessary to minimize maintenance of the fuel-injection systems. Therefore in handling the fuel all precautions should be taken to keep the fuel clean and free from water.

(d) *Fire extinguishers.* At least one fire extinguisher of the type containing

liquid carbon dioxide should be carried at all times with each locomotive. Extinguishers of the same type should be installed at underground locomotive repair shops and locomotive barns.

(e) *Repair shops and locomotive barns.*

(1) Repair shops for Diesel locomotives and storage of locomotives preferably should be above ground. If such arrangement is impracticable, such spaces should be situated close to the shaft or portal underground and between an intake and a return airway, so that persons in such spaces will be provided with fresh air and so that if engines are operated in the repair shop, or if fire should occur, products of combustion will enter the return air.

(2) Underground repair shops and storage spaces should be lined with incombustible material, and doors, or other closures, should be of incombustible material. The floor should be impervious to oil and should slope to a sump, so that spilled oil may be collected and removed. A supply of sand should be kept on hand to aid in fighting fires or to absorb spilled oil.

(3) Welding or other operations that might create fire hazards should not be carried on in the repair shop unless adequate precautionary measures are taken against the ignition of Diesel fuel or lubricants.

[Sched. 22, 9 F. R. 13750, Nov. 17, 1944, as amended by Supp. 1, 20 F. R. 2720, Apr. 23, 1955]

§ 31.10 *Revision of requirements and recommendations.* In the preparation of the requirements and recommendations embodied in this part the Bureau of Mines has endeavored to provide a basis for the production of safe and practicable Diesel mine locomotives that will meet the demands of existing conditions. However, as the use of such locomotives for underground haulage was an innovation in the United States at the time of preparing this part, it is possible that instances might arise in which the protection afforded would be inadequate. The Bureau of Mines, with the cooperation of manufacturers and users of the locomotives, will be alert to such situations. When a situation arises in which inadequacy of protection or unusual hazard attending the use of approved equipment is established, the manufacturer of the equipment is requested to issue precautions, or if necessary to cease marketing the equipment

for use in the particular situation or condition until such changes or provisions as will provide adequate protection are made. It shall be understood that any changes or provisions made must be submitted to the Bureau of Mines and have its approval before being adopted. Should the situation require a change in the basic requirements and tests provided in this part, or the recommendations contained therein, such change will be issued as an amendment to this part.

[Supp. 22, 9 F. R. 13753, Nov. 17, 1944]

Part 32—Mobile Diesel Powered Equipment for Non-Coal Mines

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| Sec. | |
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AUTHORITY: §§ 32.1 to 32.10 issued under sec. 5, 36 Stat. 370, as amended, sec. 212, 66 Stat. 709; 30 U. S. C. 7, 482. Interpret or apply secs. 2, 3, 36 Stat. 370, as amended; 30 U. S. C. 3, 5.

§ 32.1 *Type of equipment that may be approved.* Safe operation of mobile Diesel powered equipment underground involves consideration of four possible hazards, namely, (1) toxic or objectionable gases discharged in the exhaust of the engine, (2) ignition of flammable atmospheres by the engine or by electrical equipment, (3) fire hazards presented by the engine fuel oil and by combustible material that might come in contact with the equipment, and (4) mechanical hazards. Equipment for use in coal mines where methane may be encountered, will be considered permissible only when proved by test to offer adequate protection against all these hazards. (See Part 31 of this subchapter.) Equipment for use in non-coal mines in which the underground atmosphere contains less than 0.25 percent by volume of

flammable gas will be granted approval when proved by test to offer adequate protection against the production of toxic or objectionable gases, and when design and construction are such as to minimize the fire hazard presented by the engine fuel oil under normal operating conditions. Since the latter equipment is not to be used in coal mines or other situations where inflammable atmospheres may be encountered, equipment approved under this part will be referred to as "approved equipment" rather than as "permissible equipment", and will carry an "approval plate" rather than a "permissibility plate".

(a) *Approval.* Approvals will be granted for complete Diesel powered equipment units only and not for engines and other individual parts used in the assembly of such units.

(b) *Inspection and tests of sub-assemblies.* The engine and exhaust gas cooling system may be supplied as a sub-assembly to the manufacturer of the complete unit. Under such conditions this sub-assembly may be submitted for inspection and test either by the manufacturer of the complete unit or directly by the manufacturer of the sub-assembly, consisting of engine and exhaust gas cooling system. All requirements to be met under either option are identical. Application by the manufacturer of a sub-assembly for such inspection and test shall be made as outlined in § 32.3 (b). If the sub-assembly meets all requirements applicable to it, the Bureau will inform the manufacturer of the sub-assembly by letter that further test or inspection of the engine and exhaust gas cooling system will not be required after installation in a complete unit if the sub-assembly is constructed in accordance with the specifications on file at the Bureau. This letter may be cited to the manufacturer of the complete unit. The manufacturer of a sub-assembly, consisting of engine and exhaust gas cooling system, may not advertise his sub-assembly as approved by the Bureau of Mines, since only complete mobile units are granted approval. The manufacturer of a sub-assembly that meets the requirements of this part may state that the sub-assembly has been tested by the Bureau and meets the requirements of this part that pertain to the engine and exhaust gas cooling system.

[14 F. R. 1671, Apr. 8, 1949, as amended by Supp. 1, 20 F. R. 2720, Apr. 23, 1955]

§ 32.2 *Definitions.* Certain terms used throughout this part are defined as follows:

(a) *Equipment.* Mobile Diesel powered equipment used to move or transport material underground.

(b) *Unit.* The complete assembly of engine, accessories, and chassis comprising one mobile Diesel powered unit.

(c) *Non-coal mine.* A mine in which the material being mined is incombustible or contains at least 65 percent by weight of incombustible material, and in which the underground atmosphere in any open workings contains less than 0.25 percent by volume of flammable gas. Tunneling operations in which underground conditions conform with the foregoing may be considered in the same category as non-coal mines.

(d) *Normal operations.* The performance by each part of the equipment of those functions for which the part was designed.

(e) *Toxic and objectionable gases.* Toxic and objectionable gases present in the exhaust of Diesel engines are carbon monoxide, oxides of nitrogen, carbon dioxide, and aldehydes. The exhaust also will contain oxides of sulfur if the fuel contains sulfur.

(f) *Fuel: air ratio.* The ratio of fuel to air present, under a given condition of operation, in the combustion space of the engine, expressed in terms of weight, as pound of fuel per pound of air. Fuel: air ratio at any operating condition may be calculated from the composition of the exhaust gas and of the fuel.

(g) *Adequate.* Appropriate and sufficient as determined by tests and examinations by the Bureau of Mines.

(h) *Approved.* As used in this part the term "approved" relates to equipment formally designated by the Bureau of Mines as suitable for operation in atmospheres containing less than 0.25 percent by volume of flammable gases, and to have conformed to the requirements of this part.

(i) *Approval.* Official, formal, written notification by the Bureau of Mines stating that upon investigation the equipment has met satisfactorily the requirements of this part.

(j) *Extension of approval.* Official, written notification from the Bureau of Mines to the equipment manufacturer,

by which the latter is authorized to make changes in approved equipment after the proposed changes have been duly examined, accepted, and recorded by the Bureau.

[14 F. R. 1672, Apr. 8, 1949, as amended by Supp. 1, 20 F. R. 2720, Apr. 23, 1955]

§ 32.3 *Conditions under which approvals may be granted or tests made; preliminary steps preceding approval tests and inspections*—(a) *Consultation.* Upon appointment, manufacturers, engineers, or their representatives may visit the Central Experiment Station of the Bureau of Mines at 4800 Forbes Street, Pittsburgh 13, Pa., to discuss the requirements of this part or to obtain criticisms of proposed design of equipment to be submitted for test. There is no charge for such consultation.

(b) *Application.* Before the Bureau of Mines will undertake the active investigation leading to approval of any equipment, the manufacturer shall make application by letter for an investigation leading to approval of that equipment. This application in duplicate, accompanied by a check, bank draft, or money order payable to the United States Bureau of Mines, to cover all necessary fees, shall be sent to the Central Experiment Station, Bureau of Mines, 4800 Forbes Street, Pittsburgh 13, Pa., together with the required drawings and specifications.

(c) *Fees.*

- 1. For preliminary review of drawings, specifications, and related data for each new machine..... \$30
- 2. For tests to determine the composition of exhaust gases from the engine under various conditions..... 320

NOTE: When preliminary or check tests are made and only carbon monoxide and carbon dioxide determinations are involved, the fee shall be \$160.

- 3. For detailed inspection of exhaust gas cooling system..... 30
- 4. For detailed inspection of the electrical system..... 15
- 5. For each inspection of a completely assembled machine at the factory or elsewhere..... 1 65
- 6. For exhaust gas dilution tests made independently of factory inspection 1 50

¹In addition, the company shall pay the inspector's traveling expenses and subsistence as allowed by standard Government travel regulations.

- 7. For the final examination and recording of all the necessary drawings and specifications preparatory to issuing an approval..... \$40
- 8. For each half day, or fraction thereof, spent in the examination and recording of drawings and specifications preparatory to issuing an extension of approval..... 12

(d) *Drawings and specifications required.* (1) The Bureau of Mines will not undertake the inspection and test of equipment until a set of legible drawings, bill of material, and specifications sufficient in number and detail to identify the parts fully, have been delivered to the Central Experiment Station. No drawings or specifications should be sent to the Washington Office of the Bureau. Drawings should be numbered and dated to facilitate identification and reference in the records.

(2) The drawings and specifications to be submitted shall include the following:

(i) Drawings clearly showing the over-all dimensions of the equipment, the character, size, and relative arrangement of the electrical parts and the wiring between them; also the size and position of the fuel tank and exhaust gas cooling system.

(ii) Any other drawings or illustrations necessary to identify or explain any feature that is to be considered in the approval of the equipment.

(iii) A wiring diagram for all electrical equipment and circuits on the equipment.

(iv) The complete rating of each starting motor and charging generator, also the capacity of all fuses and the setting of overload protective devices.

(v) The size of conductors used in all the various circuits.

(3) All drawings and specifications are to be considered confidential by the Bureau of Mines.

(e) *Factory inspection form.* Each unit shall be carefully inspected by the manufacturer before it leaves the factory. The manufacturer will be required to furnish the Bureau of Mines with a copy of the form to be used in this inspection. The form shall draw special attention to the points that must be checked in making certain that the safety features of the unit are in proper condition, complete in all respects, and agree in every detail with the drawings and specifications filed with the Bureau.

(f) *Instruction manual.* The manufacturer shall furnish an instruction manual with each unit. This manual shall give complete instructions covering the operation and servicing of the unit, particularly with reference to proper adjustment and maintenance of the engine and its auxiliaries to minimize production of smoke and toxic gases in the exhaust.

A copy of this manual shall be submitted to the Bureau for review when the reproduction of the approval plate is submitted (see § 32.6 (b)).

(g) *Material required for investigation.* Unless requested to do so, the manufacturer need not send a complete mobile unit for the purpose of inspection and test. Usually only an engine, exhaust gas cooling system, required accessory equipment, fuel tank, starting motor and switch need be shipped to the Bureau for investigation. Any special tools necessary to disassemble any parts for inspection or test shall be furnished with the equipment submitted.

(h) *Shipment of material.* (1) All shipments must be prepaid. Before making any shipments, the manufacturer shall obtain shipping instructions from the Bureau. He shall arrange and pay for any trucking that may be necessary between the freight depot and the testing station. He shall also take care of crating and removal of parts upon completion of the investigation.

(2) Inspection and tests usually are undertaken in the order of receipt of parts, provided that application, fees, and drawings have been received.

(i) *Assistance required during investigation.* When requested to do so, the manufacturer shall provide one or more men to assist in disassembling parts for inspection and in preparing them for test. These persons may serve as witnesses of the tests.

(j) *Observers at formal investigations and demonstrations.* No one shall be present during any part of the formal investigation conducted by the Bureau which leads to approval except the necessary Government personnel, representatives of the applicant, and such other persons as may be mutually agreed upon by the applicant and the Bureau. Upon granting approval, the Bureau will announce that such approval has been granted to the device and may thereafter conduct, from time to time in its discretion, public demonstrations of the

tests conducted on the approved device. Those who attend any part of the investigation, or any public demonstration, shall be present solely as observers; the conduct of the investigation and of any public demonstration shall be controlled wholly by the Bureau's personnel. Results of chemical analyses of material and all information contained in the drawings, specifications, and instructions shall be deemed confidential and their disclosure will be appropriately safeguarded by the Bureau.

[14 F. R. 1672, Apr. 8, 1949; 14 F. R. 3201, June 14, 1949, as amended by Supp. 1, 20 F. R. 2720, Apr. 23, 1955]

§ 32.4 *General requirements — (a) Quality of material, workmanship and design.* The Bureau of Mines reserves the right to refuse to test any equipment that, in the opinion of qualified representatives of that Bureau, is not constructed of suitable materials, or that gives evidence of faulty workmanship, or that is not designed upon sound engineering principles. This right shall apply to all parts of the equipment and to the design thereof, whether or not the points in question are covered specifically by the requirements of this part.

(b) *Type of engine considered for approval.* Only mobile equipment powered by engines of the compression-ignition type will be considered for approval. Such engines shall be designed to operate only on liquid fuel of flashpoint not less than 140° F. The starting mechanism shall consist of an electric motor or other device considered safe; engines using gasoline or other volatile fuel for starting will not be considered.

(c) *Fuel injection.* The fuel injection system of the engine shall be so constructed that the mechanism controlling maximum fuel injection may be fixed definitely, permitting adjustment only by breaking a seal on a locked compartment, or by altering design. Provision shall be made in the fuel injection system to permit suitable adjustment in maximum fuel injection for engine operation at different barometric pressures.

(d) *Engine intake system—(1) Air-cleaner on engine intake.* An air-cleaner of automotive type shall be included in the engine intake system. The size and design of the air-cleaner shall be such that resistance to air-flow will not increase rapidly in dusty atmospheres.

(2) *Provision for attachment of gage to engine intake system.* A connection

shall be provided to permit attachment of a gage to the engine intake system at a point suitable for indicating total pressure drop through that system. This connection shall be internally threaded with standard pipe threads of size not larger than half inch and is to be closed by a pipe plug when not in use.

(e) *Engine exhaust system*—(1) *Exhaust gas cooling system*. (i) A cooling system shall be provided for the exhaust gas of the engine. The heat-dissipation capacity of this cooling system shall be such that the temperature of the exhaust gas shall not exceed 160° F. at the point of discharge from the cooling system under any condition of operation.

(ii) Cooling may be obtained by a water-spray entering the exhaust system at a point close to the outlet of the exhaust manifold, or by passing the exhaust gas through water in suitable containers, or by a combination of the two. If a water-spray is used, the water shall be delivered to the spray-nozzle by a pump, and the water shall pass through a filtering device to protect the spray-nozzle from clogging by extraneous material. Provision shall be made for draining and cleaning all exhaust cooling boxes.

(2) *Discharge of exhaust gas*. (i) The final exhaust of the unit shall be discharged in such manner that it is not directed toward the operator's compartment, and shall be deflected so that persons alongside the unit do not encounter the exhaust at breathing level.

(ii) Provisions shall be made to dilute the exhaust gas with air before it is discharged from the machine into the surrounding atmosphere.

(3) *Provision for attachment of gage or gas-sampling equipment to exhaust system*. A connection shall be provided in the engine exhaust system between engine and exhaust cooling box for temporary attachment of a gage or gas-sampling equipment. This connection shall be internally threaded with standard pipe threads of a size not larger than half-inch, and is to be closed by a pipe-plug when not in use.

(1) *Composition of exhaust gas*. (i) Under normal operating conditions, and within the rated power output range, the undiluted exhaust gas of the engine shall contain not more than 0.25 percent, by volume, of carbon monoxide.

(2) The exhaust gas after dilution with air shall contain not more than 100

parts per million, by volume, of carbon monoxide; 25 parts per million, by volume, of oxides of nitrogen (as equivalent nitrogen peroxide); or 10 parts per million, by volume, of aldehydes (as equivalent formaldehyde) under any condition of operation.

(g) *Fuel supply system*—(1) *Fuel tank*. (i) The fuel tank shall be fuel-tight and shall be of metal at least $\frac{1}{8}$ inch thick welded at all seams. The fuel tank shall be provided with a drain-plug (not a valve or pet cock) that shall be locked in position when inserted. The fuel tank shall be provided with a closure of such design that atmospheric pressure is maintained inside the tank and that discharge of liquid fuel is prevented. The closure shall be secured to the unit.

(ii) The fuel tank shall be mounted in the assembly of the unit in a position such that the tank is not subject to damage in ordinary use. No provision shall be made for attachment of separate or auxiliary fuel tanks to the unit.

(2) *Fuel lines*. All fuel lines to the engine and its accessory parts shall be installed so that they are not subject to damage in ordinary use, and shall be designed to resist breakage from vibration.

(3) *Valve in fuel line*. A readily accessible shut-off valve shall be included in the fuel line from the fuel tank.

(h) *Electrical equipment*—(1) *Automatic protection of electric circuits and parts*. (i) On equipment using storage batteries for starting of engines, each electric conductor from the battery to the starting motor shall be protected against short circuit by fuses or other suitable automatic circuit-interrupting devices placed at the battery unless conductors of adequate size are provided.

(ii) Fuses or other suitable automatic circuit-interrupting devices shall be inserted in each conductor of all branch circuits that are connected to the main circuit between the battery and charging generator. Headlight circuits and circuits for instruments and instrument panel lights are construed as being branch circuits.

(2) *Conductors, conduits, and wiring*. (i) Every ungrounded conductor shall have adequate insulation from "ground" and from conductors of opposite polarity. Insulation shall be selected with special reference to its ability to resist deterioration from engine heat and oil.

(ii) It is recommended that all conductors have a current-carrying capacity of not less than 110 percent of the total current rating of the motor or other load connected to them. The basis for determining such carrying capacity shall be that given by the National Electrical Code for "allowable carrying capacities of wires."

(iii) All wiring shall have adequate mechanical and electrical protection to minimize fire hazards. If for any reason rigid conduit is unsuitable or undesirable, a good grade of rubber or equivalent air hose may be construed as meeting the requirement for mechanical protection if used where it will not be damaged by engine heat and oil. Flexible metal conduit is not recommended. All conduit ends must be adequately clamped or otherwise secured to prevent their being pulled out. Inserts should be used to prevent collapse of conduit ends that are secured by external clamps.

(iv) Sharp edges and corners shall be removed at all points where there is a possibility of damaging wires, cables, or conduits by cutting or abrasion.

(v) Wiring and conduits shall be well-created or otherwise held to prevent vibration and displacement.

(vi) The ends and terminal lugs of wires and cables shall be held or clamped in a manner that will minimize the possibility of the ends and lugs coming loose from their connections and swinging against metal walls or against parts of different potential.

(3) *Electrical clearances and insulation.* The clearance between live parts and casings of electric equipment shall be such as to minimize the possibility of arcs striking to the casings or, if space is limited, the casings shall be lined with adequate insulation.

(4) *Parts having special requirements—(1) Battery boxes and batteries.* Batteries that are not protected by position shall be enclosed in boxes or trays of material equivalent in strength to sheet steel not less than $\frac{3}{16}$ inch in thickness or of wood reinforced with steel. Battery terminals shall be covered or shielded to prevent short circuiting by material falling on them while the equipment is in operation.

(ii) Covers, if used, shall be substantially constructed and, if made of metal, the Bureau reserves the right to require nonbrittle insulating linings of adequate strength, quality, and dimensions, should

the clearance over the battery terminals be in question. Ample openings for ventilation shall be provided to prevent accumulation of explosive hydrogen-air mixtures above the battery.

(iii) Unless the battery cells are insulated from the trays in an acceptable manner, the trays shall be insulated from any metal box or holder by means of rubber or equivalent insulators of adequate dimensions. For cells in metal containers mounted in "open" trays, a lining of wood or equally suitable insulation shall be provided under the trays. All wood and other insulating linings susceptible to damage by battery electrolyte shall be treated or painted with suitable material to resist such damage.

(iv) The number, type, rating, and manufacturer of the cells comprising the battery shall be specified.

(v) A diagram showing the connections between cells and between trays shall be submitted. The connections between cells and between trays shall be such that the maximum total battery potential will not be placed between any two adjacent cells.

[14 F. R. 1873, Apr. 8, 1949; 14 F. R. 3201, June 14, 1949, as amended by Supp. 1, 20 F. R. 2721, Apr. 23, 1955]

§ 32.5 *Inspection and tests—(a) Inspection and tests of parts other than electrical—(1) Detailed inspection.* An inspection will be made by engineers of the Bureau of Mines of all parts of the equipment covered by the requirements of this part or any other parts or features that are associated with safety in operation. This inspection will include the following items:

(i) A detailed inspection to determine the adequacy of materials, workmanship, and design.

(ii) A detailed comparison of parts or assemblies with drawings to check materials, dimensions, and position. Notes will be made of significant discrepancies that may exist between the drawings and the parts or assemblies. Satisfactory adjustment and correction of these discrepancies will be required before approval is granted.

(2) *Determination of composition of exhaust gas.* (i) The exhaust gas of the engine will be sampled while the engine is operating at minimum speed and at maximum rated speed. At both speeds the engine will be operated at minimum power output, at approximately one-half

maximum rated power output, and at maximum rated power output. Under any of these test conditions the engine will be at temperature equilibrium before exhaust gas samples are collected or other test data recorded. Under each test condition rate of fuel consumption will be determined, and atmospheric pressure and temperature will be noted.

(ii) The exhaust gas samples will be analyzed for carbon dioxide, oxygen, carbon monoxide, hydrogen, methane, nitrogen, oxides of nitrogen, and aldehydes.

(3) *Maximum allowable fuel:air ratio.*

(i) If the carbon monoxide content of the engine exhaust does not exceed 0.25 percent by volume throughout the rated range of speeds and power outputs, the manufacturer's adjustment of the fuel injection equipment will be considered acceptable. The maximum fuel:air ratio (lb. of fuel/lb. of air) determined under this condition will be the maximum allowable fuel:air ratio.

(ii) If the carbon monoxide content of the exhaust exceeds 0.25 percent by volume only at or near maximum power output, the maximum fuel:air ratio will be determined at which the carbon monoxide content of the exhaust does not exceed 0.25 percent by volume, and this fuel:air ratio will be the maximum allowable fuel:air ratio. Adjustment of the fuel injection system may be made in the course of these tests to meet the requirement of maximum allowable fuel:air ratio.

(iii) In connection with establishment of maximum allowable fuel:air ratio, the barometric pressure existing during the tests and the maximum rate of fuel consumption at maximum allowable fuel:air ratio will be recorded as part of the requirements for operation of the equipment under recommended conditions. As stated in § 32.9, operation at barometric pressures significantly lower than that existing during tests to determine the maximum allowable fuel:air ratio will necessitate readjustment of the fuel injection system so that the maximum allowable fuel:air ratio is not exceeded as a result of the decrease in air density at the lower barometric pressure.

(4) *Determination of adequacy of exhaust gas cooling system.* The adequacy of the exhaust gas cooling system and its accessory parts will be determined with the engine operating at its maximum power output for a period sufficient

for all parts of the engine and exhaust gas cooling system to reach their respective equilibrium temperatures.

The following determinations will be made:

(i) Exhaust gas temperature at outlet of exhaust manifold but upstream from cooling system;

(ii) Temperature at outlet of exhaust gas cooling system;

(iii) Cooling water consumed;

(iv) Temperature of water in all compartments.

The final exhaust gas temperature shall not exceed 160° F.

The water consumed in cooling the exhaust gas under the test conditions shall not exceed by more than approximately 15 percent that required for the adiabatic saturation of the exhaust gas at the outlet temperature of the exhaust gas cooler. The water consumed in excess of that required for adiabatic saturation at the outlet temperature of the cooler will be considered as entrained water.

(b) *Factory inspection and tests.* The Bureau of Mines reserves the right to conduct inspections or tests of the mobile equipment, or any part thereof, at the plant of the manufacturer.

(c) *Additional tests.* The Bureau of Mines reserves the right to make any additional tests, not covered by the provisions of this part, that may be considered necessary to determine the adequacy of the equipment, or any part thereof.

[14 F. R. 1674, Apr. 8, 1949, as amended by Supp. 1, 20 F. R. 2721, Apr. 23, 1955]

§ 32.6 *Granting of approval*—(a) *Notification of approval or disapproval.* (1) After the Bureau of Mines has considered the results of the investigation, and suitable drawings and specifications have been placed on file, a formal written notification of approval or disapproval of the equipment will be supplied to the applicant by the Bureau of Mines. If the equipment meets all requirements, the notification of approval will not be accompanied by test data or detailed results of tests. If the equipment fails to meet any of the requirements, notification of such failure will be accompanied by details of the failure with a view to possible remedy of defects. The Bureau of Mines will not otherwise release, or make public, results of tests of equipment that fails to meet the requirements.

(2) No verbal reports of the Bureau's decisions concerning the investigation will be given, and no verbal, temporary, or informal approvals will be granted.

(3) The manufacturer shall not advertise his equipment as approved until he has received the formal notification of approval in which an approval number is assigned.

(4) All drawings and specifications that must be submitted to the Bureau in connection with the investigation will be retained in confidential status by the Bureau. A drawing list numbered to correspond to the approval number will accompany the notification of approval. This list will include the drawings and specifications covering the details of construction upon which the approval is based. The applicant receiving an approval shall keep exact duplicates of the drawings and specifications retained by the Bureau. These are to be adhered to in commercial production of the approved equipment.

(b) *Approval plate.* (1) With the notification of approval the applicant will receive a photograph of a design of approval plate. The plate will bear the seal of the Bureau of Mines, the approval number, designation of the type of equipment for which the approval is granted, and the name of the manufacturer. The plate will bear also a statement regarding proper operation and maintenance of the equipment.

(2) The manufacturer shall have this design reproduced as a plate for attachment to each approved unit. A sample plate and sketch or description of its proposed mounting on the unit shall be sent to the Central Experiment Station, Bureau of Mines, Pittsburgh 13, Pa., for approval before final adoption.

(c) *Purpose and significance of approval plate.* (1) The approval plate identifies the equipment as having met the requirements of the Bureau of Mines for use in non-coal mines in which the concentration of flammable gas in the underground atmosphere is less than 0.25 percent by volume.

(2) The use of the approval plate on his equipment obliges the manufacturer to maintain the quality of his product and to see that each unit is constructed according to drawings and specifications accepted by, and on file with, the Bureau of Mines. Each unit sold as approved shall carry an approval plate perma-

nently attached to the unit. Equipment exhibiting changes in design that do not have official authorization from the Bureau are not approved and therefore must not bear the approval plate.

[14 F. R. 1674, Apr. 8, 1949, as amended by Supp. 1, 20 F. R. 2721, Apr. 23, 1955]

§ 32.7 *Withdrawal of approval.* The Bureau of Mines reserves the right to rescind for cause, at any time, any approval granted under this part.

[14 F. R. 1675, Apr. 8, 1949]

§ 32.8 *Changes in design subsequent to approval; extension of approval.* All approvals are granted with the understanding that the manufacturer will make his equipment according to final drawings and specifications submitted to the Bureau of Mines. Therefore, before changing any feature of the equipment considered in the original approval, the manufacturer shall first obtain the Bureau's approval of the change. This procedure is as follows:

(a) The manufacturer shall write to the Central Experiment Station, Bureau of Mines, 4800 Forbes Street, Pittsburgh 13, Pa., requesting an extension of his original approval and describing the changes proposed. With this request he should submit a revised drawing or drawings and specifications showing the changes in detail.

(b) The Bureau of Mines will consider the application and inspect the drawings and specifications to determine whether tests of the modified part or parts will be necessary.

(c) If tests are necessary, the applicant will be informed by the Bureau of the amount of the fee and the material or parts required for the tests, and also will be informed, on the basis of the results of such tests, of the approval or disapproval of the proposed modification.

(d) If tests are unnecessary, the applicant will be informed by the Bureau of the approval or disapproval of the proposed modification.

(e) If the proposed modification complies with the requirements of this part, under the provisions of either paragraph (c) or (d) of this section, formal written authorization, known as an extension of approval, allowing the modification will be issued to the applicant by the Bureau of Mines. The letter notifying the applicant of extension of approval will be accompanied by a list of new and corrected drawings to be

added to the list of official drawings relating to the equipment.

[14 F. R. 1675, Apr. 8, 1949, as amended by Supp. 1, 20 F. R. 2721, Apr. 23, 1955]

§ 32.9 *Recommendations on the use of mobile Diesel powered equipment in non-coal mines.* The approval of any type of equipment by the Bureau of Mines means that the equipment has met certain specified requirements of design and performance, but the approval does not guarantee that it is impossible to use an approved device in an unsafe manner. The manufacturer must develop equipment that will meet these specified requirements to be granted an approval, but it is the responsibility of the user to see that the equipment is maintained in proper condition and is used in a proper manner.

The use of Diesel equipment underground involves, in addition to proper maintenance of the equipment itself, certain other factors, such as ventilation, which are of equal importance in establishing safe operating conditions. The following recommendations on the use of Diesel powered equipment underground in non-coal mines are included in this part as an expression by the Bureau of Mines of the conditions under which approved equipment should be used. The recommendations are as follows:

(a) *Ventilation*—(1) *Definition of ventilation requirements.* The use of Diesel powered equipment underground should be restricted to haulageways or other workings where positive ventilation is maintained by mechanical means. If possible the ventilation in places where Diesel equipment is used should be arranged so that air carrying exhaust gases from the engine is returned to the surface without traversing working places. The quantity of ventilating air supplied must be adequate to dilute all toxic or objectionable constituents of the engine exhaust to such extent that the composition of the air of the haulageways, or any working place connected thereto, meets recognized hygienic standards for working environments. The air supplied for ventilation in places where Diesel equipment is used should not contain combustible gas or other contaminant in such concentration that combustion processes in the engine may be altered, with resultant increase in production of toxic or objectionable constituents in the engine exhaust.

(2) *Quantity of ventilating air.* In the described approval tests of a Diesel-powered unit, data will be obtained on the rate of production (cubic feet per minute) of toxic constituents of the exhaust gas, such as carbon dioxide, carbon monoxide, and oxides of nitrogen, under conditions representing the range of rated engine speed and power output. These data will provide a basis for calculating the rate at which ventilating air should be supplied in the place where that Diesel unit is used, so that under any normal operating condition the toxic gases produced by the engine will be diluted to limits acceptable in the air of working places. This recommended rate of ventilating (in cubic feet of air per minute) will be shown upon the approval plate issued for the Diesel unit. This rate applies to the use of one unit only; if more than one unit is used at a given location, or in any continuous course of air, then the rate of ventilation should be the sum of the requirements for the individual units. As this recommended rate of ventilation will be determined during the approval tests, with engines that are new and presumably in the best mechanical condition, it will be desirable to supply ventilation in excess of the rate indicated on the approval plate, thus furnishing a factor of safety in operation.

Measurements of air-flow should be made at intervals sufficiently frequent to insure that adequate ventilation is being maintained. Records should be kept of such measurements.

(3) *Quality of ventilating air.* The air supplied for ventilation in connection with the use of Diesel powered equipment underground should contain at least 20 percent, by volume, of oxygen (dry basis); less than 0.25 percent flammable gas; and less than 0.5 percent carbon dioxide. This statement applies to the air current before the exhaust gases from the Diesel equipment are added to it.

(4) *Examination of air at working places.* The air of places in which Diesel powered equipment is used should be examined at frequent intervals to determine that the composition of the intake air is within the limits given in subparagraph (3) of this paragraph, and that the concentration of contaminants, such as carbon dioxide, carbon monoxide, and oxides of nitrogen added to this air by the equipment, are within acceptable limits.

Methods used in determining the concentrations of these contaminants and the composition of the intake air should be sufficiently sensitive and accurate to produce reliable results, as the interpretation of these results may in some instances depend on variations in concentrations of as little as 0.01 percent or less. Concentrations of gases considered permissible in working environments are as follows:

Carbon dioxide (CO₂)—not more than 0.5 percent, by volume.

Carbon monoxide (CO)—not more than 0.01 percent, by volume.

Oxides of nitrogen (NO_x)—not more than 0.0025 percent, by volume.

Oxygen (O₂)—not less than 20 percent, by volume.

Ventilation and operating condition of Diesel powered equipment should be such that the composition of the air of haulageways, and working places connected thereto, always remains within these tolerable limits.

Aldehydes and smoke are self-evident if present in objectionable concentrations and need not be determined by analysis. Production of sulfur gases by the engine may be controlled by using a fuel-oil of low sulfur content.

A smoky exhaust is a good practical indication of faulty operation and usually accompanied by the production of excessive quantities of carbon monoxide. Therefore, abnormal production of smoke should be sufficient reason for removing Diesel powered equipment from service until this condition has been corrected.

In the event that any of the foregoing conditions of air quality are not maintained, as determined by analysis of the air or by observation, operation of the equipment should be stopped until proper conditions of air quality are established, either by increasing ventilation or by correcting mechanical imperfections in the equipment, whichever is found to be the cause of the undesirable conditions.

Records should be kept of all air analyses, and of any changes in ventilation or adjustments of equipment made as a result of these analyses.

(b) *Maintenance*—(1) *General*. The maintenance of Diesel powered equipment in approved condition is essential if undesirable conditions in the use of such equipment are to be avoided. To insure adequate maintenance, a person thoroughly familiar with the proper pro-

cedures for maintaining Diesel powered equipment in approved condition should be responsible for all maintenance work.

Inspection and maintenance procedures should be in accordance with the instructions furnished by the manufacturer. Records of all inspections should be kept and a routine inspection schedule should be drafted from experience and information obtained in the inspections during the first several months of operation.

All maintenance work should be done in accordance with detailed instructions furnished by the manufacturer of the equipment. These instructions should form the basis of a routine inspection and maintenance schedule. Some of the more important inspection and maintenance procedures are summarized below.

(2) *Engine fuel-injection system*—(1) *Injection valves*. Improperly functioning injection valves may cause incomplete combustion of some of the fuel and lead to increased production of smoke, carbon monoxide, and aldehydes. It is important, therefore, to maintain injection valves in proper operating condition. Particular attention should be paid to injection valves to prevent leaking and to prevent imperfect atomization or distribution of the fuel.

The manufacturer's recommendations regarding inspection and maintenance of injection valves should be followed.

(ii) *Fuel pump*. The fuel pump on the engine is set by the manufacturer in accordance with approval requirements of the Bureau of Mines. This setting is made to limit the fuel injected at full throttle and to prevent operation of the engine with insufficient air for complete combustion with the attendant production of dangerous quantities of carbon monoxide. After this adjustment is made, the fuel pump is sealed or locked to prevent alteration.

It should not be necessary to reset the fuel pump unless some part breaks or unless the pump is disassembled for a complete overhaul or unless the unit is to be operated at a barometric pressure significantly less than that for which the pump was set. When it is necessary to set the fuel pump, the seal or lock should be broken by an authorized person and the final adjustment should be made under the supervision of this person. After this adjustment has been made, the fuel pump should be sealed or locked by an authorized person.

(iii) Method of adjusting fuel pump.

Adjustment of the fuel pump should be made preferably by the manufacturer of the engine. A spare pump should be available to permit this to be done. If this procedure is not followed and it becomes necessary to reset the stop limiting the fuel injected at full throttle, it is essential that some means be available for reproducing the original setting. Failure to reproduce the original setting may lead to the production of dangerous quantities of carbon monoxide if too much fuel is injected at full throttle. The fuel delivered at maximum throttle setting can be determined either by weight or by volume. If the determination is made by volume, a suitable correction for the density of the fuel at the existing temperature must be made. The test procedure should be designed so that the maximum quantity of fuel delivered per revolution of the fuel pump drive shaft can be determined. The fuel pump should be set to deliver no more than the maximum weight of fuel per revolution corresponding to the value specified by the manufacturer and shown on the approval plate for the particular engine and conditions of use.

(iv) Adjustment of maximum fuel injection for operation at different barometric pressures. The average barometric pressure existing at the place where a Diesel engine is to be used must be considered in setting the maximum fuel injected. Barometric pressure affects the density of the air and therefore affects the weight of air drawn into the engine. Unless the quantity of fuel injected at full throttle is adjusted to maintain a constant fuel: air ratio, dangerous quantities of carbon monoxide may be produced at high altitude and low barometric pressure where the density of the air is low.

The maximum rate of fuel consumption for approved operation at different barometric pressures will be determined in approval tests made by the Bureau of Mines. This information will be furnished the manufacturer and will be included on the approval plate. The fuel pump of the engine should be set in accordance with the values given for the barometric pressure existing at the place where the engine is to be operated.

(3) Engine intake system. The air cleaner should be maintained in accordance with the manufacturer's instructions. Abnormal reduced pressure in

the intake system is likely to increase production of toxic or objectionable gases in the exhaust.

(4) Engine exhaust system. The exhaust system of the engine, including the cooling system, should be inspected at periodic intervals. The frequency of these inspections should be determined in accordance with the recommendations made under general maintenance instructions.

Operators of the equipment should be made responsible for maintaining an adequate supply of water in the exhaust gas cooling system. It is important that the water used in the exhaust gas cooling system be substantially free of acid to prevent corrosion. In some situations this might necessitate chemical treatment of the water used.

If the exhaust from the engine appears abnormally smoky or odorous, the manufacturer's manual of instructions should be consulted immediately and the cause determined. Particular attention should be paid to inspection of the fuel injection valves, the pressure in the intake and exhaust systems, and to the possibility of excessive injection of fuel at full throttle. Restrictions in the intake or excessive pressure in the exhaust can cause smoke and objectionable odor. This can be caused also by the injection of fuel in excess of the allowable maximum. A smoky exhaust usually is indicative of the presence of significant concentrations of carbon monoxide, and therefore steps should be taken immediately to determine the cause and eliminate it.

(5) Electrical equipment—(1) Wiring. Air hose, rigid steel, and other types of conduit should be firmly held at the ends, and also between ends when lengths are such as to require additional supports. Conduit and other means of affording mechanical protection of wiring should be kept intact and in place.

(ii) Headlight and instrument lenses. Lenses forming part of the casings of headlights and instruments should be held securely and protected to prevent damage to them.

(iii) Overload protection. Tampering with fuses, relays, and other means supplied by the manufacturer for overload and short-circuit protection of wiring and equipment should not be permitted, nor should substitutes that defeat this protection be allowed.

(iv) *Battery.* Battery cell tops should be kept free of electrolyte and dust. Connections between cells should be kept tight and free of corrosion.

(c) *Fuel.* The fuel used for Diesel powered equipment in underground service should conform to the manufacturer's specifications for viscosity, pour point, cetane number, carbon residue, and water. The flash point must not be less than 140° F. and the sulfur content should not be greater than 0.5 percent by weight.

Wherever possible fuel storage should be on the surface, and the fuel tanks of the Diesel units should be filled above ground. In situations where this is not feasible, fuel stored underground should be limited in quantity to that required for one day's operation of the units. The fuel should be transported and stored in strong, tight containers provided with positive closing devices. All fuel taken underground, and awaiting transfer to the fuel tanks of the units, should be stored in a closed compartment, constructed of incombustible materials, and situated in well-ventilated places, the return air from which does not pass through any active workings. The walls of the compartment should form a liquid-tight joint with the floor, and no openings through the walls should be at a height less than that necessary to form a reservoir of greater capacity than the maximum volume of fuel that may be stored in the compartment. Fuel tanks of units should be filled only at the fuel storage compartment. A supply of sand or other suitable incombustible material should be at hand to absorb fuel that may be spilled accidentally in the filling operation.

Clean fuel is necessary to minimize the possibility of damage to the fuel-injection systems. Therefore in handling the fuel all precautions should be taken to keep the fuel clean and free from water.

(d) *Fire extinguishers.* At least one fire extinguisher of the type containing liquid carbon dioxide should be carried at all times with each unit. Extinguishers of the same type should be installed at underground fuel storage compartments, repair shops, and barns.

(e) *Repair shops and barns.* Repair shops for Diesel powered equipment and storage of such equipment preferably should be above ground. If such arrangement is impracticable, such spaces

should be situated close to the shaft or portal underground and between an intake and a return air-way, so that persons in such places will be provided with fresh air, and so that if engines are operated in the repair shop, or if fire should occur, products of combustion will enter the return air.

Underground repair shops and storage spaces should be lined with incombustible material, and doors, or other closures, should be of incombustible material. The floor should be impervious to oil and should slope to a sump, so that spilled oil may be collected and removed. A supply of sand or other suitable incombustible material should be kept on hand to aid in fighting fires or to absorb spilled oil.

Welding or other operations that might create fire hazards should not be carried on in the repair shop unless adequate precautionary measures are taken against the ignition of Diesel fuel or lubricants.

[14 F. R. 1675, Apr. 8, 1949]

§ 32.10 *Revision of requirements and recommendations.* In the preparation of the requirements and recommendations embodied in this part the Bureau of Mines has endeavored to provide a basis for the production of safe and practicable Diesel powered equipment that will meet the demands of existing conditions. However, it is possible that instances might arise in which the protection afforded would be inadequate. The Bureau of Mines, with the cooperation of manufacturers and users of the equipment, will be alert to such situations. When a situation arises in which inadequacy of protection or unusual hazard attending the use of approved equipment is established, the manufacturer of the equipment will be requested to issue precautions or, if necessary, to cease marketing the equipment for use in the particular situation or condition until such changes or provisions as will provide adequate protection are made. It shall be understood that any changes or provisions made must be submitted to the Bureau of Mines and have its approval before being adopted. Should the situation require a change in the basic requirements and tests provided in this part, or the recommendations contained therein, such change will be issued as a supplement to this part.

[14 F. R. 1677, Apr. 8, 1949]

Part 33—Dust Collectors for Use in Connection With Rock Drilling in Coal Mines

- Sec.
 33.1 Definitions.
 33.2 Type of equipment that may be approved.
 33.3 Purpose of testing for permissibility.
 33.4 Conditions under which dust collectors will be tested; preliminary steps preceding approval tests and inspection.
 33.5 General requirements for Bureau of Mines approval.
 33.6 Inspection.
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 33.8 Changing details of tests.
 33.9 Notification of approval or disapproval.
 33.10 Approval plate.
 33.11 Changes subsequent to approval.
 33.12 Withdrawal of approval.

AUTHORITY: §§ 33.1 to 33.12 issued under sec. 5, 36 Stat. 370, as amended, sec. 212, 66 Stat. 709; 30 U. S. C. 7, 482. Interpret or apply secs. 2, 3, 36 Stat. 370, as amended; 30 U. S. C. 3, 5.

SOURCE: §§ 33.1 to 33.12 contained in Schedule 25A, 20 F. R. 2721, Apr. 23, 1955; 20 F. R. 6552, Sept. 7, 1955.

§ 33.1 *Definitions.* Certain terms used in this part are defined as follows:

(a) *Equipment.* Dust collectors to be used in connection with rock drilling in coal mines.

(b) *Unit.* The complete assembly of parts comprising one dust collector.

(c) *Combination unit.* A drilling device with integral dust collecting system.

(d) *Normal operations.* The performance by each part of the equipment of those functions for which the part was designed.

(e) *Adequate.* Appropriate and sufficient as determined by the Bureau of Mines.

(f) *Test conditions; test period.* The prescribed conditions under which a set of 10 test holes is to be drilled with a given type of drilling equipment, and in a given type of stratum, is designated as a test condition. The time interval within which these holes are drilled is designated as a test period.

(g) *Permissible.* As used in this part, the term "permissible" relates to equipment conforming in all details of material and construction to equipment that meet the requirements and pass the inspection and tests of the Bureau of Mines as hereinafter described.

(h) *Approval.* Official, formal, written notification by the Bureau of Mines stating that upon investigation the equipment has met satisfactorily the requirements of this part.

(1) *Extension of approval.* Official, written notification from the Bureau of Mines to the equipment manufacturer, by which the latter is authorized to make changes in approved equipment after the proposed changes have been duly examined, accepted, and recorded by the Bureau.

§ 33.2 *Type of equipment that may be approved.* (a) Approval may be granted for dust collecting or combination units designed specifically to prevent the dissemination of air-borne dust generated by drilling into various coal mine rock strata in quantities in excess of the concentration hereinafter designated as allowable, and to confine or control the collected dust in such manner that it may be removed or disposed of without being disseminated into the mine atmosphere in quantities that would create unhygienic conditions. Approval will not be granted for individual parts used in the assembly of dust collecting or combination units.

(b) Units shall be designed for application to percussion and/or rotary drilling in any one or any combination of the following positions: (1) Vertically upward, (2) at angles to the vertical, upward, (3) horizontally, and (4) downward. The manufacturer should state the intended application of his equipment when applying for approval.

§ 33.3 *Purpose of testing for permissibility.* Safe operation of dust collectors underground involves consideration of three functional features, namely: (a) Prevention of the dissemination of objectionable or harmful concentrations of dust into the mine atmosphere, (b) protection from the hazard of exposed moving mechanical parts, and (c) protection from shock, explosion, and fire hazards by electrical equipment. Dust collectors for use in coal mines will be considered permissible only when proved by test and inspection to be adequate in these respects.

§ 33.4 *Conditions under which dust collectors will be tested; preliminary steps preceding approval tests and inspection—*(a) *Consultation.* Manufacturers or their representatives may visit

or communicate with the Central Experiment Station, Bureau of Mines, 4800 Forbes Street, Pittsburgh 13, Pennsylvania, to discuss the requirements of this part or to obtain criticisms of proposed design of equipment to be submitted for test. No charge is made for such consultation, and no written report will be made to the manufacturer.

(b) *Requirements for electrical parts.* Electrical parts of dust-collector units or combination units shall meet the requirements of the Bureau of Mines in accordance with the provisions of Part 18 of this chapter, and the examination and testing of the electrical parts shall be entirely separate from the approval testing of dust collecting equipment, as such.

(c) *Application.* An application for investigation under this part shall be in the form of a letter (in duplicate) addressed to the Central Experiment Station, Bureau of Mines, 4800 Forbes Street, Pittsburgh 13, Pennsylvania, which contains: (1) A request that the necessary inspections and tests leading to approval be made; (2) a statement that the equipment is completely developed and of the design and materials which the applicant believes suitable for a finished marketable device; (3) one set of detailed drawings of the equipment; and (4) a check, draft, or money order, payable to the United States Bureau of Mines, to cover the investigation fee. The fee will be placed on special deposit in the Treasury of the United States, pending disposal as specified in this section. On receipt of this application, fee, and drawings, the applicant will be notified by the Bureau of its action on the application, the material required for test, the date upon which tests of his equipment will be started, and any additional information deemed necessary.

(d) *Fees charged for investigation.* The following fees are charged for inspecting and testing dust collectors under this part:

- | | |
|---|------|
| 1. For preliminary review of drawings, specifications, and related data, for each new unit..... | \$35 |
| 2. For detailed inspection of equipment to determine adequacy of design and materials, for each new unit.... | 50 |
| 3. For detailed inspection of equipment to determine adequacy of design and materials in consideration of changes subsequent to the initial investigation, made at the factory or elsewhere, per man-day or fraction thereof..... | ' 30 |

- | | |
|--|-------|
| 4. For drilling each set of 10 test holes to determine adequacy of performance | \$104 |
| 5. For final examination and recording of all necessary drawings and specifications, and issuing approval.... | 50 |
| 6. For final examination and recording of all drawings and specifications and issuing extension of approval... | 20 |

¹In addition, the company shall pay the inspector's travel expenses and subsistence as allowed by standard Government travel regulations.

(1) If the applicant is uncertain as to the amount of fee that should be sent with his application, the information will be given him upon inquiry addressed to the Central Experiment Station, Bureau of Mines, 4800 Forbes Street, Pittsburgh 13, Pennsylvania.

(2) If a dust collecting or combination unit fails to pass any of the specified tests and the applicant notifies the Bureau to terminate further consideration of the equipment, the Bureau will return the fee to the applicant, less such portion of the fee as the Bureau determines is sufficient to cover the work done. If the applicant resubmits the dust collecting unit for approval after the necessary improvements have been made, an additional fee will be required. The amount of fee charged will be proportional to the additional investigative work that must be done and will be specified in writing to the applicant in advance of further testing of the equipment.

(e) *Drawings and specifications required.* (1) The Bureau will not inspect and test equipment until a set of legible drawings, bill of material, and specifications sufficient in number and detail to identify the parts fully have been delivered to the Central Experiment Station, Bureau of Mines, 4800 Forbes Street, Pittsburgh 13, Pennsylvania. Drawings should be numbered and dated to facilitate identification and reference.

(2) The drawings and specifications to be submitted shall include the following:

- (i) Drawings clearly showing the overall dimensions, character, size, and relative arrangement of all parts of the unit.
- (ii) Dust storage capacity of the various stages of collection in the dust separator.
- (iii) Net filter area in the dust separator, and specifications of filter material.
- (iv) Total weight of unit.
- (v) Any other drawings or illustrations necessary to identify or explain any

feature that is to be considered in the approval of the equipment.

(3) The Bureau will not be responsible for any disclosure of ideas, principles, or patentable features apparent from visual inspection, because under the terms of the application for tests it is understood that the device is ready for release to public market. Caution will be exercised to prevent disclosure of details of the device to the public during approval testing.

(f) *Material required for investigation.* The manufacturer shall furnish a complete unit for the purpose of inspection and test. Sufficient spare parts, such as gaskets or other components subject to wear in normal operation, should be furnished to permit continuous operation during test periods. Any special tools necessary to disassemble any parts for inspection or test shall be furnished with the equipment submitted.

(g) *Factory inspection form.* Each unit shall be carefully inspected by the manufacturer before it leaves the factory, and the results of the inspection shall be recorded on a Factory Inspection Form. The manufacturer will be required to furnish the Bureau a copy of that form. The form shall draw special attention to the points that must be checked in making certain that all parts of the unit are in proper condition, complete in all respects, and in agreement with the drawings and specifications filed with the Bureau.

(h) *Operating and servicing instructions.* The manufacturer shall furnish to the Bureau, before the start of tests, complete instructions covering operation and servicing of the unit. These instructions shall be reviewed by the Bureau, and a copy in the final form, which is to be furnished to the purchaser of the equipment, shall be submitted to the Bureau for examination when the reproduction of the approval plate is submitted.

(i) *Site of tests.* Tests of the unit shall be conducted at the Bureau of Mines Experimental Mine, Bruceton, Pennsylvania, or at other locations designated by the Bureau of Mines.

(j) *Shipment of material.* All shipments must be prepaid. Before making any shipments, the manufacturer shall obtain shipping instructions from the Bureau. The manufacturer also shall be responsible for removal of the equipment

promptly upon completion of the investigation.

(k) *Assistance required during investigation.* When requested to do so, the manufacturer shall provide men to assist in disassembling parts for inspection, preparing parts for tests, and operating combination-unit drills.

(l) *Observers at formal investigations and demonstrations.* No one shall be present during any part of the formal investigation conducted by the Bureau which leads to approval for permissibility except the necessary Government personnel, representatives of the applicant, and such other persons as may be mutually agreed upon by the applicant and the Bureau. Upon granting approval for permissibility, the Bureau will announce that such approval has been granted to the device and may thereafter conduct, from time to time in its discretion, public demonstrations of the tests conducted on the approved device. Those who attend any part of the investigation, or any public demonstration, shall be present solely as observers; the conduct of the investigation and of any public demonstration shall be controlled wholly by the Bureau's personnel. Results of chemical analyses of material and all information contained in the drawings, specifications, and instructions shall be deemed confidential and their disclosure will be appropriately safeguarded by the Bureau.

§ 33.5 *General requirements for Bureau of Mines approval—(a) Quality of material, workmanship, and design.* The Bureau may refuse to test any equipment any part of which, in the opinion of qualified representatives of that Bureau, is not constructed of suitable materials, or indicates faulty workmanship, or is not designed upon sound engineering principles, whether or not the points in question are covered specifically by the requirements of this part.

(b) *Manner of actuation.* The unit may be actuated pneumatically, electrically, or by other means that comply with the provisions of this part.

(c) *Positioning of parts.* All parts of the unit essential to the dust-collection operation shall be provided with adequate and positive mechanical means for positioning and maintaining such parts properly in relation to the stratum being drilled.

(4) *Allowable escape of dust.* Under each test condition prescribed in this part, the per cent concentration of air-borne dust resulting from the escape of dust from the unit into the atmosphere of the test space shall not exceed 10 million particles (10 microns or less in size) per cubic foot of air, determined as stated in § 32.7 (d).

§ 32.8 *Inspection.* A detailed inspection shall be made by engineers of the Bureau of all parts of the unit covered by the requirements of this part or any parts or features that are associated with performance of the unit in the intended application or with safety of operation. This inspection will include a detailed examination to determine the adequacy of materials, workmanship, and design; and a detailed comparison of parts of assemblies with drawings to check materials, dimensions, and positions. Notes will be made of significant discrepancies that may exist between the drawings and the parts or assemblies. Satisfactory adjustment and correction of such discrepancies will be required before approval is granted.

§ 33.7 *Methods of testing—(a) Modification of equipment.* For test purposes the unit may be modified, as by the attachment of instruments or measuring devices, at the discretion of the Bureau: *Provided, however,* That such modification shall not alter the performance of the unit in the intended application.

(b) *Methods of drilling—(1) Dust collecting units.* Drilling shall be done with conventional, commercial drilling equipment of the pneumatic percussion, hydraulic rotary, and/or electric rotary types, as follows:

(4) *Percussion drilling.* (a) A stoper-type drill having a piston diameter of between 2½ and 3 inches shall be used for roof drilling. A hand-held sinker-type drill having a piston diameter of between 2½ and 3 inches shall be used for down drilling. The sinker-type drill, supported mechanically, shall be used for horizontal drilling. Compressed air shall be supplied to the drill at 85 to 95 pounds per square inch gage pressure.

(b) Bits shall be of the detachable, cross type with hard inserts, and shall be sharp at the start of drilling of each set of 10 holes, as hereinafter specified. In roof drilling, 1¼-inch diameter bits shall be used; in horizontal and down drilling, 1¾-inch diameter bits shall be used.

Hollow ¾-inch hexagonal drill steel shall be used, and compressed air may be admitted through the drill steel if necessary to clear the hole.

(ii) *Rotary drilling.* (a) A hydraulic rotary drill with a rated drilling speed of 18 feet per minute free lift, capable of rotating the drill steel at 900 revolutions per minute with 100 foot-pounds torque, and having a feed force of 7,000 pounds shall be used for roof drilling. A post-mounted electric rotary drill with a rated drilling speed of 30 inches per minute and powered by a 2.25 horsepower motor shall be used for horizontal drilling.

(b) Hard-tipped rock-drill bits, 1¾ inches in outside dimension, and 1¼-inch auger-type drill steel shall be used for roof drilling. Hard-tipped fork-type bits, 2 inches in outside dimension, and 1¾-inch auger-type steel shall be used for horizontal drilling. Bits shall be sharp at the start of drilling of each set of 10 holes, as hereinafter specified.

(2) *Combination dust-collecting and drilling units.* Combination units shall be operated in accordance with the manufacturer's instructions. If special drill steel or bits are required, they shall be used and shall be furnished by the manufacturer. If special drill steel or bits are not required, the provisions of subparagraph (1) (i) and (ii) of this paragraph shall apply as regards drill steel and bits.

(c) *Test space.* Tests shall be conducted in a section of coal mine entry or other appropriate space designated by the Bureau. No mechanical ventilation shall be provided in the test space during actual test periods except such air movement as may be induced by the operation of drilling or dust-collecting equipment. All parts of equipment under test shall be within the test space during test periods.

(d) *Determination of dust concentrations.* (1) Concentrations of air-borne dust in the test space shall be determined by sampling with the midget impinger apparatus, and a light-field microscopic technique shall be employed in evaluating concentrations of dust in terms of millions of particles (10 microns or less in size) per cubic foot of air sampled.

(2) The test space shall be essentially cleared of air-borne dust by ventilation or other means before the start of drilling of each set of 10 holes. Two curtains then shall be placed across the test space in such manner that the volume of this

space shall be approximately 2,000 cubic feet. After placing these curtains, and before drilling starts, a 5-minute sample of air-borne dust, designated as a control sample, shall be collected approximately at the mid-point of the test space.

(3) A sample of air-borne dust, designated as a test sample, shall be collected in the breathing zone of the drill operator during the drilling of each hole. Sampling shall begin when drilling starts and shall continue until drilling stops. Time consumed in changing drill steel shall not be considered as drilling time, and sampling shall cease during these intervals.

(4) The concentration of dust determined by the control sample collected before each test period shall be subtracted from the average concentration of dust determined by the test samples collected at each drill during each test period, and the difference shall be designated as the net concentration of dust resulting from the escape of dust from the collecting unit. Calculations of the average concentration of dust determined by the test samples shall be based upon the results of at least 80 percent of the samples collected at each drill during each test period.

(e) *Conduct of tests.* The unit shall be operated in accordance with the manufacturer's instructions. Receptacles and filters for collecting drill cuttings and dust shall be emptied and cleaned before the start of drilling of each set of 10 holes, and the surfaces of the test space shall be wetted before the drilling of each set of 10 holes. Holes shall be spaced to prevent interference, and may be plugged, if conditions warrant, to prevent dissemination of dust during subsequent drilling. All holes shall be drilled to a depth of 4 feet (± 3 inches). Holes designated as "vertical" shall be drilled within 10 degrees of vertical, and "angle" holes shall be drilled at between 30 degrees and 45 degrees from vertical. "Horizontal" holes shall be drilled within 15 degrees of horizontal.

(1) *Roof drilling.* Units designed for use with both percussion and rotary drills shall be tested with both types of drills; otherwise tests shall be confined to the type of drill for which the unit is designed.

Drilling shall be done in friable strata that tends to produce large scale-like cuttings, as exemplified by the roof of

the Bureau of Mines Experimental Mine, Bruceton, Pennsylvania.

(i) With units under consideration for approval for use in connection with drilling vertical roof holes only, holes shall be drilled as follows:

10 holes with pneumatic percussion drill.
10 holes with hydraulic rotary drill operated at maximum drilling speed.

(ii) With units under consideration for approval for use in connection with drilling roof holes at an angle, the procedure described in subdivision (i) of this subparagraph shall be followed, except that holes shall be drilled at an angle.

(iii) With units under consideration for approval for use in connection with drilling through holes in steel shapes, channels 4 inches across the web, or steel track-tie sections, or other steel shapes, shall be used at the discretion of the Bureau of Mines in order that test conditions conform to actual practice in the coal-mining industry. If tests with special shapes or sizes are desired by the applicant, it shall be so stated in the application for approval. Holes shall be drilled as follows:

5 holes vertically and 5 holes at an angle, with pneumatic percussion drill.

5 holes vertically and 5 holes at an angle, with hydraulic rotary drill operated at maximum drilling speed.

(iv) If necessary to determine the adequacy of equipment, the test conditions stated in subdivision (i), (ii), or (iii) of this subparagraph may be modified to conform to the intended application of the equipment, provided that the number of test holes drilled under such modified test conditions is not less than prescribed by subdivision (i), (ii), or (iii) of this subparagraph.

(2) *Horizontal drilling.* Units designed for use with both percussion and rotary drills shall be tested with both types of drill; otherwise tests shall be confined to the type of drill for which the unit is designed. Holes shall be drilled in strata comparable in hardness to that of the draw slate encountered in coal mining. Holes shall be drilled near the roof of the test space, and under conditions simulating the drilling of draw slate in coal mining, as follows:

10 holes with pneumatic percussion drill.
10 holes with electric rotary drill.

(3) *Down drilling.* With units under consideration for approval for use in

connection with down drilling, holes shall be drilled in typical mine floor strata, and with pneumatic percussion-type drilling equipment. Holes shall be drilled as follows:

5 holes vertically, and 5 holes at an angle.

§ 33.8 *Changing details of tests.* If it is advisable to omit any of the tests or parts of a test previously described or to perform accessory tests, the Bureau may modify the tests in such a manner as to obtain substantially the same information and degree of safety as is provided by the tests described. The applicant will be notified of any changes that may be necessary.

§ 33.9 *Notification of approval or disapproval.* (a) After the Bureau has considered the results of the investigation, and suitable drawings and specifications have been placed on file, a formal written notification of approval or disapproval of the unit will be supplied to the applicant by the Bureau. If the unit meets all requirements of this part, the notification will not be accompanied by test data or detailed results of tests. If the unit fails to meet any of the requirements of this part, notification of such failure will be accompanied by details of the failure with a view to possible remedy of defect or defects in units submitted in the future. Otherwise, results of tests of units that fail to meet the requirements will not be made public by the Bureau.

(b) No verbal reports of the Bureau's decision concerning the investigations will be given, and no informal approvals will be granted.

(c) A drawing list numbered to correspond to the approval number will accompany the notification of approval. This list will include the drawings and specifications covering the details of construction upon which the approval is based. The applicant receiving an approval shall keep exact duplicates of the drawings and specifications retained by the Bureau. These are to be adhered to in commercial production of the approved unit.

§ 33.10 *Approval plate.* (a) With the notification of approval the applicant will receive a photograph of a design of approval plate. The plate will bear the seal of the Bureau of Mines, the approval number, designation of the type of unit for which the approval is granted, and the name of the manufacturer.

(b) The manufacturer shall have this design reproduced as a plate for attachment to each approved unit. A sample plate and sketch or description of its proposed mounting on the unit, accompanied by a copy of the operating and servicing instructions as required in § 33.4 (h), shall be sent to the Central Experiment Station, Bureau of Mines, 4800 Forbes Street, Pittsburgh 13, Pennsylvania, for approval before its final adoption.

(c) The approval plate identifies the unit as having met the requirements of the Bureau of Mines for use in coal mines. The use of the approval plate on his unit obliges the manufacturer to maintain the quality of his product and to see that each unit is constructed according to drawings and specifications accepted by, and on file with, the Bureau of Mines. Each unit sold as approved shall carry an approval plate permanently attached to the unit. Units exhibiting changes in design that do not have official authorization from the Bureau are not approved and therefore must not bear the approval plate.

§ 33.11 *Changes subsequent to approval.* All approvals are granted with the understanding that the manufacturer will make his unit according to final drawings and specifications submitted to the Bureau of Mines. Therefore, before changing any feature of the unit considered in the original approval, the manufacturer shall first obtain the Bureau's approval of the change. This procedure is as follows:

(a) The manufacturer shall write to the Central Experiment Station, Bureau of Mines, 4800 Forbes Street, Pittsburgh 13, Pennsylvania, requesting an extension of his original approval and stating the change or changes desired. He shall send a set of revised drawings and specifications showing the changes in detail to the Central Experiment Station.

(b) The Bureau will consider the application and inspect the drawings and specifications to determine whether inspection and testing of the modified part or parts will be necessary. In general, inspection will be necessary. Testing will be necessary if there is a possibility that the modification may affect adversely the performance of the equipment.

(c) The applicant will be informed by the Bureau of the extent of the investigation, parts or material that should be

submitted if tests or examinations are necessary, and the amount of the investigation fee.

(d) If the proposed modification complies with requirements of the regulations in this part, formal written authorization, known as extension of approval, allowing the modification, will be issued to the applicant by the Bureau. The letter notifying the applicant of extension of approval will be accompanied by a list of new and corrected drawings to be added to the list of official drawings relating to the unit.

§ 33.12 *Withdrawal of approval.* The Bureau reserves the right to rescind for cause, at any time, any approval granted under this part.

Part 34—Fire-Resistant Conveyor Belts

Sec.	
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34.17	Withdrawal of acceptance.

AUTHORITY: §§ 34.1 to 34.17 issued under sec. 5, 36 Stat. 370, as amended, sec. 212, 66 Stat. 709; 30 U. S. C. 7, 482. Interpret or apply secs. 2, 3, 36 Stat. 370, as amended; 30 U. S. C. 3, 5.

SOURCE: §§ 34.1 to 34.17 contained in Schedule 28, 20 F. R. 8419, Nov. 10, 1955, except as otherwise noted.

§ 34.1 *Definitions*—(a) *Fire-resistant conveyor belt.* A conveyor belt that is identical in all respects to the sample of the conveyor belt designated as acceptable under this part.

(b) *Sample.* That portion of a conveyor belt submitted to the Bureau by a manufacturer for acceptance testing.

(c) *Spectmen.* A specific portion of a sample prepared for testing purposes.

(d) *Acceptance.* Written official notification by the Bureau of Mines that a

conveyor belt has met satisfactorily the requirements of this part.

(e) *Acceptance marking.* An identifying mark indicating that the conveyor belt has been accepted for listing by the Bureau of Mines as fire-resistant.

§ 34.2 *Scope of this part.* The regulations in this part define the fire-resistant properties, methods of testing to determine such properties, the manner in which samples should be submitted and specimens prepared for tests, and the manufacturer's identification and markings to denote acceptance when the results of tests are satisfactory. Other requirements, such as strength, resistance to wear, and flexibility, are not covered by the regulations in this part.

§ 34.3 *Preliminary consultation.* Manufacturers or their representatives may visit or communicate with the Central Experiment Station, Bureau of Mines, 4800 Forbes Street, Pittsburgh 13, Pennsylvania, to discuss the requirements or regulations in this part in connection with a belt to be submitted for test. No charge is made for such consultation, and no formal report will be submitted to the manufacturer.

§ 34.4 *Application, fee, and sample.* (a) An application for investigation under this part shall be in duplicate, addressed to the Central Experiment Station, Bureau of Mines, 4800 Forbes Street, Pittsburgh 13, Pennsylvania, and shall include:

(1) Description and specifications of the conveyor belt, which may be supplemented by descriptive literature. Specifications shall include: Trade name of the conveyor belt; thickness of covers; designation of the compounds used in the manufacture of the covers, friction, and skim coats; number of plies; type and weight of ply materials; a designation of breaker strip or floated ply; and any other features deemed significant by the applicant.

(2) A statement that the conveyor belt is completely developed and ready for market.

(3) A statement that the conveyor belt has been subjected to a flame test, the nature of the test, and results obtained.

(4) A request that the necessary tests leading to acceptance be made.

(b) Each application shall be accompanied by a check, draft, or money order, payable to the United States Bureau of Mines, to cover the cost of tests (see § 34.5).

(c) Two samples of the conveyor belt to be tested, each 6-feet long by 9-inches wide and having open edges, shall be delivered without charge to the Central Experiment Station, Bureau of Mines, 4800 Forbes Street, Pittsburgh 13, Pennsylvania. A conveyor belt will not be accepted for testing under this part unless the samples submitted are constructed in the form in which the belt is to be marketed. On receipt of this application, fee, and samples to be tested, the Bureau will act on the application.

§ 34.5 Fees for testing conveyor belts.

- 1. Flame test..... \$15.00
- 2. Drum-friction test..... 35.00
- 3. Fees for other tests will be based on the actual cost of testing, as determined by the Bureau, in which case the applicant will be notified and the fees paid before the tests are initiated.

§ 34.6 Termination of investigation; disposal of fee and material. (a) Upon request by an applicant that the Bureau terminate its investigation of the conveyor belt, the Bureau will terminate the investigation, and will return to the applicant the fees paid by him, less such portion thereof as the Bureau determines is applicable to the testing already done.

(b) The Bureau of Mines may retain as its own, for record, all or any part of the material submitted. Any material not retained by the Bureau for record will be returned to the applicant at his expense upon receipt of written request and shipping instructions within one year from the termination or completion of the tests; and thereafter may be disposed of by the Bureau as it sees fit. [22 F. R. 9867, Dec. 10, 1957]

§ 34.7 Date of tests. Tests will be made in the order in which samples are received by the Bureau after applications have been filed and accepted; however, not more than three belts will be tested consecutively for any one manufacturer, if applications are on file from other manufacturers. The applicant will be notified of the date on which tests will be started. If a conveyor belt fails to meet any of the requirements set forth in this part, it shall lose its order of test

precedence. Tests will be made on re-submitted samples following completion of other test work which is in progress at the time both the request and the materials for retesting are received. Exceptions to the provisions of this section may be made only for minor tests that may be performed simultaneously with other work in the laboratory.

§ 34.8 Observers at formal investigations and demonstrations. No one shall be present during any part of the formal investigation conducted by the Bureau which leads to acceptability except the necessary Government personnel, representatives of the applicant, and such other persons as may be mutually agreed upon by the applicant and the Bureau. Upon accepting a conveyor belt for listing as fire-resistant, the Bureau will announce that such acceptability has been granted and may thereafter conduct from time to time in its discretion public demonstrations of the tests conducted on the accepted conveyor belt. Those who attend any part of the investigation, or any public demonstration, shall be present solely as observers; the conduct of the investigation and of any public demonstration shall be controlled wholly by the Bureau's personnel. Results of chemical analyses of material and all information contained in the drawings, specifications, and instructions shall be deemed confidential and their disclosure will be appropriately safeguarded by the Bureau.

§ 34.9 Types of tests. To obtain acceptance under this part a conveyor belt must pass test 1 (Flame Test) and, when in the opinion of the Bureau it is required, test 2 (Drum-Friction Test).

§ 34.10 Flame test—(a) Size of test specimens. Specimens of conveyor belts 6 inches long by ½ inch wide by belt thickness shall be cut by Bureau test personnel from the belt sample submitted for testing to provide four test specimens, two of which will be cut parallel to the warp and two of which will be cut parallel to the weft.

(b) Flame-test apparatus. The principal parts of the apparatus within and appended to the 21-inch cubical test gallery are:

- (1) A support stand with a ring clamp and wire gauze.
- (2) A Pittsburgh-Universal Bunsen-type burner (inside diameter of burner tube 11 mm.), or equivalent, mounted in

a burner placement guide in such a manner that the burner may be placed beneath the test specimen, or pulled away from it by an external knob on the front panel of the test gallery.

(3) A variable speed electric fan and an ASME flow nozzle (16-8½ inches reduction) to attain constant air velocities at any speed between 50-500 feet a minute.

(4) An electric timer or hand-operated stopwatch to measure the duration of the tests.

(5) A mirror mounted inside the test gallery to permit the test specimen to be viewed from the back through the viewing door.

(c) *Preparation of test specimen.* The specimen shall be clamped in a support with its longitudinal axis horizontal and its transverse axis inclined at 45° to the horizontal. Under the test specimen shall be clamped a piece of 20-mesh iron-wire gauze, 5 inches square, in a horizontal position ¼ inch below the pulley cover edge of the specimen and with about ½ inch of the specimen extending beyond the edge of the gauze.

(d) *Procedure for flame test.* The procedure for flame tests on conveyor belting is as follows:

(1) The support stand, with the test specimen mounted as described above, shall be positioned in the burner placement guide within the flame-test gallery.

(2) The Bunsen burner shall be adjusted to give a blue flame 3 inches in height when using Pittsburgh natural gas or equivalent as a fuel.

(3) The test specimen shall be inserted into the flame at a distance 1 inch above the top of the burner.

(4) The free end of the specimen shall be centered in the flame.

(5) The observation door of the gallery shall be closed for the entire test.

(6) The burner flame shall be applied to the test specimen for 1 minute in still air.

(7) At the end of one minute, the burner flame shall be removed, the ventilating fan turned on to give an air current having a velocity of 300 feet per minute, and the duration of flame measured.

(8) After the test specimen ceases to flame, it shall remain in the air current for at least 3 minutes to determine the presence and duration of afterglow. If

a glowing specimen bursts into flame within 3 minutes, the duration of flame shall be added to the duration of flame in subparagraph (7) of this paragraph.

(9) The tests of the four specimens cut from any sample shall not result in either duration of flame exceeding an average of 1 minute after removal of the applied flame or afterglow exceeding an average of 3 minutes' duration.

[Sched. 28, 20 F. R. 8419, Nov. 10, 1955, as amended at 22 F. R. 9687, Dec. 10, 1957]

§ 34.11 *Drum-friction test.* This test shall be applied only to samples which pass the flame test.

(a) *Size of test specimen.* A test specimen 5 feet long by 9 inches wide shall be cut from one of the two samples of conveyor belting submitted.

(b) *Drum-friction test apparatus.* The essential parts of the drum-friction test apparatus are:

(1) A suitable clamp for securing the fixed end of belt sample in test position and an adjustable weight clamp for the free end.

(2) Means for measuring accurately the temperature at specified points of the belt sample under test.

(3) Electric drive motor of at least 15 horsepower.

(4) Positive drive to maintain drum speed of 110 ± 10 r. p. m.

(5) Drive pulley of at least 18 inches in diameter.

(6) Where drive pulleys in excess of 13 inches in width are used, insulation shall be provided for the portion of the face in excess of 13 inches and the ends of the drum to reduce heat loss. The test specimen shall cover approximately 180° of the exposed drum surface in test position.

(7) Scales, to be installed in the fixed clamp when tension measurement is desired.

(8) Multiple jets of compressed air, issuing from ¼-inch-diameter holes on ½-inch centers along the top of a ½-inch pipe of the same length as the drum, to maintain an air velocity of 300 feet per minute at the surface of the drum.

(c) *Preparation of test specimen.* Two steel clamps, 12 inches long by 2 inches wide by ½ inch thick, shall be bolted onto the specimen approximately 1 inch from each end. One clamp, called the fixed clamp, is fitted with a chain and hook arrangement, while the other

clamp, called the weight clamp, contains two rods to which weight bars may be attached. At three points along the specimen from the fixed clamp, 1/8-inch holes shall be drilled into the edge of the belt to provide openings for thermocouples with which to measure belt temperatures. Two of these holes shall be at the point of tangency when the specimen is lapped over the conveyor driving drum, and the third shall be placed halfway between these points. The holes shall be drilled to a depth of 2 inches between the first and second ply from the pulley cover, or a similar position in case of solid woven belts. The specimen shall be placed over the conveyor driving drum; the hook fastened to a steel I-beam or other rigid support, secured to the floor beneath the drum; thermocouples inserted into the holes in the side of the belt; an additional thermocouple shall be inserted in the center of the carrying cover of the belt at a point midway between the thermocouples at the points of tangency; and the proper weights adjusted at the weight clamp.

(d) *Procedure for drum-friction test.* The procedure for the drum-friction test is as follows:

(1) During the entire test a current of air having a velocity of 300 feet per minute shall be maintained at the drum and belt.

(2) With the specimen in the position described heretofore, the drum shall be revolved for a period of 120 minutes.

(3) Weights shall be attached to the weight clamp at the following time intervals:

Duration of test (cumulative)	Weight added (pounds)	Total weight on belt (pounds)
First 15 minutes.....		50
15 to 30 minutes.....	25	75
30 to 45 minutes.....	25	100
45 to 60 minutes.....	30	130
60 to 75 minutes.....	35	165
75 to 90 minutes.....	35	200
90 to 105 minutes.....	35	235
105 to 120 minutes.....	35	270

(4) Temperature readings shall be recorded at intervals of not more than 10 minutes throughout the test.

(5) A specimen that is destroyed during the test without signs of flame or glow, or that does not develop a temperature of 482° F. (250° C.) at any thermocouple during the 2-hour period, shall be considered fire-resistant.

(6) A specimen shall not be considered fire-resistant if any flame appears on the belt during a test.

(7) When glow is evident at the conclusion of a test, the glowing specimen shall be subjected to an air stream for 3 minutes. If the specimen bursts into flame within this time, or continues to glow beyond this time, it shall not be considered fire-resistant.

§ 34.12 *Changing details of tests.* The Bureau may modify the details of the tests prescribed by these regulations provided that the information obtained and the degree of safety are not substantially affected. The applicant will be notified of any changes that the Bureau deems advisable.

§ 34.13 *Notification of acceptance or rejection.* (a) After the Bureau has considered the results of the tests, a formal written notification of acceptance or rejection of the conveyor belt for listing will be supplied to the applicant by the Bureau. If the conveyor belt meets all requirements of this part, the notification will not be accompanied by test data or detailed results of tests. If the conveyor belt fails to meet any of the requirements of this part, the notification will be accompanied by details of the failure, with a view to possible remedy of the defect or defects in conveyor belts submitted in the future. Except for such notification to the applicant, results of tests of conveyor belts that fail to meet the requirements will not be made public by the Bureau.

(b) The Bureau will not give verbal reports concerning the investigations, or conduct informal tests, or grant informal acceptances.

§ 34.14 *Acceptance markings.* With formal notification of acceptance, the applicant will receive written permission to designate, as "fire-resistant," conveyor belts of the same type and composition as the specimen that passed the test.

(a) *Marking.* Conveyor belts accepted by the Bureau of Mines as fire-resistant shall be marked as follows: Metal stencils furnished by the manufacturer shall be used during the vulcanizing process to produce letters depressed into the conveyor belt with the words Fire-Resistant, U. S. B. M. No. This number will be assigned to the manufacturer after the sample has passed the tests. The letters and numbers shall be at least 1/2 inch high.

(b) *Position of markings.* The acceptance markings shall be placed approximately 1 inch from the edge of the carrying (top) cover of the conveyor belt and spaced at intervals not exceeding 30 feet for the entire length of the conveyor belt. The markings shall be so placed that they are alternately at opposite edges of the belt.

§ 34.15 *Manufacturer's obligation.* A manufacturer who has obtained the Bureau's permission to place acceptance markings on conveyor belts manufactured by him is obligated to maintain the fire-resistant quality of his product and to have each conveyor belt so marked manufactured strictly according to the records that have been accepted and placed on file by the Bureau for that conveyor belt. Conveyor belts that have been accepted as fire-resistant by the Bureau of Mines but subsequently have been altered in design or composition without Bureau authorization, and belts that have not been accepted as fire-resistant by the Bureau of Mines, must

not bear the Bureau's acceptance marking.

§ 34.16 *Changes subsequent to acceptance.* The manufacturer may obtain the Bureau's authorization for modifying the specifications of a conveyor belt that has been tested and accepted, by letter to the Central Experiment Station, Bureau of Mines, 4800 Forbes Street, Pittsburgh 13, Pennsylvania, requesting an extension of the original acceptance and stating the change or changes desired. The letter shall be accompanied by revised specifications showing the proposed changes in detail. If the Bureau determines that tests are unnecessary, the Bureau will formally advise the manufacturer of the acceptance or rejection of the proposed change. If the Bureau determines that tests are necessary, the Bureau will advise the manufacturer as to the fee and material required.

§ 34.17 *Withdrawal of acceptance.* The Bureau may rescind for cause, at any time, any acceptance granted under the regulations in this part.

SUBCHAPTER K—PROCEDURES

Part 40—Procedures Under Title II, Federal Coal Mine Safety Act of 1952

§ 40.1 *Appeals to the Director.* An application to the Director of the Bureau of Mines under section 206 of the act for the annulment or revision of an order issued pursuant to section 203 of the act, must be in writing, and should state specifically and in detail the grounds upon which it is based. The Director

may initiate the special inspection upon an informal application by telephone, but may require written confirmation of such application before issuing any order of annulment or revision. A telegram may serve as a written application. Any application should state the return address for communications by wire or mail, and the telephone number if communication by that means is desired.

(Secs. 201-213, 66 Stat. 692-709; 30 U. S. C. 471-483) [21 F. R. 7794, Oct. 12, 1956]

SUBCHAPTER L—INTERPRETATIONS

Part 45—Interpretations; Title II, Federal Coal Mine Safety Act of 1952

Sec. 45.1 Statutory provisions (sec. 201 (a) (3)).

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Sec. 45.1-2 Acts to be performed by a certified person.

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- Sec.
 45.5-3 Time of count.
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 45.44-1 Electric face equipment.
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 45.44-4 Maintenance of permissible equipment.
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 45.46-1 Minimum requirements.
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 45.48 Statutory provisions (sec. 209 (g) (5)).
 45.48-1 Underground structures.
 45.52 Statutory provisions (sec. 209 (h) (6)).
 45.52-1 Unconfined shots.

AUTHORITY: §§ 45.1 to 45.52-1 issued under secs. 201-213, 66 Stat. 692-709; 30 U. S. C. 471-483.

SOURCE: §§ 45.1 to 45.52-1 appear at 21 F. R. 7794, Oct. 12, 1956, except as otherwise noted.

NOTE: The following interpretations have been adopted for the guidance of coal mine

operators and the public to provide uniformity in the administration of Title II of the Federal Coal Mine Safety Act (66 Stat. 692; 30 U. S. C. secs. 471-483). The interpretations in this subchapter pertain only to particular sections of the act. Additional interpretations may be issued from time to time. For convenience, each section of the act is given first and is followed by the interpretations of such section.

§ 45.1 Statutory provisions (sec. 201 (a) (3)).

The term "certified person", when used to designate the kind of person to whom the performance of a duty in connection with the operation of a mine shall be assigned, means a person who is qualified under the laws of the State in which such mine is located to perform such duty, except that in a State the laws of which do not provide for such qualification, the term means a person deemed by the operator of such mine to be qualified to perform such duty.

§ 45.1-1 *Certified person.* A "certified person" may be either a person who is "qualified" under the laws of the State, or, in a State the laws of which do not provide for qualification, a person who is deemed by the operator to be "qualified."

§ 45.1-2 *Acts to be performed by a certified person.* Among the duties are the preshift and onshift examinations provided for by section 209 (d) (7), (8), and (9) of the act (although the special examinations for methane at underground face workings in a gassy mine where electrically driven equipment is operated, as required by the last sentence of section 209 (d) (9), do not have to be made by a "certified person").

§ 45.4 Statutory provisions (sec. 201 (a) (7)).

The term "mine" means an area of land including everything annexed to it by nature and all structures, machinery, tools, equipment and other property, real or personal, placed upon, under or above its surface by man, used in the work of extracting bituminous coal, lignite or anthracite, from its natural deposits in the earth in such area and in the work of processing the coal so extracted. The term "mine" does not include any strip mine. The term "work of processing the coal" as used in this paragraph means the sizing, cleaning, drying, mixing and crushing of bituminous coal, lignite or anthracite, and such other work of processing such coal as is usually done by the operator, and does not mean crushing, coking, or distillation of such coal or such other work of processing such coal as is usually done by a consumer or others in connection with the utilization of such coal.

§ 45.4-1 *Underground connections.*¹

(a) Mines or areas which are connected underground shall be considered as a single "mine" if the underground connections between previously separate mines or areas subject the men in the respective mines or areas to a reasonable likelihood of danger from mine fires or the products of fires, explosions or the forces and products of explosions, mine inundations, or man-trip or man-hoist accidents.

(b) In some instances this means that the jurisdiction and protection of the act is applicable for the first time, if the separate mines, before being connected, had each employed fewer than fifteen men underground.

§ 45.5 *Statutory provisions (sec. 201 (b)).*

This title shall not apply to any mine in which no more than fourteen individuals are regularly employed underground.

[21 F. R. 9965, Dec. 14, 1956]

§ 45.5-1 *Periodic employment.* An individual periodically employed underground in each of two or more mines is regularly employed underground in each mine, and is to be counted in determining whether each mine is one "in which no more than fourteen individuals are regularly employed underground," within the meaning of section 201 (b). For example, a mine foreman serving several mines but going underground in each only once a week is to be considered as "regularly employed underground" in each mine.

[21 F. R. 9965, Dec. 14, 1956]

§ 45.5-2 *Multiple shifts.* All individuals regularly employed underground on any shift in a 24-hour period are to be counted in determining whether more than fourteen individuals are "regularly employed underground" within the meaning of section 201 (b). For example, if a mine regularly employs five men underground on each of three shifts, it is a mine in which more than fourteen individuals are "regularly employed underground".

[21 F. R. 9966, Dec. 14, 1956]

§ 45.5-3 *Time of count.* The number of individuals regularly employed un-

¹ *Inland Steel Company, Inc. (Wheelwright Mine) v. Director of the United States Bureau of Mines, Federal Coal Mine Safety Board of Review, Docket No. 55-05, Sept. 13, 1956.*

derground in any mine at the time of a regular inspection thereof determines whether that mine is subject to Title II of the act for the purposes of that inspection and any notices or orders resulting therefrom. Once a finding, notice, or order is made pursuant to Title II of the act, subsequent reduction in the number of individuals regularly employed underground to less than 15 does not relieve the operator from the necessity of compliance with such notice or order. As long as the number so employed remains at less than 15, that mine will not be subject to any inspection pursuant to Title II of the act except special inspections necessary to determine compliance with any notice or order theretofore made.

[21 F. R. 9966, Dec. 14, 1956]

§ 45.6 *Statutory provisions (sec. 203 (a) (1)).*

If a duly authorized representative of the Bureau, upon making an inspection of a mine as authorized in section 202, finds danger that a mine explosion, mine fire, mine inundation, or man-trip or man-hoist accident will occur in such mine immediately or before the imminence of such danger can be eliminated, he shall also find the extent of the area of such mine throughout which such danger exists. Thereupon he shall immediately make an order requiring the operator of such mine to cause all persons, excepting persons referred to in paragraph (2) of this subsection, to be withdrawn from, and to be debarred from entering, such area. Such findings and order shall contain a detailed description of the conditions which such representative finds cause and constitute such danger, and a description of the area of such mine throughout which persons must be withdrawn and debarred.

[22 F. R. 1550, Mar. 9, 1957]

§ 45.6-1 *Drop-bottom cars used for man trips.* Failure to provide special locking devices on drop-bottom cars used for transporting men on man trips shall be considered danger that a man-trip accident will occur immediately or before the imminence of such danger can be eliminated, within the meaning of section 203 (a) (1).

[22 F. R. 1550, Mar. 9, 1957]

§ 45.8 *Statutory provisions (sec. 209 (d) (1)).*

All active underground working places in a mine shall be ventilated by a current of air containing not less than 19.5 per centum of oxygen, not more than 0.5 per centum of carbon dioxide, and no harmful quantities of other noxious or poisonous gases. The volume and velocity of the current of air

shall be sufficient to dilute so as to render harmless, and to carry away, flammable or harmful gases. In bituminous-coal and lignite mines the quantity of air reaching the last open crosscut in any pair or set of entries shall not be less than six thousand cubic feet a minute, except that the quantity of air reaching the last open crosscut in any pair or set of entries in pillar sections may be less than six thousand cubic feet a minute if not less than six thousand cubic feet of air a minute is being delivered to the intake end of the pillar line. In anthracite mines the quantity of air reaching the face of each working place shall be at least two hundred cubic feet a minute for each man working in the place and as much more as may be required to dilute, render harmless, and sweep away noxious or dangerous gases, smoke, and fumes. In robbing areas where the air currents cannot be controlled and measurements of the air cannot be obtained, the air shall have perceptible movement.

§ 45.8-1 *Active underground working places.* The term "active underground working places", as used in section 209 (d) (1), means underground places in which men are required to be or to pass through in the performance of normal mining operations for the production of coal.

§ 45.12 *Statutory provisions (sec. 209 (d) (5)).*

In a gassy mine, air which has passed by an opening of any unsealed, abandoned area shall not be used to ventilate any active face area in such mine if such air contains 0.25 per centum or more of methane; but if this sentence cannot be complied with in such mine on the effective date of this section, such mine may continue to be operated after such date as it was operated immediately prior to such date, for a reasonable time until future mine development and ventilation of such mine can be changed to comply with this sentence. In no event shall such air be used to ventilate any area in such mine in which men work or travel if such air contains more than 1 per centum of methane. For the purposes of this paragraph, an area within a panel shall not be deemed to be abandoned until such panel is abandoned.

§ 45.12-1 *Abandoned areas.* The term "abandoned area", as used in section 209 (d) (5), means sections, panels, and other areas that are not ventilated and examined in the manner required for active underground working places. This term does not include a section, panel, or other area which, although worked out, is so ventilated and examined.

§ 45.16 *Statutory provisions (sec. 209 (d) (6)).*

In a gassy mine, air that has passed through an abandoned panel which is inaccessible for inspection, or air that has passed through a similar abandoned area which is inaccessible for inspection, or air which has been used to ventilate a pillar line, or air which has been used to ventilate an area from which the pillars have been removed, shall not be used to ventilate any active face area in such mine; but if this sentence cannot be complied with in such mine on the effective date of this section, such mine may continue to be operated after such date as it was operated immediately prior to such date, for a reasonable time until future mine development and ventilation of such mine can be changed to comply with this sentence. In no event shall such air be used to ventilate any area in such mine in which men work or travel if such air contains more than 1 per centum of methane.

§ 45.16-1 *Pillar lines.* The term "pillar line", as used in section 209 (d) (6), shall be considered to include enough advancing working places (rooms) immediately adjacent to the line of retreat as are necessary to establish the pillar line and maintain an orderly sequence of pillar recovery.

§ 45.16-2 *Air currents.* Section 209 (d) (6) applies to air currents which have definitely coursed through an inaccessible abandoned panel or area or which have ventilated a pillar line or a pillared area, regardless of the methane content or absence of methane in such air.

§ 45.16-3 *Inaccessible.* The term "inaccessible", as used in section 209 (d) (6), means cannot be inspected readily during regular operations.

§ 45.20 *Statutory provisions (sec. 209 (d) (7)).*

In a gassy mine, within four hours immediately preceding the beginning of a coal-producing shift, and before any workmen in such shift other than those who may be designated to make the examinations prescribed in this paragraph enter the underground areas of such mine, certified persons designated by the operator of such mine to do so shall make an examination, as prescribed in this paragraph, of such areas. Each person designated to act as such a mine examiner shall be directed to examine a definite underground area of such mine, and, in making his examination, such examiner shall inspect every active working place in such area and make tests therein

with a permissible flame safety lamp for accumulations of methane and oxygen deficiency in the air therein; examine seals and doors to determine whether they are functioning properly; inspect and test the roof, face, and rib conditions in the working places and on active roadways and travel ways; inspect active roadways, travel ways, approaches to abandoned workings and accessible falls in active sections for explosive gas and other hazards; and inspect to determine whether the air in each split is traveling in its proper course and in normal volume. Such mine examiner shall place his initials and the date at or near the face of each place he examines. If such mine examiner, in making his examination, finds a condition which he considers to be dangerous to persons who may enter or be in such area, he shall indicate such dangerous place by posting a "Danger" sign conspicuously at a point which persons entering such dangerous place would be required to pass. No person, other than Federal or State mine inspectors or persons authorized by the mine operator to enter such place for the purpose of eliminating the dangerous condition therein, shall enter such place while such sign is so posted. Upon completing his examination such mine examiner shall report the result of his examination to a person designated by the mine operator to receive such reports, at a designated station on the surface of the premises of the mine or underground, before other persons enter the underground areas of such mine to work in such coal-producing shift. Each such mine examiner shall also record the results of his examination with ink or indelible pencil in a book kept for such purpose at a place on the surface of the mine designated by the mine operator. No person (other than a certified person designated under this paragraph) shall enter any underground area in a gassy mine, except during a coal-producing shift, unless an examination of such area as prescribed in this paragraph has been made within twelve hours immediately preceding his entrance into such area.

§ 45.20-1 *Coal-producing shift.* The term "coal-producing shift" as used in section 209 (d) (7) means any shift during which one or more of the following operations necessary in the production of coal are performed: Cutting, blasting, loading, or the haulage of coal from face areas, regardless of whether or not the coal is dumped at a tippie.

[22 F. R. 1550, Mar. 9, 1957; 22 F. R. 1631, Mar. 14, 1957]

§ 45.20-2 *Emergency escapeways.* Section 209 (d) (7) does not require a preshift examination of those escapeways that are used only in event of emergency.

§ 45.20-3 *Examinations prior to a non-coal-producing shift.* The exam-

ination referred to in the last sentence of section 209 (d) (7) is intended to cover each place entered by employees, such as maintenance men, repairmen, and pumpmen, and as much of the surrounding area as may be necessary to provide reasonable protection.

§ 45.24 *Statutory provisions (sec. 209 (e) (1)).*

Coal dust, loose coal, and other combustible materials shall not be permitted to accumulate in dangerous quantities in active underground workings of a mine.

§ 45.24-1 *Accumulations of combustible material.* (a) "Dangerous quantities" of combustible materials encompasses accumulations that with reasonable likelihood might precipitate explosions or fires. Whether this peril exists in any particular mine is not subject to a fixed and inflexible quantitative rule, but depends on the conditions and practices in that mine. The same quantity that might be dangerous in one mine, because of its circumstances, might not be dangerous in another mine where those conditions do not prevail.

(b) Accumulations of combustible materials are not considered dangerous if adequate precautions are taken to render them reasonably safe.*

§ 45.28 *Statutory provisions (sec 209 (e) (2)).*

Where underground mining operations raise an excessive amount of dust into the air, water, or water with a wetting agent added to it, or other effective method shall be used to allay such dust at its source.

§ 45.28-1 *Excessive dust.* The term "underground mining operations" is not limited to operations in face areas. The term "excessive amounts of dust" means bituminous coal dust in the air in such amount as to create a potential explosion hazard. To be a potential explosion hazard, a cloud of bituminous coal dust must contain at least 0.04 ounce of dust per cubic foot of air, which is so dense that visibility will be very low and breathing difficult. The likelihood that dust suspended in the air during normal mining or haulage operations will create a dust-ignition hazard is very remote.

* *Three Fork Coal Company, Inc. v. Director of the United States Bureau of Mines, Federal Coal Mine Safety Board of Review, Docket No. 55-02, March 4, 1955.*

§ 45.32 *Statutory provisions (sec. 209 (e) (3)).*

All underground mines, except those mines or areas of mines in which the dust is too wet or too high in incombustible content to propagate an explosion, shall be rock-dusted to within forty feet of all faces, and, if open crosscuts near such faces are less than forty feet therefrom, such crosscuts shall be rock-dusted.

§ 45.32-1 *Wet dust.* The term "too wet" means wet enough to exude water, if a ball of the finely divided material is squeezed in the hands.

§ 45.36 *Statutory provisions (sec. 209 (e) (4)).*

In mines partially rock-dusted or in mines that are required to start rock-dusting, haulageways and parallel entries connected thereto by open crosscuts shall be rock-dusted. Back entries shall be rock-dusted for at least one thousand feet outby the junction with the first active entry. Inby this junction, the rooms, entries, and crosscuts shall be rock-dusted.

§ 45.36-1 *Rock-dusting back entries.* The rock-dusting of back entries is required only inby a point 1,000 feet outby the junction with the first entry in which coal is being mined in each working section.*

§ 45.40 *Statutory provisions (sec. 209 (e) (5)).*

Where rock dust is applied, it shall be distributed upon the top, floor, and sides of all open places and maintained in such quantity that the incombustible content of the combined coal dust, rock dust and other dust will not be less than 65 per centum. Where methane is present in any ventilating current, the 65 per centum of incombustible content of such combined dust shall be increased 1 per centum for each 0.1 per centum of methane.

§ 45.40-1 *Increase of rock-dusting due to methane.* The percentage increase of rock-dusting required by section 209 (e) (5) applies only to: (a) Face areas that are ventilated by the current in which the methane that necessitates the percentage increase is present and (b) the return airways of such current, except as limited by section 209 (e) (4). If the only ventilating current in which methane is present is a main return in a mine using a split system of ventilation, no increase of rock-dusting is required.

* *Crucible Steel Company v. Director of the United States Bureau of Mines, Federal Coal Mine Safety Board of Review, Docket No. 56-01, November 23, 1955.*

The methane content of an air split shall be determined from an air sample taken in the immediate return of that split.

§ 45.40-2 *Application of rock dust wet.* So long as the percentages of incombustible content specified in section 209 (e) (5) are maintained, rock dust applied wet in the following manner shall be considered as compliance with said section: The application of wet rock dust should be limited to rib and roof surfaces in face areas, which means it should not be used on the floor or for redusting mine surfaces outby the immediate face areas. In such applications only limestone or marble dust which meets the specifications contained in section 201 (a) (11) should be used; the application should be at the rate of not less than 3 ounces (weight) of dust per square foot of surface, and should be by a mixture of not more than 6 to 8 gallons of water with 100 pounds of dust, whether by premixed slurry or by mixing at the nozzle of a hose, to assure that the mixture is not too fluid and that sufficient dust adheres to the surfaces. Wet rock-dusting of ribs and roof does not eliminate the necessity for dry rock-dusting the floor, which can be accomplished with shovels or otherwise without creating undesirable dust clouds. Whether or not additional dry rock dust will be required after wet dust dries, depends on certain factors such as the ready dispersibility of the rock dust after drying, and the rate of settling of fine float (coal) dust on surfaces that were dusted wet.

[22 F. R. 1551, Mar. 9, 1957]

§ 45.44 *Statutory provisions (sec. 209 (f) (1)).*

All electric face equipment used in a gassy mine shall be permissible, except that electric face equipment may be used in a gassy mine even though such equipment is not permissible if, before the effective date of this section or the date such mine became a gassy mine, whichever is later, the operator of such mine owned such equipment, or owned the right to use such equipment, or had ordered such equipment. Permissible electric face equipment in use in a gassy mine shall not be replaced by electric face equipment which is not permissible except that (A) permissible and nonpermissible electric face equipment in use in a mine may be interchanged within such mine, and (B) explosion-tested cable-reel locomotives and shuttle cars purchased before permissible cable-reel locomotives and shuttle cars became available, may be used to replace permissible cable-reel locomotives and shuttle cars.

§ 45.44-1 *Electric face equipment.* The term "electric face equipment" as used in section (f) (1) means electric equipment that is installed or used in by the last open crosscut in an entry or a room. Conveyors are considered as face equipment if the electric drive units or their controls including push buttons are installed in by the last open crosscut or in a newly opened place before the first crosscut connection is made.

§ 45.44-2 *Nonpermissible Miller-type plugs.* Section 209 (f) (1) does not prohibit the use of nonpermissible Miller-type plugs for the purpose of sectionalizing trailing cables, if the plug connections are outby the last open crosscut.

§ 45.44-3 *Replacement components.* When an item of nonpermissible electric face equipment is being used in a gassy mine pursuant to the provisions of section 209 (f) (1), a component used for replacement need not be certified as "explosion proof" under the provisions of § 18.31 of this chapter.

§ 45.44-4 *Maintenance of permissible equipment.* The exception in section 209 (f) (1) of the act permitting the use of nonpermissible electric face equipment in a gassy mine applies also to any permissible electric face equipment that was rendered nonpermissible by alteration of its electrical parts before the effective date of the act or before the mine in which it is used became gassy, whichever is later. Permissible equipment loses its permissibility if it is not maintained in permissible condition or if any change or any rebuilding or repair thereof does not conform with the requirements of §§ 18.36 and 18.37 of this chapter (Bureau of Mines Schedule 2F "Electric Motor-Driven Mine Equipment, Junction Boxes and Other Accessory Equipment" [Revised]).

[22 F. R. 1551, Mar. 19, 1957]

§ 45.44-5 *Grounding facilities and disconnecting devices.* Grounding facilities or devices for disconnecting power from equipment in the event of a ground fault are not required by the regulations in Part 18 of this chapter as an element of permissibility of electric face equipment. However, the lack of grounding facility or disconnecting device may be considered in connection with the application of section 203 (a) of the act with respect to imminent danger.

[23 F. R. 948, Feb. 13, 1958]

§ 45.46 *Statutory provisions (sec. 209 (g) (1)).*

Each mine shall be provided with suitable fire-fighting equipment, adequate for the size of the mine.

[22 F. R. 1551, Mar. 9, 1957]

§ 45.46-1 *Minimum requirements.* The minimum requirements for providing "suitable fire-fighting equipment, adequate for the size of the mine", as these words are used in section 209 (g) (1) of the act, are here set forth with reference to "Class A", "Class B", and "Class C" fires as these terms are defined and explained in §§ 45.46-2 and 45.46-3. It is recognized, however, that fire control standards at some mines may be equivalent or superior to, although not the same as, the standards herein stated. In such instances the fire control system shall be considered as complying with said section 209 (g) (1).

(a) Unless fire extinguishers are carried on portable machines, two fire extinguishing units suitable for Class C fires and at least 240 pounds of rock dust or dry sand shall be located within 600 feet of any point where any mining machine, loading machine, or other self-propelled electrical equipment, except a locomotive, is being operated. Where fire extinguishers are carried on portable machines, only one fire extinguishing unit suitable for Class C fires is required for each machine. Wherever practicable, a chemical fire extinguisher suitable for Class C fires shall be provided on each locomotive.

(b) Unless a belt line is protected by a pipeline paralleling the belt, containing water under pressure, and with outlet valves and sufficient hose so that water will reach any point along the belt line, a fire extinguishing unit suitable for Class C fires, or some other extinguishing agent such as rock dust, dry sand, or water, shall be provided at each belt drive and tailpiece and at intervals of 300 feet along the belt. The joints of an articulated belt system are not considered to be drives or tailpieces for this purpose. Each such supply of rock dust or sand shall be in an amount of at least 240 pounds; and each such supply of water (other than in a parallel pipeline) shall be at least a barrel of water and three pails.

(c) A fire extinguishing unit suitable for Class C fires and another extinguishing agent, such as 240 pounds of rock dust or dry sand, shall be provided at

each electrical installation, such as permanent pumping stations, battery-charging stations, and substations, and in shops.

(d) Two fire extinguishing units suitable for Class B fires and at least 240 pounds of rock dust or dry sand shall be provided at each permanent underground oil-storage station. Where 25 gallons or more of oil are stored on a working section, at least 240 pounds of rock dust or dry sand shall be provided.

(e) Rock dust or suitable fire extinguishers shall be immediately available during welding, cutting, or soldering with arc or flame in underground workings in other than a fireproof enclosure.

(f) Unless water lines, equipped with outlet valves at intervals of not more than 500 feet and capable of delivering 50 gallons of water per minute at a nozzle pressure of 50 pounds per square inch, are installed along main and secondary haulage roads and extend to the working sections; and unless 1,000 feet of fire hose with fittings suitable for connection with such water lines are available; two water-tank cars of at least 1,000 gallons capacity each, equipped with a high-pressure pump and not less than 300 feet of fire hose with nozzles, or two portable chemical cars containing or carrying equivalent protection, shall be provided in mines where the underground production is 300 tons or more per shift; provided, that a high-pressure rock-dusting machine fitted with at least 250 feet of hose, with at least 60 sacks of rock dust in good condition near it at all times, may be substituted for one water-tank car or chemical car. These units shall be stationed at strategic locations and ready for use at all times. Where two or more adjacent mines are connected by track, one of the two water tanks or chemical cars required for each mine may be a common unit.

(g) A fire extinguishing unit suitable for Class C fires or a minimum of 240 pounds of rock dust or dry sand shall be provided at each wooden door through which power lines pass.

(h) Unless water is piped to the faces of working places at a pressure and volume such that a hose will deliver at least 50 gallons of water a minute at a nozzle pressure of 50 pounds per square inch, a fire extinguishing unit suitable for Class A fires, or 240 pounds of rock dust or dry sand, or a barrel of water and three pails, shall be available within 600 feet of each

working face. One such fire-prevention unit may serve for more than one working face provided it is within the 600-foot limit.

(i) Each underground stable shall be provided either with a water line fitted with a hydrant or hose tap near the entrance and fire hose of a minimum diameter of 1½ inches, long enough to reach the entire length of the stable, and fitted with a ½-inch nozzle; or a 500-gallon truck-mounted water tank stored near the entrance of the stable and provided with 200 feet of 1½-inch fire hose fitted with ½-inch nozzle.

(j) At every mine there shall be available for emergency use the following materials: 5 tons of rock dust, 1,000 board feet of brattice boards, 3 rolls of brattice cloth, 2 hand saws, 25 pounds 8^d nails, 25 pounds 10^d nails, 25 pounds 16^d nails, 3 claw hammers, 25 bags of wood fiber plaster or 10 bags of cement.

(k) Fire extinguishers and all auxiliary equipment shall be maintained in usable operative condition. Chemical fire extinguishers shall be examined every six months.

(l) All chemical fire extinguishers purchased after the date of the publication of these interpretations shall be approved by Underwriters' Laboratories, Inc., or Factory Mutual Laboratories and carry appropriate labels.

[22 F. R. 1561, Mar. 9, 1957]

§ 45.46-2 *Fire classification.* It is essential that the fire classification adopted by the National Fire Protection Association be thoroughly understood before an attempt is made to provide fire-fighting facilities; otherwise, fire-fighting equipment is likely to be inadequate and unsuitable. The following explains the N. F. P. A. classifications which have been modified slightly by the Bureau of Mines to permit the use of loaded stream extinguishers on Class C fires except where high voltage is likely to be encountered.

(a) *Class A fires.* Class A fires are defined as those in ordinary solid, combustible materials, such as coal, wood, rubber, textiles, paper, and rubbish. Fires of these materials can be best controlled through the quenching or cooling action of water or solutions containing large proportions of water. Chemical fire extinguishers, such as soda acid, foam, and loaded stream, also can be used successfully on fires in this class. Other types of chemical fire extinguishers are some-

what limited in their effectiveness when used on Class A fires. Rock dust and fine sand may be used, but in some instances, such as overhead fires, these agents are difficult to apply.

(b) *Class B fires.* Class B fires are defined as those in flammable liquids, such as fuel or lubricating oils, grease, paint, varnish, and lacquer. Blanketing or smothering is essential for fighting this class of fire successfully. Chemical fire extinguishers, such as foam, dry chemical, liquid carbon dioxide, vaporizing liquid, and loaded stream, are suitable for Class B fires. Rock dust or fine sand may be used also. In no case should water be used unless a "spray," "mist," or "fog" nozzle is provided. Class B fires are considered by fire-fighting authorities to be the most difficult to control; they are likely to spread rapidly.

(c) *Class C fires.* Class C fires are defined as those in (live) electrical equipment, such as oil-filled transformers, generators, motors, switch panels, circuit breakers, insulated electrical conductors, and other electrical devices. A nonconducting extinguishing agent is essential for fighting fires of this class. Chemical fire extinguishers, such as liquid carbon dioxide, dry chemical, and vaporizing liquid, are suitable for fires in this class. Rock dust or fine sand may be used also, but either of these—the latter in particular—may damage electrical equipment. Loaded stream extinguishers may be used on Class C fires except where high voltages are likely to be encountered. When the electric circuit has been deenergized, the nonconducting recommendation previously mentioned may be ignored. However, when planning fire-fighting facilities for Class C fire hazards this exception should not be given weight. Where electricity is involved in a fire, it is advisable to deenergize the circuit as soon as possible, because, under certain conditions, a fire cannot be extinguished when a live circuit exists at the seat of the fire.

[22 F. R. 1551, Mar. 9, 1957; 22 F. R. 1631, Mar. 14, 1957]

§ 45.46-3 *Efficiency ratings.* (a) The comparative efficiency ratings of various hand-type fire-fighting facilities commonly used are provided in the following tabulation and should be used in determining the size extinguisher required. The letters A, B, and C indicate suitability according to fire classification, and the numbers represent the quantity

needed to provide a fire-fighting unit. The absence of any letter in a rating indicates that the facility should not be used for that particular class of fire or that its efficiency is too limited to be given a rating.

(b) A 12-quart fire pail has a rating of A-5 and a 2½-gallon pump tank has a rating of A-1, indicating that it will take 5 pails of water to equal a 2½-gallon pump tank on a Class A fire. In the case of a 10-pound liquid carbon dioxide extinguisher, having a rating of B-2 and C-1, it will take two of these to provide a fire-fighting unit for a Class B fire, but only one is needed for a Class C fire; this extinguisher can be used on an A fire but its efficiency is too limited to be given a rating for such. For example, a Class A rated extinguisher, in the absence of any other letter, should not be used on a Class B or C fire, but an extinguisher rated for Class B and C fires may be used on a Class A fire—the absence of the letter A in this case indicates that the efficiency for fighting a Class A fire is limited.

TABULATION OF EFFICIENCY RATINGS

Fire pail (water).....	12-quart	A-5		
Pump tank (water).....	2½ gallons	A-1		
Gas pressure (water)...	2½ gallons	A-1		
Loaded stream 1.....	1 gallon	A-2	B-4	C-4
Do.....	1½ gallons	A-1	B-2	C-2
Do.....	2½ gallons	A-1	B-1	C-1
Soda acid.....	1½ gallons	A-2		
Do.....	2½ gallons	A-1		
Foam.....	1½ gallons	A-2	B-2	
Do.....	2½ gallons	A-1	B-1	
Liquid carbon dioxide..	5 pounds	B-2	B-2	C-2
Do.....	10 pounds	B-2	C-1	
Do.....	15 pounds	B-1	C-1	
Dry chemical.....	4 pounds	B-2	C-2	
Do.....	10 pounds	B-2	C-1	
Do.....	15 pounds	B-1	C-1	
Carbon tetrachloride 1..	1 quart	B-2	C-2	
Do.....	2 quarts	B-2	C-2	
Do.....	1 gallon	B-2	C-1	
Do.....	2 gallons	B-2	C-1	
Sand pails.....	12-quart	B-5		

(Use should be supplemented by other equipment.)
 Rock dust..... Suitable for A, B, or C fires
 (see following note).

NOTE: Tests to determine the value of rock dust as a fire-extinguishing agent have not been extensive enough to establish a unit value in comparison with accepted standards of the N. F. P. A. Based on the information available, a reasonable value for mine use is that three 80-pound sacks be accepted as one unit for Class A, B, or C fires. A shovel with a long handle will assist greatly in applying the rock dust and reduce loss through waste.

¹ This extinguisher not recommended for use on Class C fires if high voltage is likely to be encountered.
² It has never been the policy of the Bureau of Mines to discourage the use of carbon tetrachloride fire extinguishers under all conditions. The Bureau has, however, consistently advised against their use in confined and unventilated places in mines. This type of extinguisher shall not be used where there is likelihood of dangerous concentrations of the fumes and gases evolved passing over workmen. Neither should they be used where there is no ready means of escape for the operator providing he is not properly equipped with respiratory protection.

[22 F. R. 1552, Mar. 9, 1957]

§ 45.48 *Statutory provisions (sec. 209 (g) (5)).*

Underground structures (transformer stations, battery-charging stations, substations, permanent pump rooms, etc.) installed in a mine after the effective date of this section shall be of fireproof construction.

§ 45.48-1 *Underground structures.* Section 209 (g) (5) means that all surfaces, including roof and rib supports, enclosing underground structures shall be fireproof. Modern mercury-arc rectifiers that are manufactured as package units, usually portable, and are fully enclosed in fire-proof housings, need no additional enclosures.

§ 45.52 *Statutory provisions (sec. 209 (h) (6)).*

Mudcaps (adobes) or other unconfined shots shall not be fired underground in a mine. However, in anthracite mines mudcaps or other open, unconfined shots may be fired, if restricted to battery starting when no gas or fire hazard is present, and if it is otherwise impracticable to start the battery; likewise, in anthracite mines open, unconfined "shake" shots in working places and other places in pitching veins may be fired, when no gas or fire hazard is present, if the taking down of loose, hanging coal by other means is too hazardous for men working in such places. Only permissible explosives shall be used for such open, unconfined shots in anthracite mines.

§ 45.52-1 *Unconfined shots.* The use of explosives in applying rock dust to mine surfaces is considered as unconfined shots.

CHAPTER II—GEOLOGICAL SURVEY

DEPARTMENT OF THE INTERIOR

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ABBREVIATIONS: The following abbreviations are used in this chapter:

ID=*Decisions of the Department of the Interior.* L. D.=*Decisions of the Department of the Interior relating to the public lands.* B. t. u.=*British thermal units.*

Part 200—Forms and Reports

§ 200.1 *Forms and reports.* Under regulations, the following reports are required to be filed on the forms listed:

(a) *Coal.* (1) Prospecting, production, royalty reports on coal prospecting permits on Forms 9-367, Alaska; 9-374 Billings, Montana; 9-374a, Denver, Colorado; 9-374b, Salt Lake City, Utah; 9-374c, Carlsbad, New Mexico. These

forms require information each month relating to the amount of coal mined, amount disposed of and royalty thereon, work done and cost thereof, and results of prospecting. (See § 211.6 of this chapter.)

(2) Production and royalty reports on coal leases on Forms 9-373a, continental United States; 9-519, Alaska. These forms require information each calendar quarter relating to the amount of coal

mined, amount sold, royalty, sales price, and receipts. (See § 211.6 of this chapter.)

(3) Production reports on coal licenses in continental United States and on mining permits, Alaska, on Form 9-370. This form requires information semi-annually relating to the amount of coal mined, amount disposed of, wages, operating costs, sales, and income. (See § 211.6 of this chapter.)

(4) Annual reports on coal leases on Form 9-372. This form requires information on the amount of coal mined, amount sold, amount produced from fee land connected with the lease, receipts, costs of improvements and other works placed on the leased land. (See § 211.6 of this chapter.)

(b) *Potassium and sodium.* (1) Production reports on potassium and sodium prospecting permits on form 9-128, Carlsbad, New Mexico; 9-128c, Salt Lake City, Utah; 9-128d, all other districts. These forms require information each calendar quarter relating to prospecting operations, including the nature thereof, extent, cost, and amount removed for experimentation and research. (See § 231.3 (c) of this chapter.)

(2) Production and royalty reports on potassium and sodium leases on form 9-128a. This form requires information each month relating to the output from the leased land, the amount in storage, amount disposed of, unit and total value, and royalty thereon. (See § 231.3 (c) of this chapter.)

(3) Annual production reports on potassium and sodium leases on form 9-128B. This form requires information relating to the output from the leased land, the amount in storage, amount disposed of and gross value thereof, total amount of products, and cost of production. (See § 231.3 (c) of this chapter.)

(c) *Phosphate.* (1) Production and royalty reports on phosphate leases on form 9-368. This form requires information each calendar quarter relating to the amount of phosphate rock mined, its character and quality, amount in storage, products and byproducts disposed of, unit and gross value, and royalty. (See § 231.3 (c) of this chapter.)

(2) Annual reports on phosphate leases on form 9-369. This form requires information on the output from leased land, the amount in storage, amount disposed of and gross value

thereof, total amount of products, and cost of production. (See § 231.3 (c) of this chapter.)

(d) *Silica sands.* Production and royalty reports on silica sand leases on form 9-1146. This form requires information each calendar quarter on the production from leased land, unit and gross value at point of shipment to market, and royalty. (See § 231.3 (c) of this chapter.)

(e) *Oil shale and sulphur.* Production and royalty reports on the above-described potassium and sodium forms.

(f) *Logs of prospect bore holes drilled for coal, potassium, sodium, phosphate, silica sands, sulphurs, and oil shale on form 9-1147.* This form requires, not later than 15 days after the completion of each bore hole, a complete and accurate log and history, in chronological order, of all operations conducted on the bore hole. (See §§ 211.16 (a) and (b), and 231.3 (c) of this chapter.) Form 9-331a, Sundry Notices and Reports on Wells (§ 211.58 of this chapter) shall be used in connection with form 9-1147.

(g) *Oil and gas.* (1) Log and history of well on oil and gas leases on form 9-330. This form requires complete information, in chronological order, of all operations conducted on the well. (See § 221.59 of this chapter.)

(2) Sundry notices and reports on wells on oil and gas lease on form 9-331A, Public lands; form 9-331B, Indian lands. These forms cover all notices of intention and all subsequent reports on individual wells except those for which special forms are prescribed. (See § 221.58 of this chapter.)

(3) Monthly report of operations on oil and gas lease on form 9-329, Public lands; form 9-329A, Indian lands. These forms require complete information on all operations conducted on each well during each calendar month. (See § 221.60 of this chapter.)

(4) Daily report of gas-producing wells on oil and gas lease on form 9-352. This form requires the submission to the oil and gas supervisor daily of the readings of all meters showing production of natural gas and meter charts. (See § 221.61 of this chapter.)

(5) Statement of oil and gas runs and royalties on oil and gas lease on form 9-361, Public lands; form 9-361A, Indian lands. These forms require a monthly report of each run of oil, all sales, and

royalty accruing therefrom. (See § 221.62 of this chapter.)

(6) Royalty and rental remittance on oil and gas lease on form 9-814A, Indian lands. This form is required to be submitted with each remittance of royalty or rental payments. (See § 221.63 of this chapter.)

(7) Royalty and rental remittance on oil and gas lease on form 11 ND Naval Petroleum Reserves. This form is required to be submitted with each remittance of royalty and rental payments on naval petroleum reserves. (See § 221.64 of this chapter.)

(R. S. 441, as amended; 5 U. S. C. 485. Interprets or applies sec. 1, 20 Stat. 394; 43 U. S. C. 31) [11 F. R. 177A-212, Sept. 11, 1946]

Part 201—Classification of Public Coal Lands

Sec.

- 201.1 Conditions necessary for classification of land as coal land.
- 201.2 Classification by quarter-quarter sections or surveyed lots.
- 201.3 Review of classification.

AUTHORITY: §§ 201.1 to 201.3 issued under R. S. 441, as amended; 5 U. S. C. 485. Interpret or apply sec. 1, 20 Stat. 394; 43 U. S. C. 31.

SOURCE: §§ 201.1 to 201.3 contained in Regulations, February 20, 1913 (41 L. D. 528).

CROSS REFERENCE: For Bureau of Land Management regulations relating to public mineral lands, see 43 CFR Parts 185, 187, 191-198, 200.

§ 201.1 *Conditions necessary for classification of land as coal land.* Land shall be classified as coal land if it contains coal having:

(a) *Minimum heat value.* A heat value of not less than 8,000 B. t. u. on an air-dried, unwashed or washed, unweathered mine sample.

(b) *Minimum thickness.* A thickness of or equivalent to 14 inches for coals having a heat value of 12,000 B. t. u. or more, increasing 1 inch for a decrease from 12,000 to 11,000 B. t. u., 1 inch for a decrease from 11,000 to 10,500 B. t. u., 1 inch for each decrease of 250 B. t. u. from 10,500 to 10,000, and 1 inch for each decrease of 100 B. t. u. below 10,000.

(c) *Depth below surface varying with thickness and heat value; exceptions.* A depth below the surface for a bed of coal 6 feet or more thick of not more than 100

feet for each 300 B. t. u. or major fraction thereof, and for a bed of minimum thickness for that coal a depth of not more than 500 feet, and for beds of any thickness between the minimum and 6 feet a depth directly proportional to that thickness within these limits, provided that, if the coal lies below the depth limit but within a horizontal distance from the surface not exceeding 10 times the depth limit, or if its horizontal distance from the foot of a possible shaft (not deeper than the depth limit) plus 7.5 times the depth of such shaft does not exceed 10 times the depth limit, the land shall be classified as coal land: *Provided further,* That the depth limit shall be computed for each individual bed, except that where two or more beds occur in such relations that they may be mined from the same opening the depth limit may be determined on the group as a unit, being fixed at the center of weight of the group, no coal that is below the depth limit thus determined to be considered.

§ 201.2 *Classification by quarter-quarter sections or surveyed lots.* Classification shall be made by quarter-quarter sections or surveyed lots.¹

§ 201.3 *Review of classification.* Review of classification may be had only on application therefor to the Secretary, accompanied by a clear and specific statement of conditions not existing or not known to exist at the time of examination.

Part 211—Coal-Mining Operating and Safety Regulations

Sec.

- 211.1 Authority and scope of the regulations in this part.
- 211.2 Orderly and efficient development of publicly owned coal lands and deposits.
- 211.3 Definitions.
- 211.4 Supervisor, district supervisor, and deputy supervisor; powers and duties.

DUTIES AND OBLIGATIONS OF LESSEE

- 211.5 Observance of lease terms; lessee's liability for damage.
- 211.6 Production reports and other data.
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- 211.8 Accidents to be reported to mining supervisor.

¹ Instructions, Feb. 16, 1915 (43 L. D. 520).

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- 211.110 Contagious and occupational diseases.

AUTHORITY: §§ 211.1 to 211.110 issued under sec. 32, 41 Stat. 450, sec. 10, 61 Stat. 915; 30 U. S. C. 189, 359.

SOURCE: §§ 211.1 to 211.10 appear at 3 F. R. 515, Feb. 25, 1938, except as otherwise noted.

§ 211.1 *Authority and scope of the regulations in this part.* (a) The regulations in this part have been issued pursuant to the authority vested in the Secretary of the Interior by section 32 of the act of February 25, 1920 (41 Stat. 450, 30 U. S. C. 189), and section 10 of the act of August 7, 1947 (61 Stat. 915, 30 U. S. C. 359). On and after July 1, 1944, the administration of the regulations in this part, save and except for those provisions dealing with inspections for the safety and welfare of miners engaged in mining operations on land covered by coal leases, licenses and permits shall be vested in the Geological Survey, Department of the Interior.

(b) Effective July 1, 1944, the function of making inspections for the safety and welfare of miners under the regulations in this part providing for such inspections shall be vested in the Bureau of Mines, Department of the Interior.

(c) The enforcement of the regulations in this part will remain the function of the Geological Survey.
 [9 F. R. 7746, June 12, 1944]

§ 211.2 *Orderly and efficient development of publicly owned coal lands and deposits.* The purpose of supervision is to assure the orderly and efficient development of publicly owned coal lands and coal deposits, without waste or avoidable loss of coal or damage to coal-bearing formations; to promote the safety, health, and welfare of workmen involved; to obtain a proper record and accounting of all coal produced; to determine rent and royalty liability; and to maintain a record of rent and royalty payments.

§ 211.3 *Definitions.* The following expressions wherever used in the regulations in this part shall have the meaning here indicated:

(a) *Mining supervisor (Chief, Mining Division).* The agent appointed by and acting for the Secretary of the Interior to supervise all coal-mining operations coming under the regulations in this part.

(b) *District mining supervisor.* An agent appointed by the Secretary of the Interior to supervise coal-mining operations in one or more of the coal fields of the United States, acting under the direction of the mining supervisor.

(c) *Deputy mining supervisor.* An agent appointed by the Secretary of the Interior, acting under the direction of the mining supervisor or the district mining supervisor.

(d) *Lessee.* Any person or persons, partnership, association, firm, corporation, municipality, or State which has made application for or to which has been issued a coal-mining lease, permit, or license under the act of February 25, 1920 (41 Stat. 437; 30 U. S. C. 201-209), and amendments thereto, or under the act of August 7, 1947. (61 Stat. 913; 30 U. S. C. 351-359)

(e) *Leased land or tract.* Any land or coal deposit owned by the United States and under lease, permit, license, or application for lease, permit, or license, in accordance with the act of February 25, 1920, or the act of August 7, 1947, for the purpose of mining coal therefrom.

(f) *Coal.* Coal of all ranks from lignite to anthracite.

(g) *Mine.* An underground excavation and all parts of the property of a mining plant either on the surface or underground that contribute directly or indirectly to the mining and preparation of coal.

(h) *Stripping operation.* The term "stripping operation" or "strip pit" shall mean a mining excavation or development by means of a surface pit or quarry in which the surface or cover over the coal bed is first removed and the coal itself is then excavated.

(i) *Slope.* An inclined entry in a dipping coal bed or an inclined tunnel to a coal bed.

(j) *Shaft.* A mine opening, the axis of which is approximately vertical, extending from the surface to develop one or more coal deposits.

(k) *Panel.* A unit area in a system of mining by which the mine is divided into areas isolated or surrounded by solid pillars of coal into which a pair of entries are driven for the development of rooms and the extraction of pillars.

(l) *Working place.* Any underground place where the men are assigned to

mine or load coal or rock by hand or mechanically.

(m) *Rock dusting.* The distribution or application underground of fine non-combustible dust in such a manner as to prevent, check, control, or extinguish coal-dust explosions.

(n) *Wet coal dust.* Coal dust in a mine shall be considered wet only when the fines contain sufficient water to permit molding by hand pressure.

(o) *Gas.* Used in the sense employed by coal miners to mean "fire damp," or flammable or explosive gas, usually methane. When such gas is mixed with air in certain proportions the mixture is explosive.

(p) *Gassy mine.* A mine shall be deemed "gassy" if so determined by appropriate State authority, or if a methane cap can be obtained with an approved safety lamp in any working place or places on any 3 days within a period of 30 days, or if the return air from any split contains 0.25 percent or more of flammable gas.

(q) *Black damp.* The excess of nitrogen and carbon dioxide in an oxygen-deficient atmosphere.

(r) *Permissible.* Applied to explosives, safety lamps, electric machinery, rescue apparatus, and other devices, means, apparatus, and materials officially listed as "permissible" by the United States Bureau of Mines and approved as having met its requirements for the respective specified uses.

(s) *Fan.* A revolving machine placed on the surface and used to create a positive air current in a mine.

(t) *Booster fan.* A revolving machine placed underground for increased circulation in the specific airway in which it is placed.

(u) *Auxiliary fan.* A revolving machine used to force air through tubing or ducts for the ventilation of a specific working place or places.

§ 211.4 *Supervisor, district supervisor, and deputy supervisor; powers and duties.* It shall be the duty of the mining supervisor, district mining supervisors, and deputy mining supervisors:

(a) *Inspectional supervision.* To visit from time to time leased lands where coal mining or prospecting operations are being conducted or contemplated; and to inspect and supervise such operations and plants connected therewith in

order to prevent injury to life, wastage of coal, damage to or from wells drilled through the coal beds, and damage or threatened damage to property or to equipment from fire, oil, gas, or water, or otherwise, and in order to insure that operations are being conducted and that the welfare of the miners is being provided for in accordance with the acts and the regulations in this part.

(b) *Ascertain and report damage to coal deposits; report wastage of coal; make recommendations to the Secretary.* To ascertain and report the nature and amount of damages, if any, to the leased premises or to adjacent property belonging to the Government; to report the amount and value of any coal avoidably lost or wasted; and to make recommendations to the Secretary of the Interior on the action to be taken for insuring compliance with the provisions of the lease and the regulations in this part.

(c) *Production and royalty reports; sealing of mines.* To examine the mines, mine maps, records, and books of the lessee and determine the amount of coal mined from government coal land; to make a report to the Secretary of the Interior each quarter as to lands held under leases and permits and semi-annually as to lands held under licenses showing the production and the accrued royalties and rentals; and to place seals at the entrance of leased lands upon the order of the Secretary when the lessee is delinquent in royalty and rental payments.

(d) *Wells or prospect holes through coal beds.* To prescribe or approve the methods of protection from wells or prospect holes drilled for any purpose through the coal measures and mines on leased lands and on coal lands subject to lease, with a view to the prevention of leakage of oil, gas, water, or other fluid substances that might endanger the lives of employees, and to prescribe or approve methods of obtaining the ultimate extraction, so far as practicable, of coal in the vicinity of such wells.

(e) *Abandonment of mine or of unmined portions of mine; survey at lessee's expense.* To specify in writing under what conditions a mine or panel or other section of a mine, from which the coal has or has not been extracted may be abandoned by the lessee, and how a section of a mine so abandoned should be

sealed off or otherwise separated from the other parts of the mine, and to cause a survey of operations on leased lands to be made at the lessee's expense upon failure of the lessee to provide accurate maps as required.

(f) *Placing seals on leased lands.* If the operating regulations in this part or the State mining laws are not being complied with, and in the opinion of the district mining supervisor or the deputy mining supervisor, the mine or the lives of workmen are in jeopardy, such supervisor may give notice in writing to stop operations on all or a part of the leased land and may apply Department of the Interior seals to the haulage tracks or across the entrance to the strip pit, mine, or section of the mine affected. Should any such notice or seal be violated, the district mining supervisor shall recommend the penalty to be imposed upon the lessee.

(g) *Orders to insure compliance with regulations not in conflict with State laws; appeal, delay in execution of order or notice.* The mining supervisor, the district mining supervisor, and the deputy mining supervisor may issue such orders and notices in writing as may be appropriate to insure compliance with the regulations in this part, and may order the discontinuance or modification of any operation or method that is causing or likely to cause any endangerment of life or property or is in violation of the provisions of the lease or regulations: *Provided*, That such orders are not in conflict with the laws of the State in which the leased land is situated; *And further provided*, That if any such order or notice issued by the deputy or district mining supervisor does not contain a statement that immediate danger of loss lessee appeals therefrom within 10 days, execution of said order or notice may be delayed pending review by the mining supervisor and, on further appeal, pending review by the Secretary of the Interior.

[3 F. R. 515, Feb. 25, 1938, as amended at 11 F. R. 1615, Feb. 14, 1946]

DUTIES AND OBLIGATIONS OF LESSEE

§ 211.5 *Observance of lease terms; lessee's liability for damage.* The lessee shall observe and carry out the terms of the act of February 25, 1920 (41 Stat. 437; 30 U. S. C.), as amended, of his lease, of life or property is involved and if the the regulations in this part, and of the

orders and written notices of the mining supervisor, district mining supervisor, or deputy mining supervisor issued in accordance with the regulations and terms of the lease that are not in conflict with the laws of the State in which the leased land is situated: *Provided*, That if any order or notice does not specify that immediate action must be taken for the protection of life or property, an appeal may be taken as provided in § 211.4 (g). Upon failure of the lessee to take appropriate action to protect the deposits from damage or threatened damage by fire, water, oil, gas, or subsidence, and upon failure of the lessee properly to protect the property upon abandonment or cancellation of the lease, the lessee shall be liable for the expense of labor and supplies used by the district mining supervisor or his associates for the protection of the property.

§ 211.6 *Production reports and other data*—(a) *Records to be kept by lessees.* Lessees shall keep a correct record of coal produced in such manner that the records readily can be checked, and shall report accurately, on a mine-run basis, within 30 days after the expiration of the period covered by the report, all coal mined from the leased land during each calendar quarter and furnish such other data as may be required on the form provided for quarterly reports; and on the anniversary of the lease shall report the yearly production and such other data as may be required on the form provided for annual reports.

(b) *Records to be kept by permittees and licensees.* Permittees and licensees shall keep a correct record of coal produced in such manner that the records can be checked readily. Permittees shall report monthly, and licensees semi-annually unless otherwise authorized or directed in writing by the district mining supervisor, all coal mined from the land held under permit or license, giving the amount of coal mined and the amount disposed of during the period covered by the report, a description of the work done, the cost of the work, the results of prospecting, and such other information as may be requested.

(c) *Financial statement by accountant; eligibility.* The lessee shall cause an audit of his books and accounts pertaining to the leased land to be made annually within 30 days after the expiration of the lease year or at such times as he may be directed by the district mining

supervisor, to whom he shall furnish, free of cost, a copy of said audit. The eligibility of the accountant making such audit shall be subject to approval by the Secretary of the Interior.

[11 F. R. 1615, Feb. 14, 1946]

§ 211.7 *Danger in mines to be reported.* The lessee shall report promptly to the district mining supervisor by telephone or telegraph the occurrence in or about the leased land of fatal accidents, serious outbursts of gas, explosions, inundations, fires, extensive squeezes, collapses of roof, or other serious conditions causing or threatening the loss of life or property.

§ 211.8 *Accidents to be reported to mining supervisor.* The lessee shall report promptly in writing to the district mining supervisor each accident that results in the loss of more than one shift for the injured person, giving the date of the accident, the name, age, and occupation of the injured person, the actual work being performed when the injury occurred, the cause and nature or result of the injury, the probable length of disability, and the name and location of the mine, with outline sketches or maps when pertinent. Copies of reports to the State inspector or industrial commission and outline sketches or maps will fulfill the requirements of this section.

PERSONNEL AND THEIR DUTIES

§ 211.9 *Certification by State or district mining supervisor required*—(a) *Personnel to be qualified.* Superintendents, foremen, assistant foremen, mine examiners, fire bosses, hoistmen, electricians, and foremen of rescue and first-aid work must be qualified for and experienced in the duties of their respective positions and must be certified by competent State authority, or, in the absence of State certification requirements, appointments to such positions shall be subject to the approval of the district mining supervisor, who shall require the highest qualifications in vogue in the mining region concerned for similar positions.

(b) *Mine official substitutes.* In the absence of personnel qualified as mentioned in this section, the duties of such positions may be performed by others on written consent of the appropriate State official, or, should no State official have jurisdiction over mine officials, on written consent of the district mining supervisor.

§ 211.10 *Mine foremen*—(a) *Mine foreman for more than five men underground.* The lessee shall appoint for any mine employing more than five men underground on any shift a qualified mine foreman, who shall visit and inspect from time to time all accessible parts of the mine, and who shall be in responsible charge of the mine underground.

(b) *Superintendent may serve as foreman when less than 25 men underground.* If 25 men or less are employed underground on any shift, the superintendent may serve also as mine foreman, provided he is qualified to do so under the applicable State regulations.

(c) *Assistant foreman for each 75 men underground.* If more than 75 men are employed underground on any shift, the lessee shall appoint at least one experienced assistant mine foreman, with qualifications and duties similar to those of foreman, and an additional assistant mine foreman for every additional 75 men or fractional part of that number.

§ 211.11 *Fire bosses or mine examiners*—(a) *Duties.* The lessee shall appoint a sufficient number of fire bosses or mine examiners, certified by the State, to examine every underground working place and nearby open place within 3 hours prior to the entrance of any shift of miners, and to determine if every place is free from a dangerous quantity of flammable or noxious gas, if the air is properly coursed, and if the roof and other conditions are safe for the workmen, and they shall record the date of examination at each working place.

(b) *Examinations during shift.* The fire bosses or mine examiners shall also examine every accessible part of the mine each third day, omitting Sunday, make the determinations mentioned in paragraph (a) of this section, and record the date of the examination at each place examined. Any place which has been undercut by a machine or in which the coal or roof has been blasted or has fallen shall be examined by a fire boss or mine examiner and determined to be safe before workmen are permitted to reenter.

(c) *Fire boss for every 75 men employed in gassy mines.* For every group of 75 men or fraction thereof employed underground in any gassy mine at least one fire boss or mine examiner shall be appointed, who shall be subjected to a physical and optical examination at least once each calendar year.

§ 211.12 *Additional duties of fire bosses*—(a) *Dangerous places to be fenced and marked.* The fire bosses or examiners shall fence and mark off all dangerous places to warn men and prevent their entrance into such places, shall list on a blackboard or its equivalent at the entrance to the mine or entrance to each section of the mine and places therein which have been marked off, and shall station themselves at the entrance to such a section or near the mouth of the mine to warn miners who normally would work in places found dangerous and prevent them from entering until the dangerous conditions have been remedied under the supervision of a duly accredited mine official and the place has been declared safe.

(b) *Fire boss reports; records copied and signed.* The reports of the fire bosses or mine examiners shall be assembled and copied once a day, in ink or indelible pencil, in a record book kept in the office of the mine and signed each day by the fire bosses or examiners and by the mine foreman.

(c) *Mine foreman may serve as fire boss.* The foreman or an assistant foreman, if duly qualified in accordance with State regulations and if his other duties permit, may also serve as fire boss or mine examiner.

§ 211.13 *Electrician's qualifications.* At a mine where electricity is used underground for generating power, the lessee shall appoint a man to be in charge of the electrical equipment who is fitted for his position by ability, training, and experience and is familiar with the hazards of mine gases and coal dust and with the operation and maintenance of the equipment in his charge.

§ 211.14 *Hoistmen*—(a) *Qualifications.* Hoistmen shall be familiar with the operation of hoisting engines, able to read and write English, and not less than 18 years of age.

(b) *Physical examination.* Hoistmen who hoist or lower men must have a physical examination annually and present a certificate of health from a reputable physician.

WEIGHING OR MEASURING COAL

§ 211.15 *Requirements*—(a) *Posting records.* All coal mined shall be accurately weighed or measured, truly accounted for, and recorded by the lessee, including a record of all sales of coal and

of coal disposed of otherwise. If the miners are paid either by weight or by measurement, a record of correct daily weights or biweekly measurements shall be posted or displayed in a conspicuous place. Test weights shall be kept at the scales, so that the accuracy of the scales can be tested at any time.

(b) *Weighman to make affidavit for faithful discharge of duties.* The weighman or person appointed to weigh or measure the coal where the miners are paid upon the basis of his figures shall be required before entering upon his duties to subscribe to an affidavit, before a person duly authorized to administer oaths, that he will keep a true record of the coal so weighed or measured and credit each miner accordingly; such affidavit shall be posted at his place of duty.

(c) *Bone or other impurities may be deducted.* Nothing contained herein shall be construed to prevent the lessee from separately weighing and deducting the amount of bone coal or other impurities, loaded by a miner with the coal, from the weight of the coal accredited to the miner.

(d) *Allowance for waste material.* If rock or bone is removed from the coal after weighing, an allowance for such waste material may be authorized by the mining supervisor, provided the cleaning is done with a minimum loss of coal.

(e) *Basis of royalty computation.* If deductions are allowed for impurities in the coal under paragraph (c) or (d) of this section, under no circumstances shall the royalty be based on less than the weight credited to the miners, plus that loaded by day labor, nor shall it be based on less than the shipping weight, plus coal stored, coal used on the premises, and coal otherwise accounted for.

(f) *Penalty for light-weighting coal.* If a lessee records or reports less than the true weight of the coal mined, he shall be subject to a penalty, at the option of the Secretary, of double the amount of royalty on the shortage or the full value of the shortage. Repetition of the showing of a shortage in weight after warning shall be sufficient cause for cancellation of the lease.

GEOLOGIC AND BORE-HOLE REPORTS

§ 211.16 *Requirements for reports and completion of drilling—(a) Projected plans.* The lessee shall submit detailed reports upon completion or suspension of any prospect bore hole, prospecting

operation, or geologic investigation. The report on each bore hole shall give the location, altitude, and log, including the occurrences of water. In surface prospecting the location and occurrences of coal shall be shown on a map, and copies of geologic reports on the lands leased shall be furnished by the lessee.

(b) *Bore holes to be cemented and filled.* All bore holes made to prospect formations shall upon completion be fully and promptly filled with a mud fluid or cement or filled otherwise, as prescribed by the district mining supervisor. While holes are being drilled they shall be properly cased and cemented to prevent migration of oil, gas, or water to the coal-bearing beds, and after serving their purpose they shall be abandoned as prescribed for prospect holes.

APPROACHING OIL, GAS, OR WATER WELLS

§ 211.17 *Precautions.* When mining operations approach wells or bore holes that may liberate oil, gas, water, or other fluid substances, the lessee shall present his plans for mining the coal in proximity to such holes to the mining supervisor and obtain his approval before proceeding with the work planned. The plans shall provide that the coal be extracted as completely as practicable with safety and in such manner that the well will not be damaged, and that precautions be taken against the sudden liberation of a body of oil, gas, water, or other fluid. The mine ventilation shall be so arranged that any gaseous substance liberated shall enter the return air current and not be circulated through the active workings of the mine. In approaching such holes, the instructions in § 211.63 shall be followed.

SURFACE STRUCTURE; THEIR LOCATION, CONSTRUCTION, AND FIRE PROTECTION

§ 211.18 *Building of combustible material within 75 feet of mine opening prohibited.* A lessee employing more than 10 men underground shall not construct or maintain on the surface any structure of combustible material within 75 feet of any opening, nor permit such a structure to be connected to any noncombustible building within that distance except as follows:

(a) *Headframe construction and fire doors.* An open timber framework or headframe of timber may be constructed over a shaft, slope, drift, or tunnel. The posts and rafters of any such structure may be of wood if the covering or lining

is made of fireproof material, but under no circumstances shall wood flooring be used except in tipples, trestles, and storage bins. Fire doors shall be erected at effective points where smoke or fire from outside sources may endanger men working underground.

(b) *Flammable material at mine opening.* Flammable material shall not be stored or placed within 75 feet of any mine opening except while such material is being sent into or removed from the mine and except for a day's supply of oil for lubricating machinery in the surface structure.

(c) *Fireproofing hoist and power plant buildings.* At mines in which more than 50 men are employed underground on any shift, the building or buildings containing the hoisting engine and power plant shall not have floors, ceilings, and side walls or roofs constructed of combustible material, but wood may be used for roof trusses, purlins, and rafters, and for side-wall studs or frames if covered on both sides with noncombustible material.

DEVELOPMENT PLANS

§ 211.19 *To be approved in advance of operations.* After necessary prospecting has been done on any lease and before permanent operating shafts have been sunk or slopes, drifts, or tunnels driven, the lessee shall prepare and submit to the district mining supervisor for approval a preliminary plan, together with vertical sections to indicate, so far as known, the position, dip, and thickness of each coal bed. The plan shall be on a scale of not more than 500 feet to the inch and shall show in outline the principal prospect and proposed entries, airways, shafts, and structures, including fan or fans, and the proposed method of underground development and ventilation, with a description thereof.

§ 211.20 *To be followed.* The lessee shall develop and mine the coal in accordance with plans approved in advance, so far as natural conditions permit; and, if conditions necessitating radical changes are encountered, he shall immediately submit modified plans, accompanied by an explanation, to the district mining supervisor for approval.

MINING WHERE MORE THAN ONE BED OF COAL OCCURS

§ 211.21 *Requirements—(a) Coal pillars in lower beds are to be left until coal in upper beds is extracted.* Where

practicable, by reason of either commercial or mining conditions, the available coal in the upper beds shall be worked out before the coal in the lower beds is mined; otherwise, the workings in the upper coal bed shall be kept in advance of the workings in each lower bed. The decision as to practicability rests with the mining supervisor. Where more than one bed of coal is known to exist in the leased lands, the lessee shall not draw or remove the pillars in any lower bed before mining the available coal in each known upper bed of such thickness that it can be mined under the then existing commercial conditions, either alone or in combination with thicker beds. The mining supervisor shall decide whether or not the workings or conditions for subsequent mining in any or all of the upper beds will be seriously injured by the extraction of the pillars in the lower workings.

(b) *Pillars to be arranged vertically under or over pillars in another bed.* Where mining operations are in progress in a bed that lies either below or above another bed in which mining has been or is being carried on, the lessee shall, if the room-and-pillar system is employed, superimpose the pillars in the respective beds. Modifications of this provision may be necessary in steeply dipping beds and may be approved by the mining supervisor where conditions make them advisable.

DEVELOPING THROUGH ADJOINING MINES

§ 211.22 *Development on leased tract.* A lessee may develop a mine on his leased tract from an adjoining mine not on the public domain, or from adjacent leased lands, under the following conditions:

(a) *Mine not on public domain to conform to regulations.* The mine that is not on the public domain shall conform to all sections in the regulations in this part that relate to the safety of the mines and employees.

(b) *Connections between mines.* The only connections between the mine not on public domain and the mine on public domain shall be the main haulageways, the ventilationways, and the escapeways. Substantial concrete frames and fireproof doors that may be closed in an emergency and opened from either side shall be installed in each such connection. Unnecessary connections through the boundary pillars shall not be made until both mines are about to be exhausted and abandoned. The district

mining supervisor may waive such of the requirements in this section when, in his judgment, such waiving does not affect adversely the safety of the employees or entail loss of coal.

(c) *Inspection of adjacent mines.* Free access for inspection of said connecting mine not on the public domain shall be given at all hours to the mining supervisor or other representative of the Secretary of the Interior.

§ 211.23 *Connecting mine subject to regulations; sealing.* If a lessee operating on a lease through a mine not on public domain does not maintain the mine in accordance with the operating regulations, operations on the leased land may be ordered stopped or Departmental seals applied by the district mining supervisor or deputy mining supervisor, and the operations on leased lands shall be stopped.

PROVISIONS FOR DISPOSAL OF WASTE

§ 211.24 *Requirements*—(a) *Slack and refuse to be so disposed of as not to be a nuisance.* The lessee shall dispose of waste, slack, refuse, and water from a mine and waste and sludge of any washery in such a manner as not to cause private or public damage or inconvenience, be a nuisance, or obstruct any stream, right-of-way, or other means of transportation or travel.

(b) *Separately storing slack and waste.* All waste containing practically no coal shall be deposited separately and apart from coal for which no immediate market exists and from waste containing coal in such quantity that it may be later separated from the waste by washing or other means.

(c) *Royalty on slack coal.* Royalty on slack coal accrues when the coal is mined and is due and payable on the next payment date thereafter.

SURVEYS AND MAPS

§ 211.25 *Mine-office maps*—(a) *Surveys to be made and maps extended every 6 months; surveys to be made before abandoning any section of a mine.* Accurate surveys of new workings shall be made at least every 6 months and a map prepared thereof on a scale of 50 feet, 100 feet, or 200 feet to the inch. The mine-office maps of the workings in each coal bed shall be extended to show the advancement of all the mine workings and all other changes of a permanent

character that have taken place during the period between successive surveys. Before any mine or section of a mine is abandoned, closed, or becomes inaccessible, a survey of such mine or section shall be made and recorded on the map.

(b) *Map legend.* In addition to the information required by the lease, maps shall bear the name of the mine, the name of the lessee, and the serial number assigned by the district land office, and shall show the true north or meridian, the public survey land lines with indication of corners found, the distance and direction from the mine opening to a land corner, the boundary barrier pillars, the scale to which the map is drawn, and an explanatory legend.

(c) *Surface buildings and bore holes to be shown on mine map.* The surface map shall show in outline the location of all structures or buildings and the surface location and depth of each bore hole, appropriately numbered. The map shall also show the altitude at the surface, the altitude and section of each coal bed penetrated by boring, and any other pertinent information, including the angle and direction of prospect drilling where not vertical.

(d) *Coal sections, stoppings, ventilation, etc., to be shown on map.* The mine map shall show at each face the date of extension and at each entry face the coal sections and altitude, also the location of all pillars and the parts of pillars not extracted in pillar work; the position of all fire walls, dams, main pumps, fire pipe lines, permanent ventilating stoppings, doors, overcasts, undercasts, and regulators; the direction of the ventilating current in the various parts of the mine at the time of making latest surveys; fire areas; known bodies of standing water either in or above the workings of the mine; areas containing flammable gas; areas affected by squeezes.

(e) *Profiles of steeply dipping beds; vertical view of workings in bed dipping more than 45°.* Where the dip of the coal bed or beds exceeds 45°, profiles or vertical cross sections parallel with the approximate average direction of the dip and not more than 1,000 feet apart shall be made on the same scale as the mine maps, with appropriately marked reference points, and a vertical view of the mine workings shall be prepared on the same scale as the general mine map to show the mine workings in that bed on a vertical plane parallel with the average

strike of the bed or beds, with appropriately marked reference points.

(f) *Blueprints to be furnished annually, or semiannually on request.* Blueprints or reproductions in duplicate of the maps and drawings prescribed in the preceding paragraphs and such other maps as may be required shall be submitted to the district mining supervisor annually without his special request, or semiannually on request.

§ 211.26 *Maps made when lessee fails to furnish them—(a) Liability of lessee for expense of survey.* In the event of the failure of the lessee to furnish the maps required, the mining supervisor or district mining supervisor shall employ a competent mine surveyor to make a survey and maps of the mine, and the cost thereof shall be charged to and promptly paid by the lessee.

(b) *Incorrect maps.* If any map submitted by a lessee is believed to be incorrect, the district mining supervisor may cause a survey to be made, and if the survey shows the map submitted by the lessee to be substantially incorrect in whole or in part, the cost of making the survey and preparing the map shall be charged to and promptly paid by the lessee.

MINING BY STRIPPING

§ 211.27 *Requirements and prohibitions—(a) Drainage of stripping operations.* No strip pit will be permitted on the outcrop of any dipping coal bed until the workable coal at lower altitude in that bed and underlying beds has been extracted, unless there is free natural or artificial drainage from the pit that will prevent seepage underground down the dip.

(b) *Fire prevention.* Accumulations of slack coal or combustible waste that may, if fired, endanger the coal deposit shall not be permitted at or near coal or carbonaceous material in place.

(c) *Overhanging banks.* Overhanging banks or ledges must be shot down promptly to eliminate danger to employees from falling rock or dirt.

(d) *Coal face to be covered in strip pits.* Upon completion or indefinite suspension of mining operations in all or any part of a strip pit, the face of the coal shall be covered with noncombustible material that will effectively prevent the coal bed from becoming ignited.

(e) *Underground workings from strip pits prohibited.* The driving of underground working places from the face of a strip pit for the purpose of getting cheap coal is contrary to conservation principles and is prohibited.

MANWAYS AND EXITS

§ 211.28 *Construction requirements—*

(a) *Escapeways to surface and distance between at surface.* In every mine the lessee shall provide an escapeway or second means of egress to the surface, which, if a drift, slope, or tunnel exit, shall be separated at the surface from the first exit by not less than 50 feet of rock or coal in place; if either is a shaft or both are shafts, the exits shall be not less than 200 feet apart.

(b) *Surface exit.* During the course of development of a shaft mine not more than 10 men shall be employed underground on any shift until connections are made to the second exit.

(c) *Steps or stairways in slopes.* If the escapeway is a slope and more than 25° from the horizontal, steps or a stairway shall be provided. If the floor is slippery or wet, steps may be required where the dip is less than 25°.

§ 211.29 *Shafts when escape by other means unavailable—(a) Hoist or ladder in shafts.* In every shaft mine, unless escape is available by drift, tunnel, or slope, one shaft shall be equipped with hoist and cage suitable for hoisting or lowering men: *Provided*, That if less than 10 men are employed underground and the shafts are less than 50 feet in depth, a well-maintained ladder in each shaft will suffice as a means of entering and leaving the mine.

(b) *Stairway construction in shafts.* Where the main shaft and escape shaft are less than 300 feet in depth, one shall be equipped for the hoisting and lowering of men and the other shall be equipped with a substantial stairway of approved design. The pitch of the flights shall not exceed 45°, the flights shall have suitable landings at each turn, and the hand rails and stairs shall be maintained in good order.

(c) *Hoists in both shafts if more than 300 feet deep; ladderway construction.* The escape shaft and main shaft, if more than 300 feet in depth, shall each be provided with an adequate hoist and cage suitable for hoisting and lowering men,

an efficient signaling system, and a qualified hoistman who shall be available on appropriate signal. The hoisting equipment and cages in each of the two shafts shall have sufficient capacity, independently of each other, to hoist out of the mine all persons on any shift in 30 minutes and with due regard to safety. A stairway or emergency ladderway of approved design shall be provided in at least one of the shafts. If a ladderway is constructed, it shall be provided with landings not more than 20 feet vertically apart, and the pitch shall not exceed 80°.

§ 211.30 *Passageways at shaft landings.* At each shaft landing there shall be a passageway at least 6 feet high and 4 feet wide, free of obstruction, that will enable persons to go from one side of the shaft to the other side without passing through any compartment of the shaft: *Provided,* That a shaft compartment may be used for a passageway if properly floored and roofed over by a bulkhead sufficiently strong to withstand the fall of heavy bodies.

§ 211.31 *Support of roof and sides of traveling roads.* The roof and sides of every traveling road and working place shall be maintained in a safe condition, and no one shall be permitted, unless appointed for the purpose of exploring or repairing, to travel on or work in any traveling road or working place which is not in safe condition.

§ 211.32 *Fireproof shafts.* The shafts of all mines designed for the employment of more than 50 men, if the lining or facing thereof is combustible, shall be fireproofed within 6 months after completion by lining, guniting, or coating with cement or other noncombustible material. Such fireproofing shall be maintained over all combustible material, except guides, ladderways, and stairways, as long as said shafts form the principal means of egress.

§ 211.33 *Fireproof passageways adjacent to shafts.* In every mine designed for the employment of more than 50 men underground on any shift, the roofs and walls of entries and passageways within 300 feet of the bottom of each shaft, if in coal or timbered, shall be fireproofed with a cement coating or the equivalent within 1 year after said entries and passageways have been driven, and such fireproofing shall be maintained in good condition so long as the shaft is used.

§ 211.34 *Manways not used for haulage to be provided.* The lessee shall arrange, so far as practicable, manways free from regular haulage for the passage of underground employees to and from their working places. Such manways shall be maintained in safe condition, and signs with arrows shall be provided showing direction toward the escapeways on each side of crossing or intersecting passages. The lessee shall require his employees to use the manways, so far as practicable, in going to and from their working places.

HOISTS, HOISTING EQUIPMENT, AND SHAFT LANDINGS

§ 211.35 *Hoists*—(a) *Hoisting equipment to be of ample capacity and standard design.* All hoisting equipment used in shafts and slopes shall be of ample capacity and of a standard design commercially recognized as safe and in accordance with State requirements.

(b) *Drum flanges.* The drums or cable reels of hoists shall be provided with flanges that extend at least 2 inches radially beyond the last layer of rope or cable when fully coiled on the drum or reel.

(c) *Hoist brakes.* All hoists shall have sufficient power to hoist the loaded unbalanced cage or skip and shall be equipped with brakes adequate to stop and hold the fully loaded unbalanced cage or skip at any point in the shaft or slope.

§ 211.36 *Hoisting cables*—(a) *Safety factor of hoisting cable.* A metal hoisting cable of recognized standard character shall be used for hoisting or lowering men. When newly installed in the shaft or slope, it shall have a safety factor of not less than 6 as rated by the manufacturer, based on the maximum load including the weight of the cable, or, if the hoistway is inclined, the calculated component of the weights parallel with the incline.

(b) *Broken wires on hoisting cables.* No cable shall be used for hoisting and lowering men if on inspection it is found that the number of broken wires exceeds six in any single pitch length or lay of the rope, that the crowns of the strands are worn down to less than 65 percent of their original diameter, or that a dangerous amount of corrosion or distortion exists: *Provided, however,* That when such broken wires are reduced by wear more than 30 percent in cross section,

the number of breaks in any lay of the rope shall not exceed three.

(c) *Attachment of hoisting cable to cage.* Cages, skips, or cars used in hoisting or lowering men shall be connected to the hoisting cable or ring by standard babbitted or zinc-filled sockets or by clamps. The cable shall be resocketed or reclamped at intervals not exceeding 4 months, and at least 4 feet of the cable shall be cut off from the end to be socketed or clamped, and clamping shall be so done that at least 80 percent of the breaking strength of the cable shall be retained.

(d) *Fastening of hoisting cable to drum or reel.* Hoisting cable shall be firmly clamped to the drum or reel, and at least two turns of the cable shall remain on the drum or reel at all times when the cable is extended to the lowest landing.

§ 211.37 *Hoistway clearance; overwinding and overspeeding preventers or detaching hooks.* In shafts and slopes where men are hoisted or lowered, there shall be at least 20 feet of hoistway clearance above the surface landings at which men enter or leave the cages or cars; and at mines in which more than 50 men are employed underground on any shift, overwinding and overspeeding preventers or equivalent devices, approved by the district mining supervisor, shall be connected with the hoists and so maintained as to prevent the cages from being overwound or from falling if overwound and to prevent overspeeding, considering the character of the hoisting equipment and the depth of hoisting.

§ 211.38 *Cages for hoisting men—(a) Bonnets, gates, and handholds on cages used for hoisting men.* Cages for hoisting men shall have bonnets extending over the space on which the men stand, metal sides extending not less than 5 feet above the floor of the cage or of each deck of a multiple-deck cage, and gates or doors at least 4 feet high closing the entrances to the cage on each deck. Each deck of a cage used for hoisting men shall have overhead or side bars so arranged that every man on the cage may have an easy and secure handhold. Self-dumping cages shall be so designed that the platform can not overturn in the shaft.

(b) *Safety catches on cages.* Cages used for hoisting or lowering men shall be provided with safety catches capable

of bringing the fully loaded cage to a stop within a distance of 10 feet in any part of the shaft or headframe should the cable or cable connection break.

(c) *Cage rests or chairs.* Cage rests or chairs shall be provided at all shaft landings regularly used in the hoisting or lowering of men unless their omission is authorized in writing by the district mining supervisor.

§ 211.39 *Landings—(a) Landing gates.* Gates 4 feet high or covers shall be used at the top or ground landings of vertical or inclined shafts, and the gates shall be kept closed except when the cage is at the landing and attended.

(b) *Derail for shaft or slope landing.* The track at the surface landing of a shaft or slope shall have a derailing device which shall always be kept open except when a car is being taken from or placed on the cage at said landing, or when a car is entering the slope under control.

§ 211.40 *Shaft and sump guards.* Shafts when not in use for hoisting men and slopes or sumps that extend below the floor of a mine passage or excavation shall be adequately guarded to prevent men from falling therein.

§ 211.41 *Shaft sinking, safety hooks, crossheads, and safety doors.* Buckets or cans used for shaft sinking shall be provided with self-locking safety hooks and, if the shaft is more than 200 feet in depth, with crossheads and guides. When rock is being dumped or material loaded or unloaded, the mouth of the shaft shall be covered by safety doors or the equivalent, of a safe design and construction.

§ 211.42 *Lights at top and underground landings; painted landings.* Where men are employed in a mine or required to enter or depart from a mine between sunset and sunrise, sufficient light shall be maintained at the top landing of each shaft to enable them to see the landing. At each underground landing used for caging men, a light shall be maintained on each side of and within 10 feet of the shaft or slope whenever men are in the mine. Each underground landing, if not naturally lighted, shall be kept white with paint or whitewash.

§ 211.43 *Operation of hoists—(a) Brakes and indicators required.* The hoist shall be operated only when properly provided with brakes and indicators

and when every person not on duty in the hoist room is excluded from the room, except visitors permitted by the lessee.

(b) *Hoistman not to converse while engine in operation; rate of speed; dead stop at landing.* The hoistman shall not hold conversation with anyone while his engine is in motion nor hoist or lower men at a speed greater than the rate posted in the engine room as a safe speed, and he shall bring the hoist to a dead stop at a landing before turning over the control to a relief hoistman.

(c) *Operation of hoist after stoppage.* After any stoppage of hoisting for repairs or for any other purpose exceeding 2 hours in duration, a cage or other conveyance shall be run up or down the shaft at least once before hoisting or lowering men.

(d) *No hoisting while repairs being made.* No hoisting shall be done in any compartment of a shaft while repairs are being made in that compartment except such hoisting as may be necessary to make such repairs.

§ 211.44 *Examinations and reports on mechanical equipment*—(a) *Inspection of hoisting and mechanical equipment.* Competent representatives of the lessee shall make daily a general examination of all hoisting equipment and electrical and mechanical apparatus used for the hoisting or transportation of men in and about the mine, including skips, cages, guides, ropes, sheaves, hoists, motors, engines, and boilers; and once each week a more detailed examination shall be made. A memorandum of the condition found on examination shall be entered in a record book kept in the mine office, and any defective condition that may endanger the safety of the employees or others shall be remedied without delay.

(b) *Boiler inspection.* Any boiler used for generating steam shall be equipped with a safety valve, pressure gage, and water glass and shall be inspected semi-annually by a competent boiler inspector.

(c) *Defective equipment to be remedied.* If an inspection discloses a defective condition or arrangement of any apparatus, appliance, or device, which endangers the safety of employees or others, such condition or arrangement shall be remedied without delay.

SIGNALS AND TELEPHONES

§ 211.45 *Signal code.* A code of hoisting signals shall be kept posted in a manner easily read at the top of each hoist-

ing shaft or slope, at each landing, and in the hoisting-engine house. Said code shall be in accordance with the requirements of the mining laws of the State in which the mine is situated, and if not otherwise specified, the following code of signals shall be used: (a) When the engine is at rest, one signal, hoist; (b) when the engine is in motion, one signal, stop; (c) when the engine is at rest, two signals, lower; (d) when the engine is at rest, three signals, men ready to get on the cage or cars to ascend; when this is followed by return signal from the hoistman, the men get on the cage or into cars and then the proper signal shall be given. Other signals to suit the local conditions may be added by the lessee.

§ 211.46 *Two methods of signaling required*—(a) *Arrangement of signals.* In mines where 20 or more men are employed underground on any shift, there shall be at least two effective methods of signaling between the engine room and each of the shaft or slope landings, one of which shall be a telephone or speaking tube. The signals shall be so arranged that the cager or person in charge of each landing can signal directly to the hoistman and the hoistman can also signal directly to each of the landings. If the shaft is more than 50 feet deep, calling or rapping on metal shall not be accepted as a substitute method of signaling.

(b) *Signal circuits not more than 30 volts.* Electric signal circuits shall not use current of more than 30 volts.

§ 211.47 *Telephone system*—(a) *Telephones from surface to and into mines.* The lessee shall provide and maintain at each mine where more than 50 men are employed underground on any shift, or where 20 or more men are employed more than 1,500 feet from the surface, a telephone system connecting with the hoisting engine room, the ground landing of the shaft or slope or the principal mine exit of a drift mine, and such other points on the surface as may be advisable for the safety of the employees, and telephones shall be placed on each shaft or slope landing in use and at the inside siding of each of the main haulage roads. The underground telephones shall be so placed that no 20 men shall be more than 1,000 feet from the nearest telephone station. A code of calls shall be kept at each telephone.

(b) *Telephone wires on side of entry opposite power lines.* The telephones

inside a mine shall be of standard underground type. The telephone wires shall be carefully installed, and should any power lines be on the entry, the telephone wires shall be installed along the side of the entry opposite the power lines. Only permissible telephones shall be used in gassy mines for the installation of new telephones and the replacement of existing telephones.

CROSS REFERENCE: For United States Bureau of Mines regulations governing telephones for coal mines, see Part 23 of this title.

PILLARS AND CROSSCUTS

§ 211.48 *Method of construction*—(a) *Pillar thickness between intake and return airways.* The lessee shall separate intake and return airways and any adjacent parallel entries or rooms by not less than 50 feet of coal in place, except when a thinner pillar is permitted by written consent of the district mining supervisor, who may also in his discretion require a greater thickness than 50 feet.

(b) *Crosscut or break-through intervals.* The distance apart of crosscuts or break-throughs between parallel entries or rooms shall be not greater than the maximum allowed by the regulations of the State in which the leased land is situated and shall be not more than 100 feet except in entries or tunnels where special arrangements are made to carry an adequate ventilating current to the face of each entry or tunnel, the adequacy of such arrangements to be approved by the district mining supervisor. Rooms shall not be turned ahead of the last crosscut nearest the face, nor shall branch entries be started ahead of the last crosscut, except when approved by the district mining supervisor to obtain a circuit of air, a second means of egress, or a space for the laying of switches.

(c) *Face not to be advanced more than 30 feet beyond crosscut.* A face shall not be driven more than 30 feet beyond the inby rib of the crosscut until said crosscut is connected to an adjoining airway, and if, in the opinion of the district mining supervisor, adequate ventilation does not reach the face, such changes as he may direct shall be made in the ventilation.

(d) *Room neck maximum width and length.* Room necks shall not be wider than 9 feet for the first 18 feet, unless the lessee is given permission in writing

by the district mining supervisor to make the room necks wider and shorter.

(e) *Chain pillars and stumps.* The coal in chain pillars and room stumps and panel boundary pillars provided under paragraphs (b), (c), and (d) of this section shall be left standing until in the proper course of mining operations the time shall arrive for their removal, after or during the extraction of the room pillars in the adjacent workings.

(f) *Crosscuts to be made at face of rooms and entries before abandonment.* Before abandoning any room, entry, slope, or drift, a crosscut shall be driven and connection made with the adjoining room, entry, slope, or drift at the face thereof, in order to give a boundary airway around workings.

§ 211.49 *Advance workings*—(a) *Limits for removing coal.* Where the room and pillar or other system of mining requires advance workings in the solid coal, including entries, rooms, and crosscuts or break-throughs, the lessee, except with the written consent of the mining supervisor, shall not extract by such advance workings or first mining more than 60 percent of the total area of the coal bed within any particular tract or panel entered by said advance workings where the cover is less than 500 feet; nor more than 50 percent where the cover is more than 500 feet and less than 1,000 feet; nor more than 40 percent where the cover is more than 1,000 feet and less than 1,500 feet; nor more than 30 percent where the cover is more than 1,500 feet and less than 2,000 feet; nor more than 20 percent where the cover is more than 2,000 feet. A greater percentage may be required to be left where unfavorable roof or floor conditions exist or where the coal bed is or may be affected by mining elsewhere.

(b) *Size of pillars.* The size of pillars shall be in proportion to the thickness of the coal bed, and all pillars shall be systematically mined and removed as rapidly as proper mining will permit.

(c) *Basis for computing percentage of tract mined.* The percentages of the total area mined and unmined in a tract on advance mining shall be figured on the basis of the area and not on the basis of the calculated tonnage mined. The total area of the tract under consideration is to be comprised within lines bounding the faces of advance workings within the tract, excluding the area from which pillars have been systematically removed.

§ 211.50 *Pillars left for support*—(a) *Shaft entry and slope pillars.* A pillar proportionate in size to the depth below the surface and the thickness of coal being excavated shall be left in each coal bed for the support of each shaft, main slope, or egress.

(b) *Shaft pillar size.* Shaft pillars shall be not less in radius than one-half the thickness of cover over the pillar. A pillar, not less in width at any point than one-fourth the thickness of cover above it, shall be left on each side of the center line of each main slope or entry. Pillars around shafts shall be not less than 100 feet in radius, and those on each side of slopes shall not be less than 100 feet in width except by written consent of the district mining supervisor.

(c) *Openings in shaft and slope pillars.* Shaft and slope landings, sidings, and entries for haulage, ventilation, manways, and shops may be excavated in a pillar provided the area of such places does not exceed 15 percent of the area of the pillar and that no rooms or other openings are made therein for the sole purpose of obtaining quick production.

§ 211.51 *Barrier pillars*—(a) *Mining restrictions.* The lessee shall not, without the prior consent of the district mining supervisor, mine any coal, drive any underground workings, or drill any lateral bore holes within 50 feet of any of the outside boundary lines of the leased lands, nor within any greater distance of said boundary lines that the district mining supervisor may prescribe. Payment not exceeding \$1 a ton or the full value of the coal mined may be required for coal mined within such distances of the boundary without the written consent of the district mining supervisor.

(b) *Lessee may be required to mine barrier pillars on adjacent lands.* If the coal on public domain beyond any barrier pillar has been worked out and the water level beyond the pillar is below the lessee's adjacent operations the lessee shall, on the written demand of the mining supervisor, mine out and remove all available coal in such barrier, both in the lands covered by the lease and in the adjoining premises, if it can be mined without hardship to the lessee.

(c) *If coal-mining rights in adjoining premises privately owned.* If the coal-mining rights in adjoining premises are privately owned, an agreement may be made with the owner for the extraction of the coal in the boundary pillars.

(d) *Mining isolated blocks of coal not on leased lands.* Narrow strips of coal between leased lands and the outcrop on public lands and small blocks of coal adjacent to leased lands that would otherwise be isolated or lost may be mined under the provisions specified in paragraphs (b) and (c) of this section.

VENTILATING FANS AND AIR DISTRIBUTION

§ 211.52 *Installation specifications*—

(a) *Fans.* Fans shall be installed if any part of the mine is 500 feet from an opening. All parts of the fan housing, including the power unit and the fan drift to the mine opening, shall be constructed of noncombustible material.

(b) *Explosion-relief doors.* The main fan of a mine shall be situated on the surface at an offset distance of not less than 25 feet from the projection of the nearest side of the opening of the mine to the fan wheel, and shall be protected with explosion-relief doors having the full area of the air shaft or airway and in direct line therewith.

(c) *Fans to be reversible quickly.* Fans must be so arranged that the ventilating current can be reversed quickly, and they shall not be stopped or changed in speed, or the air current reversed, except by order of the official in charge of the underground operations.

(d) *Auxiliary power for fans.* The main fan or fans used to ventilate a gassy mine, if electrically driven, shall be equipped with permissible motors and provided with auxiliary power and suitable belt or driving connection that can be quickly connected and operated should the electric power fail.

(e) *Fan pressure recording instrument.* Each fan used to ventilate a mine in which 25 or more men are employed underground on any shift shall be equipped with a recording instrument by which the ventilation pressure is continuously registered. The registration chart for each day, with the date thereon, shall be kept in the office of the mine for at least 1 year. Each fan shall also be equipped with an automatic signal to give warning of slowing down and stopping. The requirements in this section may be waived only by written consent of the district mining supervisor.

(f) *Temporary fan.* While a mine is being opened and less than 15 men are employed underground on any shift, a temporary fan may be set up, on the

written approval of the district or deputy mining supervisor, before the permanent fan is installed.

(g) *Fan at adjoining mine.* A mine on leased land may be ventilated by means of a fan not on the leased land if the fan is installed in compliance with paragraph (b) of this section or if it has been previously installed in conformity with State laws.

(h) *Stoppage of fan in gassy mine.* If a fan used in ventilating a gassy mine has accidentally stopped or has been shut down or the ventilation otherwise interrupted, all the men in the area affected shall be warned immediately and withdrawn until the fire boss has made an examination and declared all places in that area to be free from standing gas. If such a fan has stopped for a period of more than 15 minutes in a gassy mine or more than 4 hours in a nongassy mine, no men other than mine examiners shall be permitted to enter the mine until the fan has been in operation for at least 2 hours and the fire bosses or mine examiners have thereafter inspected the mine and reported to the mine foreman that they have examined all the places and found them safe for any or all of the men to enter.

§ 211.53 *Written permission for use of booster and auxiliary fans.* Booster and auxiliary fans may be used only with the written permission of the district mining supervisor, who may permit their use only under the following conditions:

(a) *Booster fans; when used.* Use of a "booster" fan may be permitted if the coal ribs are adequately protected against fire and no flammable material is within 10 feet of the fan and motor, and if the fan is equipped with an automatic starter and timing device that will prevent it from starting after being stopped for a period considered sufficient to permit an accumulation of gas, and with a recording device that shows the continuity of operation.

(b) *Auxiliary fans; when used.* Use of an auxiliary fan may be permitted if it is situated in an intake air current and at least 16 feet outby the last open crosscut or entrance to the place ventilated and if the motor and switch are permissible: *Provided*, That in gassy mines an experienced gas inspector or fire boss shall be in attendance in the vicinity of the fan at all times while the fan is running and shall make hourly in-

spections to determine if methane in dangerous quantities, as defined in § 211.57, is passing the fan, and if the fan is oiled and running properly; *And further provided*, That at all times the ventilating current shall be so directed and of sufficient velocity to keep the working places clear of gas. Auxiliary fans shall not be used for the purpose of moving bodies of gas.

§ 211.54 *Recirculation of air.* A booster fan shall not be operated where more than 10 percent of the air is recirculated by the fan; and an auxiliary fan shall not be operated if it uses more than 40 percent of the passing air current.

§ 211.55 *Ventilating current required per man; number of men on one split of air current.* The lessee shall provide a ventilating current of not less than 100 cubic feet of air a minute for each person employed underground on any shift and 500 cubic feet a minute for each mule or horse or such larger amounts as may be required by the regulations of the State in which the leased land is located; and said ventilating current shall be measured for the number of men and mules served by each split of air at the entry, crosscut, or breakthrough nearest the face. Not more than 75 men shall be employed on any split of air current unless written permission to employ a larger number temporarily is given by the district mining supervisor.

§ 211.56 *Air measurement records.* The quantity of air in the main current and in the last open crosscut on every split shall be measured with an anemometer or approved equivalent at least once every week by the mine foreman or fire bosses, and the measurements shall be entered with ink or indelible pencil in a record book kept at the mine.

§ 211.57 *Quality of air.* A working place, entry, or passageway shall not be deemed normally in a fit condition for the presence of men if the air therein, as determined by approved methane detectors, chemical analysis, or a safety lamp, contains on a moisture-free basis any carbon monoxide or more than 2 percent of methane at the working place or 0.75 percent in the general body of the air or less than 19.5 percent of oxygen. Upon finding the air in unfit condition in any working place, entry, or passageway, or receiving notification of such finding, the lessee shall immediately withdraw the workmen from the area

until the quality of the air therein has been improved sufficiently to meet the requirements in this section.

§ 211.58 *Gassy mines*—(a) *When a mine declared to be gassy may be declared to be nongassy.* If, in a mine declared to be gassy, a gas cap has not been detected during a period of 6 months and 2 percent of methane has not been found with a methane detector, and flammable gas in excess of 0.10 percent has not been detected in any return airway, the district mining supervisor, at the written request of the lessee, may make a series of tests and, if he finds the mine to be not "gassy" as defined in § 211.3 and no more hazardous than the nongassy mines in the region, he may rate the mine as nongassy and so notify the lessee.

(b) *Open lights not permitted in gassy mines.* From the time any mine is first declared to be gassy until declared by the district mining supervisor to be nongassy according to the regulations in this part, unless it is rated nongassy by the State mine-inspection department, the lessee shall not permit any portable lights to be used in the mine except "permissible" safety lamps, either flame or electric, approved by the United States Bureau of Mines.

CROSS REFERENCE: For United States Bureau of Mines regulations of "permissible" safety lamps, see Parts 19-21 of this title.

§ 211.59 *Measures of caution required*—(a) *Electric current to be cut off if more than 2 percent gas present.* If at any time in any place in a mine a gas cap is detected on a flame safety lamp, or 2 percent or more of gas is detected by other means, the electric current shall be cut off from that place and shall not be switched on again until the place has been examined and found safe or has been cleared of gas. Telephones, signal wires, and open motors are potential sources of igniting flammable gases.

(b) *Moving bodies of gas.* The moving of bodies of flammable or noxious gases during the working period is prohibited, and on the return of a body of gas all men shall be withdrawn until the place has been cleared by approved methods of ventilation.

§ 211.60 *Entrance to gassy mine to be guarded.* If a mine has been determined to be gassy, the lessee shall not permit men to enter carrying open lamps, open lights, matches, smoking material, to-

bacco, cigarettes, or cigars, and permissible safety lamps shall be furnished by the lessee.

§ 211.61 *Ventilation more than 4,000 feet from openings.* If the extraction of any part of the coal on a lease requires main slopes, levels, or entryways for ventilation and escapeways more than 4,000 feet in length beyond the nearest air shaft or place of egress, the entries and airways extending to such section or area shall be not less than four in number: *Provided*, That where only two passageways are driven out by the 4,000-foot section or area, a pillar shall be left of sufficient width to permit the driving of the two additional passageways. Separated pairs of parallel entries entering such area, properly maintained, will fulfill the foregoing requirements; and if coal on leased land is to be mined from a mine already existing either on public domain or on private land and in the opinion of the district mining supervisor the ventilation passageways and escapeways are adequate, said requirements may be waived.

§ 211.62 *Air current control*—(a) *Stoppings.* Crosscuts or break-throughs between main haulage entries, which are no longer needed for ventilation, shall be closed with stoppings made of incombustible material and sealed as airtight as possible.

(b) *Overcasts and undercasts.* Overcasts and undercasts shall be of fireproof construction, preferably of the same cross-sectional area as that of the entry, with a maximum area requirement of 100 square feet.

(c) *Ventilation doors.* No doors shall be permitted on main haulage roads where it is practicable to eliminate them. Where doors are necessary on main haulage roads, they shall be self-closing and placed in pairs with an air lock of sufficient length between them so that two doors are never open at the same time. All permanent doors set between the main intake and return airways shall be self-closing and substantially built.

(d) *Line brattices.* Line brattices shall be used to conduct the ventilating current from the last crosscut in sufficient quantity to sweep the face and remove the gas from working faces. Brattice cloth may be employed for temporary closing of openings until a more satisfactory stopping can be placed.

APPROACHING ABANDONED WORKINGS AND SEALING ABANDONED AREAS

§ 211.63 *Drill holes in advance where approaching abandoned workings.* In any working place within 100 feet of supposedly dangerous proximity to an abandoned mine or an abandoned section of a mine not known to be free of dangerous quantities of flammable or noxious gases or water, at least two drill holes shall be maintained not less than 20 feet in advance of the face. Such working place shall not be more than 10 feet wide. On each side thereof drill holes not more than 8 feet apart shall be drilled to a depth of 20 feet at an angle of 45° with the line of the place. In addition to said drill holes, brattice shall be carried within 12 feet of the face at all times. Gas from an abandoned mine or any abandoned part of a mine may be tapped only when all employees not engaged at such work are out of the mine, and such tapping shall be done under the immediate instructions and directions of the mine foreman by workmen equipped with permissible safety lamps.

§ 211.64 *Sealing abandoned areas by fireproof stoppings.* All worked out areas or areas abandoned permanently or temporarily that can not be so ventilated as to prevent the accumulation of explosive and noxious gases or that can not be inspected daily by duly authorized mine officials, and all unused openings into adjacent mines shall be sealed off by fireproof stoppings constructed of strong concrete or masonry of solid, substantial character built to withstand a pressure of 50 pounds to the square inch on each side. If well constructed with good clean sand and gravel and hitched into the floor and side walls, the thickness should be not less than 1 inch for each foot of maximum span; a minimum thickness of 12 inches is required. When workings are sealed, a pipe with locked valve shall be so placed as to extend through the stopping, for the purpose of testing the gases behind the stopping, such tests to be made only by the foremen or mine examiners.

ELECTRICAL EQUIPMENT, ITS INSTALLATION AND MAINTENANCE

CROSS REFERENCE: For United States Bureau of Mines regulations governing electrical equipment, see Part 18 of this title.

§ 211.65 *Voltage—(a) Low voltage.* Where the difference of potential be-

tween any two points of an electrical circuit does not exceed 300 volts, the current shall be deemed low voltage.

(b) *Medium voltage.* Where the said difference of potential exceeds 300 volts and does not exceed 500 volts, the current shall be deemed medium voltage.

(c) *High voltage.* Where said difference of potential exceeds 500 volts, the current shall be deemed high voltage.

§ 211.66 *High voltage; use underground—(a) Limitation.* High-voltage current may be used underground only for the transmission to and the operation of transformers, stationary motors, or other apparatus in which the whole of the high-voltage winding is stationary.

(b) *Installations.* All high-voltage power lines installed underground shall be in the form of approved insulated, lead-covered cables, armored or otherwise effectively protected against abrasion, the armor to be electrically continuous throughout and effectively grounded. Such armored cable may be placed underground or supported on the rib along the roof. High-voltage power lines shall not be installed in the main haulage road.

§ 211.67 *Voltage of trolley lines, undercutting machinery, and pumps limited to low voltage.* Only low-voltage current shall be used on locomotives, portable pumps, coal-cutting machinery, and other portable electrical machinery in or about working places that are near the face of the mine and on roadways traveled by men.

§ 211.68 *Electric wires and cable installations—(a) Guards for overhead medium-voltage lines.* All underground electrical power cables and wires shall be supported by efficient insulators unless provided with grounded metallic covering or as specified in § 211.66 (b). Overhead cables or wires on the traveling side of entries or that men pass under, if less than 6½ feet above the rail or 7 feet above the floor where there are no tracks, shall have troughs or sideboard guards, or shall be placed in channels in the roof. Guards, if used, shall extend 2 inches below the sag between the supports and be so arranged that a man's head or cap will not come into contact with the cable or wire. Power wires along the rib in traveling ways shall be fenced or otherwise protected.

(b) *Trolley-wire placement.* All trolley wires shall be placed at least 6 inches outside of the rail of the track and, wherever possible, on the opposite side of the passageway from that used by men for traveling on foot and on the side opposite the room necks; and the trolley wire shall be protected by troughs or sideboard guards as specified above, if less than 6½ feet above the rail and on the same side of the entry or passageway used for travel or where men pass under it. Motor roads on which men do not walk but travel in cars are not considered traveling ways within the meaning of this section.

(c) *Repairing broken insulation.* When insulation is removed from wires to make connections, the wires must be reinsulated as soon as the connection is completed.

§ 211.69 *Rail bonds.* Tracks used as electrical conductors shall be effectively bonded at all rail joints, cross-bonded at intervals of not less than 300 feet, and effectively cross-bonded at all switches.

§ 211.70 *Electric safety precautions—*
(a) *Underground electric stations.* All underground electric stations shall be fireproofed, and at least one fire extinguisher of a kind approved by the district mining supervisor shall be kept at each station for use in the event of a fire in the electric apparatus. The transformer stations shall be so constructed that oil can not escape therefrom and so equipped that the openings will automatically close in the event of fire.

(b) *Insulated platforms and grounding.* Insulated platforms or mats shall be placed in front of switches, motor starters, and all metallic frames, casings, and coverings of stationary equipment. The metallic frames or casings or coverings of all stationary electrical equipment and power lines shall be effectively grounded.

(c) *Warning signs and insulation colors.* Where high voltage is used, fixed warning signs shall be conspicuously posted, and the color of the insulation used on high-voltage wires in electrical stations at transformers and switches shall be different from that used on the medium- or low-voltage wires. Yellow is suggested.

§ 211.71 *Gassy mines—*(a) *Permissible machines required.* No electric drills and pumps; or electric undercutting, shearing, and loading machines; or other electric machines; or electric switches and connections shall be used in a gassy mine or a gassy section of a mine unless approved by the United States Bureau of Mines as permissible.

(b) *Tests required where electric machines are used.* Where permissible electric cutting machines and drills are used in a gassy mine, the lessee shall require a fire boss or mine examiner to make tests for flammable gas within half an hour preceding their use and every half hour during their use.

CROSS REFERENCE: For definition of "permissible equipment", see § 18.1 of this title.

§ 211.72 *Electric-lighting circuits on intake only.* In gassy mines electric-lighting circuits may be used only at the foot of the intake shafts and in the intaking main roads in which the air current contains not more than one-quarter of 1 percent of flammable gas.

§ 211.73 *Safety switches—*(a) *Interlocking safety switches.* In every mine in which electric cutting machines or other portable electric machines are used, the portable cables shall be connected to the power line by plug and plug receptacles or interlocking safety switches accessible to the working places where the machines are used, and within 500 feet of the point of each installation of a pump or auxiliary fan.

(b) *Cut-out switches at intervals in all circuits.* Cut-out switches in the trolley lines and lighting circuits shall be placed at the mouth of each branch entry and elsewhere at distances not exceeding 2,000 feet.

(c) *Electric current to be cut off from unused parts of mines.* Electric current shall be cut off by means of cutout switches from sections of the mine where men are not working and wires permanently disused shall be disconnected from the source of current.

INTERNAL-COMBUSTION ENGINES

§ 211.74 *Engines, pumps, and other machines.* Nonpermissible internal-combustion locomotives, engines, pumps, hoists, and other such machines shall not be used in a mine on leased lands without the written consent of and under conditions imposed in writing by the district

mining supervisor. No gasoline or internal combustion engine shall be used in a mine not continuously ventilated by a fan; nor shall such equipment, unless approved as permissible, be used where the ventilating current passes over the engine into any working place. Gasoline or other highly flammable fuel used in such equipment when taken into a mine must be in tight containers to replace the empty containers of the respective engine, and in no event shall such flammable liquid be poured from one container into another in a mine.

HAULAGEWAYS

§ 211.75 *Lights on locomotives and cars.* Every mine locomotive shall be provided with an efficient headlight and a gong or bell, and the front end of every trip of cars in transit shall be provided with a light of no less intensity than that of lights used by miners. A red light shall be displayed on the rear end of every trip in transit except on the rope end of a trip while being lowered on a slope.

§ 211.76 *Locomotives in gassy mines.* In any mine which is termed gassy or in which more than one-fourth of 1 percent of flammable gas is found in the moving air current, nonpermissible locomotives may be used only in entries or passageways ventilated by intake air, and for hauling coal from the face to the back or parallel entry.

§ 211.77 *Shelter holes—(a) Along haulage roads.* In any mine in which more than 10 men are employed underground on any shift, all haulageways used for the travel of men, unless a clearance of 4 feet or more exists on one side and is kept free from debris, shall be provided with shelter holes on the side of the roadway opposite the trolley and power lines, at intervals of not more than 100 feet. The shelter holes shall be at least 4 feet wide, 4 feet deep, and 6 feet high unless the entry, tunnel, or slope is of less height, and then they shall be on the same level and as high as the roadway, and they shall be kept white-washed and free from debris. Crosscuts and room necks may be used as shelter holes if on the side used for traveling.

(b) *On main haulage way.* On haulage roads other than slopes not used as traveling ways, shelter holes will not be required if the clearance between the mine car and the rib of the entry is at least 3 feet.

§ 211.78 *Safety requirements for transporting men—(a) Safety catches or a safety man car on slopes.* Where men are hauled on slopes and inclines, safety catches or a special man car providing equivalent safety shall be installed if practicable; otherwise a safety hitching rope or chain of ample strength shall be employed, extending from the rear car to the main hoisting rope. All safety attachments shall be inspected before the trip is permitted to be operated.

(b) *Derails and stopping blocks.* Derails or stopping blocks shall be placed in dip entries and rooms as a protection against runaway cars injuring men working at the face, and all cars must be safely blocked while being loaded or standing on a grade.

(c) *Frogs; switch points; guard rails.* Frogs, switch points, and guard rails shall be properly blocked and switch levers so installed as to prevent men from tripping over them.

STORAGE, TRANSPORTATION, DISTRIBUTION, AND USE OF EXPLOSIVES

CROSS REFERENCE: For regulations of the United States Bureau of Mines relating to explosives used in metal mines, coal mines, and blasting devices, see Part 15 of this title.

§ 211.79 *Storage of explosives—(a) Explosives magazines.* All storage magazines for explosives shall be constructed and maintained in accordance with the published specifications of the United States Bureau of Mines in effect at the time of issuance of the lease and shall be in charge of a competent person or persons designated by the lessee or his agent and kept securely locked except when an authorized person is on duty there.

(b) *Magazine location.* Magazines shall be situated at a distance from active or used mine openings, buildings, dwellings, and places where persons congregate, proportionate to the maximum quantity of explosives to be stored therein, as specified in the American table of distances, unless natural barriers justify modification of such distances and approval of such modification is given by the district mining supervisor.

(c) *Explosives magazines not to be connected with mine workings.* A suitable underground chamber with wood lining and flooring, so constructed and maintained that no nails are exposed, may, with the written approval of the mining supervisor, be used in place of a surface magazine if such underground

chamber is adequately ventilated and has sufficient cover, surrounding pillars, and strong bulkheads to prevent a dislodgement should an explosion occur that would endanger life, the mine, or any building or dwelling. The surface entrance to such a magazine and the ventilating ducts shall be guarded by a fence, gates, and appropriate warning signs. Under no circumstances shall the magazine have any connection with any part of the mine in which men work. Where the entrance to the magazine is a drift or slope that points toward any active or used mine opening or toward any building or highway within the distance specified in the table of distances for the quantity of explosives stored, an adequate earth barricade shall be erected opposite and as high as the entrance.

(d) *Storage of explosives and detonators.* All explosives except those for immediate use shall be kept in a magazine. Detonators and blasting caps shall not be stored with other explosives but kept in separate magazines.

(e) *Thawing of explosives.* Thawing of explosives, when necessary, shall be done in a magazine at least 300 feet from the storage magazine, mine openings, or structures. No explosive of any kind shall be thawed, kept, or stored in dwellings or buildings other than magazines.

§ 211.80 *Temporary storage of explosives underground.* If temporary storage of explosives in a mine is necessary, they shall be stored in a suitable magazine made in the solid coal or rock, at least 100 feet from any shaft or main slope. The magazine shall be provided with a strong door kept securely locked except when entered by authorized persons. Not more than 50 pounds of explosives shall be placed in any such magazine, and before each supply of explosives is placed in the magazine, the magazine shall be cleaned. No more than a 24 hour supply of explosives, including any surplus remaining from the previous day, shall be stored underground.

§ 211.81 *Explosives in possession of miners.* In mines where the miners charge their own blasting holes, not more than one day's supply of explosives may be in possession of any miner, or of two or more miners working in the same place.

§ 211.82 *Powder boxes—* a) Explosives to be kept in rigid wooden box

The lessee shall require the miner, or miners working in the same working place, to keep explosives in portable, tight wooden boxes, each box having a lid that laps over the sides and is strongly hinged or has battens that engage under a strip securely fastened at the back edge of the box. Battens shall be placed over all cracks in the boxes to protect the explosives from sparks, flame, and water. Fuse and cartridge paper may be stored with the explosives, but not detonators or blasting caps, tools, pieces of metal, matches, or oily material.

(b) *Powder-box location.* The powder box shall be placed in a crosscut or recess at a sufficient distance from the working face to prevent its being struck by flying pieces of coal or rock or being ignited by blown-out shots or electric cables.

§ 211.83 *Caps and detonators—*(a) *Containers.* A proper hard-leather or fiber container shall be furnished to shot firers and cap distributors, or to miners who carry blasting caps or detonators. The caps and detonators shall be taken into the mine in a separate container not used for other explosives.

(b) *Storage.* Where miners are permitted to charge their drill holes, the caps or detonators shall be kept in moisture-proof receptacles and placed in a hole in the rib or in a box at least 10 feet from any point at which other explosives are kept and where no danger exists of their being struck by flying missiles from blasting or from a fall of roof.

§ 211.84 *Issuance and distribution of explosives.* Explosives shall be issued to miners only by authorized persons, and, if they are distributed underground, distribution shall be made as soon as they are taken into the mine. No smoking shall be permitted in the vicinity of explosives either in storage or in transportation.

§ 211.85 *Transportation of explosives in bulk.* Where electricity is used as a source of power and the power circuit is not completely cut off, explosives shall be transported into a mine only in a closed powder car or box constructed of electrically nonconducting material, with no bolts or nails exposed on the inside; and no person other than explosives distributors and men necessary to operate the trip shall ride on a trip carrying explosives in bulk.

§ 211.86 *Permissible explosives; requirements*—(a) *Required in gassy mines.* Only permissible explosives shall be used in a mine that is termed gassy under the regulations in this part and due regard shall be given to the requirements for permissibility.

(b) *Shots to be fired only after examination for gas.* In gassy mines a shot shall be fired only after tests with a permissible safety lamp or an equivalent permissible detector have determined the absence of a gas cap or the presence of less than 1 percent of flammable gas at or near the working place and an inspection has shown that no dry flammable coal dust has accumulated at or near the place of blasting.

CROSS REFERENCE: For United States Bureau of Mines regulation defining a permissible explosive, see § 15.2 (g) of this title.

§ 211.87 *Nonpermissible explosives may be used in nongassy mine under certain conditions.* Black powder or other nonpermissible explosives may be used for blasting in a nongassy mine, providing all shots are fired by a shot firer after all men except the shot firers are out of the mine or when this requirement is modified in writing by the district mining supervisor.

§ 211.88 *Depth of drill holes.* The depth of holes drilled for blasting coal shall not exceed the thickness of the coal bed, or, if the coal is undercut or sheared, the depth of the hole shall be at least 6 inches less than the depth of the undercutting or shear.

§ 211.89 *Drill holes to be stemmed with noncombustible material.* All shots that are charged with an explosive shall be stemmed with noncombustible material and tamped with a copper tip or wooden bar, and such tamped material to extend to the outer end of the hole.

§ 211.90 *Preparation of explosives*—(a) *Making up charge.* If black powder or other bulk explosives are used, the necessary charge or charges shall be made up at or near the box where the explosives are kept.

(b) *Open light near explosives.* No open light shall be permitted within 5 feet of any powder box while explosives are being obtained therefrom or during the process of filling or preparing the charge or cartridges.

PREVENTION OF COAL-DUST EXPLOSIONS

§ 211.91 *Rock-dusting or wetting coal dust.* To lessen the danger of coal-dust explosions in a mine that has been determined by the district mining supervisor to produce dust of an explosive character, unless the floor, roof, and sides of the roads are naturally wet, the mine shall be rock-dusted or the dust kept wet, as follows:

(a) *Shaft within 100 feet of coal screens to be enclosed.* If the screening and loading of coal on the surface produces much dust and there is a down-cast shaft within 100 feet of the screens and loading chutes, the top of the down-cast shaft shall be surrounded by iron sheeting or other noncombustible material for a height up to the level of the upper landing.

(b) *Mine car construction.* Mine cars shall be constructed and maintained as compactly as possible and loaded in a way to prevent coal or coal dust from escaping from them while in transit. Tight-end cars and rotary dumps shall be used where practicable; otherwise, tight-fitting doors or gates shall be employed.

(c) *Water on cutter bar.* Water shall be used on the cutter bar of mining machines and the cuttings wet down before shooting and the coal before loading when required by the district mining supervisor.

(d) *Rock-dusting and sprinkling; rock-dust application.* Systematic and regular application of water, rock, or shale dust shall be made in all parts of the mine to render and maintain the coal dust in a nonflammable condition. If water is used, the dust must be made wet or washed from the timbers and ribs, and the floor dust made sufficiently wet to be molded in the hand. If the rock-dusting method is used, wet or dry, the dust and loose coal shall be systematically cleaned from the ribs, timber, and floor, and sufficient rock, shale, or other dust shall be distributed systematically along the entries, slopes, tunnels, and escapeways so that the mixture will not be explosive when brought up in suspension in the air; to this end the ash content of the mixture shall be determined by the lessee from time to time by sampling and analysis; the ash content plus the moisture shall not be less than 75 percent, and the rock dusting must be renewed in any portion of the mine where a deficiency is indicated.

(e) *Rock dust to pass 200-mesh screen.* All rock or shale dust for general application and for rock-dust barriers shall pass through a 20-mesh screen, and not less than 50 percent of it through a 200-mesh screen. It shall contain a minimum of free silica and combustible matter.

(f) *Coal dust to be loaded out.* Before the track is removed from the air courses, abandoned rooms, and other places, all slack and coal dust must be cleaned up and loaded out. This does not apply to rock and bone gobbed in rooms and other places that have been adequately rock-dusted.

FIRE PROTECTION

§ 211.92 *Requirements — (a) Unattended open lights and fires for heating prohibited.* The lessee shall not light, keep, maintain, or permit any open fire or unattended open light or stove fire in any strip pit or along the outcrop of any coal bed or in any mine or near mine openings.

(b) *Fires.* Failure to take prompt and vigorous steps for the removal of a fire hazard or the extinguishment of any fire in the coal bed or outcrop shall be sufficient ground for the entry of the lessor to remedy said condition at the lessee's expense.

§ 211.93 *Hay, straw, etc.—(a) Taken into mine.* Hay, straw, or similar highly flammable material shall be taken into a mine only in compressed bales and in a closed car or covered with tarpaulin and shall not be handled in the presence of open lights.

(b) *Hay underground limited to 48 hours supply.* Hay sent into a mine shall be promptly delivered to the stable and stored in a locked compartment with fireproof lining and door. The amount of hay stored underground at any time shall not exceed the amount normally consumed in 48 hours, except that a sufficient supply may be stored to last over public holidays that occur successively.

(c) *Stable ventilation.* All underground stables shall be independently ventilated, and the air from such stables shall be conducted to the return airway and not carried into other parts of the mine. No open light shall be permitted in any stable in any mine.

§ 211.94 *Oil — (a) Lubricating oil stored in mine.* Oil stored underground shall be kept in a recess or chamber

which contains no exposed flammable material, such as timber or coal, and which has a cement floor; such chamber shall be provided with a self-closing iron or steel door set in an iron, concrete, or masonry wall, and shall not be situated within 100 feet of any shaft.

(b) *Fire-prevention precautions.* Buckets or drip pans shall be used for catching the drip or leakage from oil barrels or tanks. A supply of sand for use if a fire should occur shall be kept in a suitable container placed outside of but near the chamber in which the oil is stored.

§ 211.95 *Water supply for fighting fires in mines; more than five men employed underground.* Where more than five men are employed underground on any shift, a supply of water shall be available on the surface for fighting fires in and about the mine. If this supply of water is not furnished through pipes, hydrants, and hose, it shall be kept in barrels of about 50-gallon capacity, painted red, with covers, and a 2-gallon bucket or can, painted red and marked "Do not use except for fighting fire," shall be hung or placed immediately adjacent to each barrel. These barrels shall be maintained full of water. If pipe lines and hose have not been installed in a mine, barrels shall be placed near the bottom of each shaft or slope and at principal junction points not exceeding 1,000 feet apart on a main haulage road. Provision shall be made to keep the water in barrels or pipe lines from freezing. Chemical fire extinguishers having a capacity of not less than 2 gallons may be substituted for water in barrels.

§ 211.96 *Water supply for fighting fires in mines—(a) More than 50 men employed underground; water lines for hose; pressure limitation.* Where more than 50 men are employed underground on any shift and a sufficient water supply is obtainable within 1 mile of a mine shaft or slope, the district mining supervisor may require, if the conditions at the mine in his judgment make it advisable, the installation of a pumping system, tank or reservoir, pipe lines, fire hydrants and hose, and a pipe line into the mine, not less than 2 inches in diameter and extending at least 500 feet on each side of the main hoisting shaft or slope to the first working levels, with suitable attachments for hose not more than 100 feet apart and with at least

three 50-foot lengths of 1½-inch hose with standard pipe-thread connections and nozzles at appropriate points for immediate use. Such pipe lines shall be so located and installed that the water will not freeze. Pressure-reducing valves or their equivalent shall be so placed that the pressure will not exceed 50 pounds to the square inch at the hydrant or point of attachment of the hose.

(b) *When water barrels not required.* In any mine where such water lines and hose are installed and maintained, barrels filled with water as specified under § 211.95 will not be required within the areas reached by such pipe lines, provided an adequate supply of water to which the water pipes are connected exists for emergency fire fighting. Pipe lines of a water-sprinkling or drainage system connected with a sump containing more than 5,000 gallons of water will fulfill the requirements of water supply and pipe lines underground if provided with taps, valves, and hose. A flow of 250 gallons a minute should be provided.

CHECK NUMBERS FOR EMPLOYEES

§ 211.97 *Requirements*—(a) *Checking of employees.* The lessee shall install a system of checking employees in and out of a mine whereby each employee may be identified, and shall keep a record of the local residence and working place in the mine of each underground employee.

(b) *Check serial numbers for Government coal.* Where coal is being mined from Government leased land and from other land and hauled through the same mine opening or dumped on the same tippie, a separate list of serial numbers shall be assigned to men or machines loading Government coal.

SAFETY GUARDS, TIMBER, AND SUPPLIES

§ 211.98 *Safety guards.* All dangerous parts of machinery used in and about a mine, such as flywheels, gears, belts, and exposed moving parts that are likely to cause injury, shall be appropriately guarded to prevent injury to attendants or other persons. Stairs, platforms, and dangerous walks in or about a mine or stripping operation shall be provided with rails, fences, and gates, as may be appropriate, and safe traveling ways shall be maintained from the mine to the camp, town, or highway.

§ 211.99 *Surface openings to be covered, filled in, or fenced.* The lessee

shall substantially fill in, protect, or close all surface openings, subsidence holes, or workings situated where persons or animals are likely to be injured or be endangered by accumulation of gas, shall maintain all such protective means or coverings in a secure condition during the term of the lease, and before termination of a lease shall close all such openings in a permanent manner.

§ 211.100 *Timber supply.* The lessee shall at all times provide timber at or near the places where needed, and shall provide other material and supplies for the proper and safe conduct of the operation of the mine.

FIRST AID EQUIPMENT AND SAFETY TRAINING

§ 211.101 *First-aid box or supplies.* At every working mine or strip pit a standard first-aid box and its equipment, or the equivalent, shall be provided and maintained in good condition for emergency use, within 1,000 feet of any group of 5 or more employees, and where more than 25 men are employed the lessee shall provide for emergency first-aid treatment of injured persons, near the main exit of the mine or stripping operation, a first-aid room or receiving station heated during cold weather and equipped with a standard first-aid box or cabinet or the equivalent, at least two stretchers or hospital cots, four pairs of clean blankets in waterproof bags, a fresh supply of pure drinking water, a basin, and suitable toilet facilities, all kept in a sanitary condition.

§ 211.102 *First-aid and refuge chamber underground.* The lessee shall also provide for every separate mine in which more than 50 men are employed underground on any shift a refuge and first-aid chamber underground, either near the foot of one of the shafts, if any, or at whatever point injured persons would most likely be taken prior to being hoisted or transported to the surface. In a mine on a dipping bed with one or more landings, the chamber shall be on the landing that serves the largest group of men. In a drift mine it shall be at a suitable point, such as the junction of the principal branch haulageways.

§ 211.103 *First-aid training*—(a) *Required of mine officials.* At every mine or strip pit the lessee shall require his mine officials to be trained in first-aid methods and shall provide facilities and encourage the training of any or all employees in first-aid methods.

(b) *Safety committee shall be organized.* Where more than 25 men are employed in a mine or strip pit, a safety committee composed of representatives of the lessee and of the employees shall be organized for the purpose of holding periodical meetings to discuss and make recommendations relating to safety in the operation of the mine or strip pit.

MINE RESCUE APPARATUS

§ 211.104 *Requirements*—(a) *When more than 50 men are employed underground.* Where more than 50 persons are employed underground on any shift, the lessee shall keep and maintain at the mine, in order and ready for use, in an adequate room provided for the purpose, 5 sets of oxygen or self-contained breathing apparatus of a kind approved by the United States Bureau of Mines, with an ample supply of appropriate absorption material and oxygen for at least 10 hours' service of the apparatus, together with a charging pump and repair supplies.

(b) *Where more than 100 men are employed underground.* Where the number of persons employed underground on any shift exceeds 100, 5 additional sets of breathing apparatus with the corresponding additional supplies and 10 sets of universal gas masks of a kind approved by the United States Bureau of Mines for use in mines shall be kept, maintained, and periodically tested for serviceability.

Class Exemption: For United States Bureau of Mines regulations relating to self-contained oxygen breathing apparatus, see Part 11 of this title. For regulations relating to supplied-air respirators, see Part 12 of this title. For regulations relating to gas masks, see Part 13 of this title. For regulations relating to escape chest, mine, and mist respirators, see Part 14 of this title.

§ 211.105 *Alterations*—(a) *Joint respirator system.* The breathing apparatus specified in § 211.104 will not be required if the lessee cooperates with a neighboring mine or industrial works in the establishment of a joint mine system which shall be within a 1-hour's journey by rail or vehicle from the mine on the leased land. Provided that said joint system is connected with the mine by telephone line and has an equipment of 10 sets of approved breathing apparatus and adequate supplies of air in emergency, and that said joint system shall have continuous and reliable communication with the mine within a 1-hour's ride of the said

(b) *Gas masks.* The district mining supervisor may authorize the substitution of an adequate supply of universal gas masks for the approved breathing apparatus when, in his judgment, such substitution is warranted.

§ 211.106 *Mine rescue teams formed and trained.* The lessee shall arrange for the training of employees in the use of mine rescue breathing apparatus and universal gas masks to the end that there shall be at least two teams of 5 men each, who may be mine officials, for the first 50 men employed underground on any shift and an additional team of 5 men for each additional 100 men or less employed. Each team shall be selected from men who have been certified by the Bureau of Mines as competent in first-aid and rescue work, and shall be trained in wearing apparatus in a smoke or gas chamber for a total of at least 2 hours in every 2 months.

HEALTH, SANITATION, AND WELFARE

§ 211.107 *Bath and change house requirements.* The lessee shall provide a substantial change house or room convenient to the mine exit or strip pit which shall be heated in winter and provided with lavatory and sanitary bathing arrangements such as showers or tubs, an ample supply of hot and cold water of proper quality, proper drains and means for sewage disposal, and sanitary lockers or hangers: *Provided,* That at mines where an ample supply of water can not be obtained at reasonable expense, tubs for bathing will suffice if each employee is furnished at least 5 gallons of water per shift worked, until such time as sufficient water can be obtained at a reasonable expenditure.

§ 211.108 *Dwellings for employees*—(a) *To be kept in sanitary condition.* Dwellings built on the leased land shall be properly situated with reference to sanitary conditions and an adequate supply of pure water shall be provided in proximity to each dwelling.

(b) *Trails.* Facilities shall be provided for the regular collection and sanitary disposal of garbage and trash. A separate order or privy shall be installed for each dwelling and at least two shall be installed in the vicinity of the mine entrance.

(c) *Water supply communication; progressive contract.* Covered pits for privies may be constructed or used only where

and when no danger of contaminating the water supply in the vicinity exists. Where privies unconnected with a sewerage system are used, openings must be screened from flies.

§ 211.109 *Ambulance service.* The lessee shall provide ambulance service which shall be promptly available on notice in the event of serious injury to any employee.

§ 211.110 *Contagious and occupational diseases.* All contagious diseases in or about the leased land and all cases of occupational diseases known to the lessee which result from or are aggravated by the particular work shall be reported to the district mining supervisor. When any occupational, contagious, or infectious disease has been determined to be present among the employees in such a degree as is decided by the surgeons of the State or Public Health Service to be an occupational hazard, the lessee shall furnish necessary medical service and equipment for regular physical examination and treatment when needed of all employees: *Provided, however,* That the surgeons of the State or Public Health Service may require such additional examinations as they deem necessary to control or stamp out the disease or diseases.

Part 216—Operating and Safety Regulations Governing the Mining of Coal in Alaska

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216.1	Prior regulations made applicable.
216.2	Production and royalty reports; sealing of mines.
216.3	Orders to insure compliance with regulations not in conflict with laws of Territory of Alaska; appeal.
216.4	Basis of royalty computations.
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216.9	Permissible explosives; requirements.
216.10	Blasting.
216.11	Waiver of provisions.

AUTHORITY: §§ 216.1 to 216.11 issued under sec. 17, 38 Stat. 745; 48 U. S. C. 451.

SOURCE: §§ 216.1 to 216.11 appear at 9 F. R. 6853, June 21, 1944, except as otherwise noted.

§ 216.1 *Prior regulations made applicable.* With the exception of §§ 211.4 (c) and (g), 211.15 (e), 211.24 (c), 211.48 (d), 211.77, 211.79 (c), 211.82 (a), 211.83 (b), 211.86 (a), 211.87, 211.88, and 211.90 (a), which shall not be deemed applicable for the purpose of this part, Part 211 of this chapter is made applicable to and shall govern the methods of mining coal from leased, licensed, and permitted lands on the public domain in the Territory of Alaska.

[9 F. R. 9883, Aug. 15, 1944]

§ 216.2 *Production and royalty reports; sealing of mines.* The mining supervisor, district mining supervisor, and deputy mining supervisor shall examine the mines, mine maps, records, and books of lessees and determine the amount of coal mined from Government coal land; shall report to the Secretary of the Interior quarterly the production and the accrued royalties and rentals; and shall place seals at the entrance of leased lands on orders of the Secretary when a lessee is delinquent in royalty and rental payments.

§ 216.3 *Orders to insure compliance with regulations not in conflict with laws of Territory of Alaska; appeal.* The mining supervisor, the district mining supervisor, and the deputy mining supervisor may issue such orders and notices in writing as may be appropriate to insure compliance with the regulations in this part, and may order the discontinuance or modification of any operation or method that is causing or is likely to cause any endangerment of life or property or is in violation of the provisions of the lease or regulations: *Provided,* That such orders are not in conflict with the laws of the Territory of Alaska: *And further provided,* That if any such order or notice issued by the deputy or district mining supervisor does not contain a statement that immediate danger of loss of life or property is involved and if the lessee appeals therefrom within 10 days, execution of said order or notice may be delayed pending review by the mining supervisor and, on further appeal, pending review by the Secretary of the Interior.

§ 216.4 *Basis of royalty computations.* Royalty shall be paid on all coal shipped or removed from leased lands or manufactured into coke, briquets, or other products of coal, or consumed on the premises.

§ 216.5 *Room neck maximum width and length.* Room necks shall not be wider than 9 feet for the first 18 feet, unless the lessee is given permission in writing by the district mining supervisor to modify these dimensions.

§ 216.6 *Shelter holes—(a) Along haulage roads.* In any mine in which more than 10 men are employed underground on any shift, all haulageways used for the travel of men, unless a clearance of 4 feet or more exists on one side of the track and is kept free from debris, shall be provided with shelter holes on the side of the roadway opposite the trolley and power lines, at intervals of not more than 100 feet. The shelter holes shall be at least 4 feet wide, 4 feet deep, and 6 feet high unless the entry, tunnel, or slope is of less height, and then they shall be on the same level and as high as the roadway, and they shall be kept whitewashed and free from debris. Crosscuts and room necks may be used as shelter holes if on the side used for travel.

(b) *On main haulageway.* On haulage roads other than slopes, not used as travel ways, shelter holes will not be required if the clearance between the farthest projecting part of the mine car and locomotive and the rib of the entry is at least 3 feet.

§ 216.7 *Explosives magazines not to be connected with mine workings.* A suitable underground chamber with wood lining and flooring, so constructed and maintained that no nails are exposed, may, with the written approval of the mining supervisor, be used in place of a surface magazine if such underground chamber is adequately ventilated and has sufficient cover, surrounding pillars, and strong bulkheads to prevent a dislodgement should an explosion occur that would endanger life, the mine, or any building or dwelling. The surface entrance and ventilating ducts of such a magazine shall be guarded by a fence, gates, and appropriate warning signs. Under no circumstances shall the magazine have any connection with any part of the mine in which men work. Where the entrance to the magazine is a drift or slope that opens toward any active or used mine opening or toward any building or highway within the distance specified in the table of distances for the quantity of explosives stored, an adequate earth barricade shall be erected opposite and as high as the entrance.

§ 216.8 *Powder boxes.* Explosives must be kept in portable, tight wooden boxes, each box having a lid that laps over the sides and is strongly hinged or has battens that engage under a strip securely fastened at the back edge of the box. Battens shall be placed over all cracks in the boxes to protect the explosives from sparks, flame, and water. Detonators, blasting caps, tools, pieces of metal, matches, or oily material shall not be stored with explosives.

§ 216.9 *Permissible explosives; requirements.* Only permissible explosives shall be used for blasting underground and due regard shall be given to the requirements of permissibility.

§ 216.10 *Blasting—(a) Drill holes.* Where coal is undercut or sheared top holes shall be drilled parallel with the roof and rib holes parallel with the rib, and in depth at least 6 inches less than the depth of the undercut or shear; otherwise the holes shall not exceed in depth the thickness of the coal bed or part thereof being mined.

(b) *Firing charged holes.* All holes charged with explosives in a working place shall be fired simultaneously.

§ 216.11 *Waiver of provisions.* Any waiver of the provisions of the regulations in this part by the district mining supervisor shall be in writing.

Part 221—Oil and Gas Operating Regulations

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AUTHORITY: §§ 221.1 to 221.67 issued under sec. 32, 41 Stat. 450, sec. 7, 42 Stat. 1450, sec. 6, 46 Stat. 374, sec. 4, 52 Stat. 348, sec. 10, 61 Stat. 915; 30 U. S. C. 189, 236, 306, 25 U. S. C. 396d, 30 U. S. C. 359. Interpret or apply sec. 3, 26 Stat. 795, secs. 18, 14, 27, 28, 41 Stat. 426, 442, as amended, 448, as amended, 449, as amended, 43 Stat. 244, sec. 39, 47 Stat. 798, as amended, sec. 40, 48 Stat. 977, sec. 3, 49 Stat. 679, 50 Stat. 842, as amended; 25 U. S. C. 397, 356, 30 U. S. C. 223, 184, 185, 25 U. S. C. 398, 30 U. S. C. 209, 229a, 236a, 2211.

SOURCE: §§ 221.1 to 221.67 appear at 7 F. R. 4132, June 2, 1942, except as otherwise noted.

INTRODUCTION; DEFINITIONS

§ 221.1 *Introduction.* The regulations in this part will govern the development and production of deposits of oil, gas, and casing-head or natural gasoline, including propane, butane, and other hydrocarbons, and fluids, and lands containing such deposits owned or controlled by the United States, and under jurisdiction of the Secretary by law or administrative arrangement. The regulations in this part shall be administered under the Director of the Geological Survey, except that as to lands within naval petroleum reserves they shall be administered under such official as the Secretary of the Navy shall designate.

§ 221.2 *Definitions.* The following terms as used in the regulations in this part shall have the meanings here given:

(a) *Secretary.* The Secretary of the Interior, except where lands in naval petroleum reserves are involved, and in that case the Secretary of the Navy.

(b) *Director.* The Director of the Geological Survey, Washington, D. C., having administrative direction of the enforcement of the regulations in this part.

(c) *Supervisor.* A representative of the Secretary, under administrative direction of the Director, authorized and empowered to supervise and direct oil and gas operations and to perform other duties prescribed in the regulations in this part, or any subordinate of such representative acting under his direction.

(d) *Officer in charge.* The supervisor or such other officer as the Secretary may designate to supervise technical operations for the development and production of oil and gas on restricted Indian lands. Over such lands the officer so designated shall exercise the authority and power and perform the duties of supervisor as provided in the regulations in this part.

(e) *Superintendent.* The superintendent of an Indian agency, or other officer authorized to act in matters of record, law, and collections with respect to oil or gas leases for restricted Indian lands.

(f) *Lease.* An agreement which in consideration of covenants to be observed, grants to a lessee the exclusive right and privilege of developing and producing oil or gas deposits owned by the lessor subject to the regulations in this part.

(g) *Leased lands, leasehold.* Lands and deposits covered by a lease as defined in paragraph (f) of this section.

(h) *Producing lease.* A producing lease is one including land on which there is a producible well, either active or shut in, or land determined by the supervisor to be subject to subsurface drainage.

(i) *Lessor.* The party to a lease who holds title to the leased lands.

(j) *Lessee.* The party authorized by a lease, or approved assignment thereof, to develop and produce oil or gas on the leased lands in accordance with the regulations in this part, including all parties

holding such authority by or through him.

(k) *Register.* A representative of the Bureau of Land Management in charge of a District Land Office.

(l) *Operator.* The individual, partnership, firm, or corporation that has control or management of operations on the leased land or a portion thereof. The operator may be a lessee, designated agent of the lessee, or holder of rights under an approved operating agreement.

(m) *Designated operator or agent.* The local representative of the lessee or of the operator; may be the holder of operating rights under an approved operating agreement.

(n) *Waste of oil or gas.* Waste of oil or gas, in addition to its ordinary meaning, shall mean the physical waste of oil or gas, and waste, loss, or dissipation of reservoir energy existent in any deposit containing oil or gas and necessary or useful in obtaining the maximum recovery from such deposit.

(1) Physical waste of oil or gas shall be deemed to include the loss or destruction of oil or gas after recovery thereof such as to prevent proper utilization and beneficial use thereof, and the loss of oil or gas prior to recovery thereof by isolation or entrapment, by migration, by premature release of natural gas from solution in oil, or in any other manner such as to render impracticable the recovery of such oil or gas.

(2) Waste of reservoir energy shall be deemed to include the failure reasonably to maintain such energy by artificial means and also the dissipation of gas energy, hydrostatic energy, or other natural reservoir energy, at any time at a rate or in a manner which would constitute improvident use of the energy available or result in loss thereof without reasonably adequate recovery of oil.

(o) *Gas.* Any fluid, either combustible or noncombustible, which is produced in a natural state from the earth and which maintains a gaseous or rarefied state at ordinary temperature and pressure conditions.

(p) *Oil, crude oil.* Any liquid hydrocarbon substance which occurs naturally in the earth, including drip gasoline or other natural condensates recovered from gas, without resort to manufacturing process.

JURISDICTION AND FUNCTIONS OF SUPERVISOR

§ 221.3 *Jurisdiction.* Drilling and producing operations, handling and gaging of oil and the measurement of gas or other products, determination of royalty liability, receipt and delivery to those entitled thereto of royalty accruing to the lessor and paid in amount of production, determination of amount and manner of payment of damages assessed under authority of the regulations in this part for defaults of non-compliance with duties by the lessee and, in general, all operations subject to the regulations in this part are under the jurisdiction of the supervisor for any district as delineated by the Director. As to producing leases of Indian lands, the officer in charge, and as to lands within naval petroleum reserves, the supervisor shall determine rental liability, record rentals, royalties, and other payments, and maintain lease accounts. Upon request, the supervisor or the Director will advise any person concerning the regulations in this part, and will furnish technical information and advice relative to oil and gas development and operation on lands subject hereto.

§ 221.4 *General functions.* The supervisor is hereby authorized to require compliance with lease terms, with the regulations in this part, and all other applicable regulations, and with applicable law to the end that all operations shall conform to the best practice and shall be conducted in such manner as to protect the deposits of the leased lands and result in the maximum ultimate recovery of oil, gas, or other products with minimum waste. Inasmuch as conditions in one area may vary widely from conditions in another area, the regulations in this part are general, and detailed procedure hereunder in any particular area is subject to the judgment and discretion of the supervisor, and to any areal plan of development that may be adopted pursuant to law. The supervisor may require satisfactory evidence that a lease is in good standing, that the lessee or operator is authorized to conduct operations, and that an acceptable bond has been filed before permitting operations on the leased land.

§ 221.5 *Supervision of operations.* The supervisor shall inspect and supervise operations under the regulations in

this part; prevent waste, damage to formations or deposits containing oil, gas, or water or to coal measures or other mineral deposits, and injury to life or property; and shall issue instructions necessary, in his judgment, to accomplish these purposes.

§ 221.6 *Reports and recommendations.* The supervisor shall make reports to his superior administrative officer as to the general condition of leased lands, and the manner in which operations are being conducted and departmental orders are being obeyed, and submit from time to time information and recommendations for safeguarding and protecting surface property and underlying mineral-bearing formations.

§ 221.7 *Reports and notices.* The supervisor shall prescribe the manner and form in which records of all operations, reports, and notices shall be made by lessees and operators.

§ 221.8 *Required samples, tests, and surveys.* When deemed necessary or advisable, the supervisor is authorized to require that adequate samples be taken and tests or surveys be made in acceptable manner without cost to the lessor to determine the identity and character of formations; the presence or waste of oil, gas, water, or reservoir energy; the quantity and quality of oil, gas, or water; the amount and direction of deviation of any well from the vertical; formation, casing, tubing, or other pressures; and whether operations are being conducted with due regard to the interests of the lessor.

§ 221.9 *Damage to mineral deposits, directional drilling, lease obligations, well abandonment.* The supervisor shall require correction, in a manner to be prescribed or approved by him, of any condition which is causing or is likely to cause damage to any formation containing oil, gas, or water or to coal measures or other mineral deposits, or which is dangerous to life or property or wasteful of oil, gas, or water; require substantially vertical drilling when necessary to protect interests in other properties; demand drilling in accordance with the terms of the lease or of the regulations in this part; and require plugging and abandonment of any well or wells no longer used or useful in accordance with such plan as may be approved or prescribed by him, and, upon failure to secure compliance with such requirement, perform the work at the expense of the

lessee, expending available public funds, and submit such report as may be needed to furnish a basis for appropriate action to obtain reimbursement.

§ 221.10 *Well potentials and permissible flow.* The supervisor is authorized to fix the percentage of the potential capacity of any oil or gas well that may be utilized or the permissible production of any such well when, in his opinion, such action is necessary to protect the interests of the lessor, or to conform with proration rules established for the field; and to specify the time and method for determining the potential capacity of such wells.

§ 221.11 *Well-spacing and well-casing; technical assistance to lessees.* The supervisor shall approve well-spacing and well-casing programs determined to be necessary for the proper development of the leases and assist and advise lessees in the planning and conduct of tests and experiments for the purpose of increasing the efficiency of operations.

§ 221.12 *Production records; rentals, royalties, and payments; drainage and waste.* The supervisor shall compile and maintain records of production and prices and determine royalties accrued, estimate drainage and compute losses to the lessor resulting therefrom, and estimate the amount and value of oil, gas, and other products wasted. The supervisor shall render monthly to the lessee, or his agent, statements showing the amount of oil, gas, casing-head or natural gasoline, propane, butane, or other hydrocarbons produced or sold and the amount or value of production accruing to the lessor as royalty from each lease; the loss by drainage or waste and the compensation due to the lessor as reimbursement; and, except as to any disposal of gas that shall have been determined by the Secretary of the Interior to be sanctioned by the laws of the United States and of the State in which it occurs, the amount and full value, computed at a price of not less than 5 cents per 1,000 cubic feet, of all gas wasted by blowing, release, escape into the air, or otherwise. Also, as to producing leases of Indian lands and lands within naval petroleum reserves, the supervisor shall determine rental liability, record rental, royalty, and other payments, and maintain lease accounts.

§ 221.13 *Division orders, run tickets, sales agreements or contracts.* The su-

ervisor is authorized to approve, subject to such conditions as he shall prescribe, division orders or temporary purchase agreements granting to transportation agencies or purchasers authority to receive products from leased lands in accordance with Government rules and regulations; sign run tickets or other receipts for royalty oil or gas delivered to a representative of the lessor or to the lessor's account; and approve sales agreements and contracts, subject to any conditions, modification, or revocation that may be prescribed on review thereof by the Director.

CROSS REFERENCE: For regulations relating to approval of sales agreements or contracts, see Part 223 of this chapter.

§ 221.14 *Suspension of operations and production.* On receipt of an application for suspension of operations or production or for relief from any drilling or producing requirement under a lease, the supervisor shall forward such application, with a report and recommendation, to the appropriate official and, pending action thereon, grant such temporary approval as he may deem warranted in the premises, or reject such application, subject to the right of appeal as provided in § 221.66.

§ 221.15 *Beginning or resumption of drilling or producing operations.* Where drilling or producing operations have been suspended on a lease, the supervisor may approve in writing notice by the lessee of intention to begin or resume such operations: *Provided*, That whenever it appears from facts adduced by or furnished to him that the interests of the lessor require additional drilling or producing operations, the supervisor may require by notice in writing the beginning or resumption of such operations.

§ 221.16 *Enforcement.* The supervisor shall enforce the regulations in this part, and his orders issued pursuant thereto by action provided for in §§ 221.53 and 221.54 whenever, in his judgment, such action is necessary or advisable.

§ 221.17 *Appeals action.* The supervisor shall receive and promptly render his decision on any matter presented for reconsideration pursuant to § 221.66, and shall receive and promptly transmit for review all appeals pursuant to said § 221.66, together with his report in the premises.

REQUIREMENTS FOR ALL LESSEES (INCLUDING DESIGNATED OPERATORS)

§ 221.18 *Lease terms, regulations, instructions of supervisor, waste, damage, safety, and bond.* The lessee shall comply with the terms of the lease, and of the regulations in this part and any amendments thereof, and with the written instructions of the supervisor, shall take all reasonable precautions to prevent waste, damage to formations or deposits containing oil, gas, or water or to coal measures or other mineral deposits, and injury to life or property, and before drilling or other operations are started, shall have submitted a satisfactory bond.

§ 221.19 *Designated operator (or agent).* (a) In all cases where operations on a lease are not conducted by the record owner, but are to be conducted under authority of an operating agreement, an unapproved assignment, or other arrangement, a "designation of operator" shall be submitted to the supervisor, in a manner and form approved by the supervisor, prior to commencement of operations. If the designation of operator form cannot be obtained from the lessee without undue inconvenience to the operator, the supervisor in his discretion may accept in lieu thereof a valid operating agreement approved by the Secretary. A designation of operator will be accepted as authority of operator or his local representative to fulfill the obligations of the lessee and to sign, as operator, any papers or reports required under the regulations in this part. It will rest in the discretion of the supervisor to determine how a local representative of the operator empowered to act in whole or in part in his stead shall be identified.

(b) If the designated operator shall at any time be incapacitated for duty or absent from his designated address, the operator or the lessee shall designate in writing a substitute to serve in his stead, and, in the absence of such operator or of notice of the appointment of a substitute, any employee of the lessee who is on the leased lands or the contractor or other person in charge of operations will be considered the agent of the lessee for the service of orders or notices and service in person or by ordinary mail upon any such employee, contractor, or other person will be deemed service upon the operator and the lessee. All changes of address and any termination of the

operator's authority shall be immediately reported, in writing, to the supervisor or his representative. In case of such termination or of controversy between the lessee and the designated operator, the operator, if in possession of the leasehold will be required to protect the interests of the lessor.

§ 221.20 *Well-location restrictions.*

(a) The lessee shall not drill any well within 200 feet of any of the outer boundaries of the leased lands except where necessary to protect those lands against wells on land the title to which is not held by the lessor, and then only on consent first had in writing from the supervisor: *Provided*, That for good cause shown in any particular case, and where not prohibited by law, a lessee may be relieved of such restrictions on written consent of the supervisor. The lessee shall not drill any well within 200 feet of the boundary of any legal subdivision without first submitting adequate reasons therefor and obtaining consent in writing from the supervisor, such consent to be subject to such conditions as may be prescribed by said official.

(b) Lessees of Indian lands shall not drill any well within 200 feet of any house or barn standing on the leased lands without the lessor's written consent, approved by the officer in charge and the superintendent.

§ 221.21 *Well-spacing and well-casing program, well operations, required offsets, diligence, compensation in lieu of drilling.*

(a) When required by the supervisor, the lessee shall submit an acceptable well-spacing and well-casing program for the lease or area. Such program must be approved by the supervisor and may be modified from time to time as conditions warrant, with the consent and approval of the supervisor.

(b) The lessee shall not begin to drill, redrill, repair, deepen, plug back, shoot, or plug and abandon any well, make water shut-off or formation test, alter the casing or liner, stimulate production by vacuum, acid, gas, air, water injection, or any other method, change the method of recovering production, or use any formation or well for gas storage or water disposal without first notifying the supervisor of his plan and intention and receiving written approval prior to commencing the contemplated work.

(c) The lessee shall drill diligently and produce continuously from such wells as

are necessary to protect the lessor from loss of royalty by reason of drainage, or, in lieu thereof, with the consent of the supervisor, he must pay a sum estimated to reimburse the lessor for such loss of royalty, the sum to be computed monthly by the supervisor.

(d) The lessee, whenever drilling or producing operations are suspended for 24 hours or more, shall close the mouth of the well with a suitable plug or other fittings acceptable to the supervisor.

§ 221.22 *Well designations, property boundaries, markers for abandoned wells.* The lessee shall mark each and every derrick or well in a conspicuous place with his name or the name of the operator, the serial number of the lease or the name of the lessor if on Indian land, and the number and location of the well, and shall take all necessary means and precautions to preserve these markings. All abandoned wells shall be marked with a permanent monument, on which shall be shown the number and location of the well, unless this requirement is waived in writing by the supervisor. This monument shall consist of a piece of pipe not less than 4 inches in diameter and not less than 10 feet in length, of which 4 feet shall be above the general ground level, the remainder being embedded in cement. The top of the pipe must be closed with a screw cap, cement plug, or by other approved means.

§ 221.23 *Well records and reports, plats and maps, samples, tests, and surveys.* (a) The lessee shall keep on the leased lands or at his headquarters in the field, or otherwise conveniently available to the supervisor, accurate and complete records of the drilling, re-drilling, deepening, repairing, plugging, or abandoning of all wells and of all other well operations, and of all alterations to casing. These records shall show all the formations penetrated, the content and character of oil, gas, or water in each formation, and the kind, weight, size, and landed depth of casing used in drilling each well on the leased lands, and any other information obtained in the course of well operations.

(b) Within 15 days after the completion of any well and within 15 days after the completion of any further operations on it, the lessee shall transmit to the supervisor copies of these records on forms furnished by the supervisor. (For reports to be made by all lessees or their

designated operators, see §§ 221.57 to 221.65.)

(c) The lessee shall take such samples and make such tests and surveys as may be required by the supervisor with a view to determining conditions in the well and obtaining information concerning materials (formations) drilled and shall furnish such characteristic samples of each formation or substance, or reports thereon, as may be requested by the supervisor. The lessee shall gage the production of oil, gas, and water from individual wells continuously or at reasonably frequent intervals to the satisfaction of the supervisor.

(d) The lessee shall also submit in duplicate such other reports and records of operations as may be required and in the manner and form prescribed by the supervisor.

(e) Upon request and in the manner and form prescribed by the supervisor the lessee shall furnish a copy of the daily drilling report, a plat showing the location, designation, and status of all wells on the leased lands, together with such other pertinent information as the supervisor may require.

§ 221.24 *Precautions necessary in areas where high pressures are likely to exist.* When drilling in "wildcat" territory, or in any field where high pressures are likely to exist, the lessee shall take all necessary precautions for keeping the well under control at all times and shall provide at the time the well is started the proper high-pressure fittings and equipment; under such conditions the conductor string of casing must be cemented throughout its length, unless other procedure is authorized or prescribed by the supervisor, and all strings of casing must be securely anchored.

§ 221.25 *Cable tool drilling precautions.* When drilling with cable tools, the lessee shall provide at least one properly prepared slush pit, into which must be deposited mud and cuttings from clay or shale free of sand that will be suitable for the mudding of a well. When necessary or required, the lessee shall provide a second pit for sand pumpings and other materials obtained from the well during the process of drilling that are not suitable for mudding.

§ 221.26 *Rotary tool drilling precautions.* When drilling with rotary tools, the lessee shall provide, when required by the supervisor, an auxiliary mud pit

or tank of suitable capacity and maintain therein a supply of mud having the proper characteristics for emergency use in case of blowouts or lost circulation.

§ 221.27 *Vertical drilling.* The lessee shall drill substantially vertical wells, material deviation from the vertical being permitted only on written approval of the supervisor and where interests in other properties will not be unfairly affected.

§ 221.28 *Water shut-offs; formation tests.* (a) By approved methods, the lessee shall shut off and exclude all water from any oil- or gas-bearing stratum to the satisfaction of the supervisor, and to determine the effectiveness of such operations, the lessee shall make a casing and a water shut-off test before suspending drilling operations or drilling into the oil or gas sand and completing the well.

(b) The lessee shall test for commercial productivity all formations that give evidence of carrying oil or gas, the test to be made to the satisfaction of and in a manner approved in advance by the supervisor. Unless otherwise specifically approved by the supervisor, formation tests shall be made at the time the formations are penetrated and in the absence of excessive back pressure from a column of water or mud fluid. Records of such tests shall be furnished in duplicate.

§ 221.29 *Protection of upper productive strata.* The lessee shall not deepen an oil or gas well for the purpose of producing oil or gas from a lower stratum until all upper productive strata are protected to the satisfaction of the supervisor.

§ 221.30 *Open flows and control of "wild" wells.* The lessee shall take reasonable precautions to prevent any oil, gas, or water well from blowing open, or "wild", and shall take immediate steps and exercise due diligence to bring under control any such well or burning oil or gas well.

§ 221.31 *Emulsion and dehydration.* The lessee shall complete and maintain his wells in such mechanical condition and operate them in such manner as to prevent, as far as possible, the formation of emulsion, or so-called B. S., and the infiltration of water. If the formation of emulsion, or B. S., or the infiltra-

tion of water, cannot be prevented or if all or any part of the product is unmarketable by reason thereof or on account of any impurity or foreign substance, the lessee shall put into marketable condition, if commercially feasible, all products produced from the leased land and pay royalty thereon without recourse to the lessor for deductions on account of costs of treatment or of costs of shipping. To avoid excessive losses from evaporation, oil shall not be heated to temperatures above the minimum required to put the oil into marketable condition. If excessive temperatures are required to break down an emulsion, then other means of dehydration must be utilized. Under such circumstances the supervisor must be consulted, and his approval obtained.

§ 221.32 *Pollution and surface damage.* The lessee shall not pollute streams or damage the surface or pollute the underground water of the leased or other land. If useless liquid products of wells cannot be treated or destroyed or if the volume of such products is too great for disposal by usual methods without damage, the supervisor must be consulted, and the useless liquids disposed of by some method approved by him.

§ 221.33 *Gaging and storing oil.* All production run from leased lands shall be gaged or measured according to methods approved by the supervisor. The lessee shall provide tanks located on the leasehold, unless otherwise approved by the supervisor, suitable for containing and measuring accurately all crude oil produced from the wells and shall furnish to the supervisor at least two acceptable positive copies of 100 percent-capacity tank tables. Meters for measuring oil must be first approved by the supervisor, and tests of their accuracy shall be made when directed by that official. The lessee shall not, except during an emergency and except by special permission of the supervisor, confirmed in writing, permit oil to be stored or retained in earthen reservoirs or in any other receptacle in which there may be undue waste of oil.

§ 221.34 *Well abandonment.* (a) The lessee shall promptly plug and abandon or condition as a water well any well on the leased land that is not used or useful for the purposes of the lease, but no productive well shall be abandoned until its

lack of capacity for further profitable production of oil or gas has been demonstrated to the satisfaction of the supervisor. Before abandoning a well the lessee shall submit to the supervisor a statement of reasons for abandonment and his detailed plans for carrying on the necessary work, together with duplicate copies of the log, if it has not already been submitted. A well may be abandoned only after receipt of written approval by the supervisor, in which the manner and method of abandonment shall be approved or prescribed. Equipment shall be removed and premises at the well-site shall be properly conditioned immediately after plugging operations are completed on any well.

(b) In case the lessee of lands of the United States strikes water while drilling, instead of oil or gas, and the water is of sufficient quantity and suitable quality to be valuable and usable at a reasonable cost, the Secretary may take over the well as provided in section 40 of the Mineral Leasing Act approved June 16, 1934, 48 Stat. 977, 30 U. S. C. 229a. If a satisfactory agreement is reached, the lessee may condition the well for a water well in lieu of plugging and abandonment.

(c) Drilling equipment shall not be removed from any suspended drilling well without first securing the written consent of the supervisor.

§ 221.35 *Waste prevention; beneficial use.* The lessee is obligated to prevent the waste of oil or gas and to avoid physical waste of gas the lessee shall consume it beneficially or market it or return it to the productive formation. If waste of gas occurs the lessee shall pay the lessor the full value of all gas wasted by blowing, release, escape, or otherwise at a price not less than 5 cents for each 1,000 cubic feet, unless, on application by the lessee, such waste of gas under the particular circumstances involved shall be determined by the Secretary to be sanctioned by the laws of the United States and of the State in which it occurs. The production of oil and gas shall be restricted to such amount as can be put to beneficial use with adequate realization of values, and in order to avoid excessive production of either oil or gas, when required by the Secretary, shall be limited by the market demand for gas or by the market demand for oil.

§ 221.36 *Accidents and fires.* The lessee shall take all reasonable precau-

tions to prevent accidents and fires, shall notify the supervisor within 24 hours of all accidents or fires on the leased land, and shall submit a full report thereon within 15 days.

§ 221.37 *Workmanlike operations.* The lessee shall carry on all operations and maintain the property at all times in a safe and workmanlike manner, having due regard for the preservation and the conservation of the property and for the health and safety of employees. The lessee shall take reasonable steps to prevent and shall remove accumulations of oil or other materials deemed to be fire hazards from the vicinity of well locations and lease tanks, and shall remove from the property or store in orderly manner all scrap or other materials not in use.

§ 221.38 *Sales contracts; division orders.* The lessee shall file with the supervisor triplicate (quadruplicate for production of restricted Indian lands or naval petroleum reserves) executed copies of all contracts for the disposition of all products of the leased land except that portion used for purposes of production on the leased land or unavoidably lost, and he shall not sell or otherwise dispose of said products except in accordance with a sales contract, division order, or other arrangement first approved, as provided in § 221.13.

§ 221.39 *Relief from operating, royalty, and rental requirements.* Applications for any modification authorized by law of the operating requirements of a lease for lands of the United States shall be filed in triplicate (quintuplicate for applications involving leases for lands within the naval petroleum reserves) with the supervisor, and shall include a full statement of the circumstances that render such modification necessary or proper. Applications for any modification authorized by law of the royalty or rental requirements of a lease for lands of the United States shall be filed in triplicate in the office of the supervisor.

CROSS REFERENCE: For regulations of the Bureau of Land Management relating to royalty and rental relief, and suspension of operations and production, see 43 CFR Part 191.

[13 F. R. 9496, Dec. 31, 1948]

§ 221.40 *Royalty and rental payments.* (a) When due in money, the lessee shall tender all payments of rental and royalty by check or draft on a solvent bank, or

by money order drawn to the order of the appropriate receiving officer, in accordance with statements rendered by the supervisor pursuant to § 221.12, or in the case of public-land leases in accordance with instructions of the Bureau of Land Management.

(b) If the lessor elects to take royalty in oil or gas, unless otherwise agreed upon, such royalty shall be delivered on the leasehold, by the lessee to the order of and without cost to the lessor, as instructed by the supervisor. Upon the lessor's request, storage for royalty oil for 30 days after the end of the calendar month in which the royalty accrues, shall be furnished free of charge. Storage shall be provided on the leased lands or at a place mutually agreed upon by the supervisor and the lessee.

§ 221.41 *Surface rights on Indian lands.* Lessees of Indian land shall have only such surface rights as are specifically granted in the lease, but additional rights may be exercised under written agreement with the owner, such agreement to be subject to the prior approval of the superintendent of the Indian agency having jurisdiction. On demand of the supervisor, pipe lines on Indian land shall be buried below plow depth.

§ 221.42 *Costs or damages.* The lessee shall pay all costs or damages assessed under the provisions of the regulations in this part.

CROSS REFERENCE: For other liabilities of the lessee in case of default, see also §§ 221.53 to 221.56.

MEASUREMENT OF PRODUCTION AND COMPUTATION OF ROYALTIES

§ 221.43 *Measurement of oil.* The volume of production shall be computed in terms of barrels of clean oil of 42 standard United States gallons of 231 cubic inches each, on the basis of meter measurements (meter must be approved by supervisor), or tank measurements of oil-level differences, made and recorded to the nearest quarter inch of 100-percent-capacity tables, or with such greater accuracy as shall be required by the supervisor, and subject to the following corrections.

(a) *Correction for impurities.* The percentage of impurities (water, sand, and other foreign substances not constituting a natural component part of the

oil) shall be determined to the satisfaction of the supervisor, and the observed gross volume of oil shall be corrected to exclude the entire volume of such impurities.

(b) *Temperature correction.* The observed volume of oil corrected for impurities shall be further corrected to the standard volume at 60° F. in accordance with table 2 of Circular C-410 of the National Bureau of Standards (March 4, 1936), or any revisions thereof and any supplements thereto, or any close approximation thereof approved by the supervisor.

(c) *Gravity determination.* The gravity of the oil at 60° F. shall be determined in accordance with table 1 of Circular C-410 of the National Bureau of Standards (March 4, 1936), or any revisions thereof and any supplements thereto.

(d) *Lease production, pipe-line runs.* For the convenience of the lessor and lessee, monthly statements of production and royalty shall be based in general on production recorded in pipe-line runs or other shipments. When shipments are infrequent or do not approximate actual production, the supervisor may require statements of production and royalty to be made on such other basis as he may prescribe, gains, or losses in volume of storage being taken into account when appropriate. Evidence of all shipments of oil shall be furnished by pipe-line or other run tickets signed by representatives of the lessee and of the purchaser who have witnessed the measurements reported and the determinations of gravity, temperature, and the percentage of impurities contained in the oil. Signed run tickets shall be filed with the supervisor within 5 days after the oil has been run.

§ 221.44 *Measurement of gas.* Gas of all kinds (except gas used for purposes of production on the leasehold or unavoidably lost) is subject to royalty, and all gas shall be measured by meter (preferably of the orifice-meter type) unless otherwise agreed to by the supervisor. All gas meters must be approved by the supervisor and installed at the expense of the lessee at such places as may be agreed to by the supervisor. For computing the volume of all gas produced, sold, or subject to royalty, the standard of pressure shall be 10 ounces

Well No.	Record	Count (marked X)
1	Produced full time for 30 days.....	X
2	Produced for 26 days; down 4 days for repairs.....	X
3	Produced for 28 days; down June 6, 12 hours, rods; June 14, 6 hours, engine down; June 25, 24 hours; June 26, 24 hours, pulling rods and tubing.....	X
4	Produced for 12 days; down June 13 to 30.....	
5	Produced for 8 hours every other day (head well).....	X
6	Idle producer (not operated).....	
7	New well, completed June 17; produced for 14 days.....	X
8	New well, completed June 22; produced for 9 days.....	

(2) In this example there are eight wells on the leasehold, but wells 4, 6, and 8 are not counted in computing royalties. Wells 1, 2, 3, 5, and 7 are counted as producing for 30 days. The average production per well per day is determined by dividing the total production of the leasehold for the month (including the oil produced by wells 4 and 8) by 5, the number of wells counted as producing, and dividing the quotient thus obtained by the number of days in the month.

§ 221.50 *Royalty on gas.* The royalty on gas shall be the percentage established by the terms of the lease of the value or amount of the gas produced.

(a) Royalty accrues on dry gas, whether produced as such or as residue gas after the extraction of gasoline.

(b) If the lessee derives revenue on gas from two or more products, a royalty normally will be collected on all such products.

(c) For the purpose of computing royalty the value of wet gas shall be either the gross proceeds accruing to the lessee from the sale thereof or the aggregate value determined by the Secretary of all commodities, including residue gas, obtained therefrom, whichever is greater.

§ 221.51 *Royalty on casing-head or natural gasoline, butane, propane, or other liquid hydrocarbon substances extracted from gas.* A royalty as provided in the lease shall be paid on the value of one-third (or the lessee's portion if greater than one-third) of all casing-head or natural gasoline, butane, propane, or other liquid hydrocarbon substances extracted from the gas produced from the leasehold. The value of the

remainder is an allowance for the cost of manufacture, and no royalty thereon is required. The value shall be so determined that the minimum royalty accruing to the lessor shall be the percentage established by the lease of the amount or value of all extracted hydrocarbon substances accruing to the lessee under an arrangement, by contract or otherwise, for extraction and sale that has been approved by the supervisor:

(a) When a minimum price established by the Secretary is used in determining the value of natural gasoline accruing to the lessee, the volume of such gasoline may be corrected when deemed necessary by the supervisor to such standard and by such method as may be approved by the supervisor, in order that volumetric differences between natural gasolines of various specifications may be equitably adjusted.

(b) The present policy is to allow the use of a reasonable amount of dry gas for operation of the gasoline plant, the amount allowed being determined or approved by the supervisor, but no allowance shall be made for boosting residue gas, or other expenses incidental to marketing.

§ 221.52 *Royalty on drip gasoline or other natural condensate.* The royalty on all drip gasoline, or other natural condensate recovered from gas produced from the leased lands without resort to manufacturing process shall be the same percentage as provided in the lease for other oil, except that such substance, if processed in a casing-head gasoline plant shall be treated for royalty purposes as though it were gasoline.

PROCEDURE IN CASE OF DEFAULT BY LESSEE

§ 221.53 *Shutting down operations; lease cancellations.* The supervisor has authority to shut down any operation and place under seal any property or equipment for failure to comply with the oil and gas operating regulations in this part or orders issued under this part, to enter upon any leasehold and perform any operation that the lessee fails to perform when ordered so to do in writing, and to recommend cancellation of the lease and forfeiture under the bond for noncompliance with the applicable law, lease terms, and regulations.

§ 221.54 *Liquidated damages.* Administrative costs arising out of certain defaults or violations of orders requiring

the performance of certain duties by lessees, as set forth in the regulations in this part constitute loss or damage to the United States the amount of which is difficult or impracticable of ascertainment. Therefore, the following amounts shall be deemed to cover such loss or damage and shall be payable upon receipt of notice from the oil and gas supervisor of such loss or damage: *Provided*, That as to paragraph (f) of this section the specified loss or damage shall be applicable to each week or fraction thereof during which the violation continues and as to paragraph (h) of this section the specified loss or damage shall be applicable to each day or fraction thereof during which the violation continues:

(a) For failure to perform any operation ordered in writing by the supervisor, if said operation is thereafter performed by or through the supervisor, the actual cost of performance thereof and an additional 25 percent to compensate the Government for administrative costs.

(b) For failure to maintain inviolate any seal placed upon any property or equipment by the supervisor, \$50 for each such violation.

(c) For failure to file notice of intention and to obtain approval before starting to drill, or for failure to file notice and obtain approval before making any changes in the originally approved notice of intention, \$25 for each violation.

(d) For failure to file notice and to obtain approval before repairing, redrilling, deepening, plugging-back, plugging, or abandoning any well, in pulling or altering casing, stimulating production by vacuum, acid, or shot, or gas, air, or water injection, or using any well or formation for gas storage or water disposal, \$25 for each violation.

(e) For failure to mark wells or dericks, \$10 for each violation.

(f) For failure to install required high-pressure fittings and equipment, to cement conductor string, or to anchor properly all strings of casing, \$50 for each violation.

(g) For failure to construct and maintain in proper condition slush or mud pits, \$10 for each violation.

(h) For failure to comply with § 221.32, \$25 for each violation.

(i) For failure to file sales contracts or division orders as required by lease terms, \$25 for each violation, and for failure to

submit pipe-line run tickets, or other proper evidence of disposal as required by these regulations, \$10 for each violation.

(j) For failure to file the following reports within the time specified in the regulations in this part, or within such other time designated in writing by the supervisor, \$10 for each violation:

(1) Log of well, subsequent report of drilling, redrilling, deepening, plugging-back, plugging and abandonment, making water shut-off or formation test, stimulating production by acid or shot.

(2) Lessee's Monthly Report of Operations. Daily Report of Gas-Producing Wells, when required. Lessee's Statement of Oil and Gas Runs and Royalties.

(3) Special forms or reports as required by the supervisor.

§ 221.55 *Payment of damages.* (a) Payment or request for payment for any of the damages assessed for administrative costs under the regulations in this part shall not relieve the lessee from compliance with the provisions of the regulations in this part, or for liability for waste or any other damage. A waiver of any particular cause for the payment of damages shall not be construed as precluding the assessment of damages for any other cause herein specified or for the same cause occurring at any other time.

(b) Damages shall be paid in the manner and as directed by the supervisor.

§ 221.56 *Damages to Indian property.* Damage to lands, crops, buildings, and other improvements on Indian land shall be assessed by the superintendent and payments for such damages shall be made to the superintendent.

REPORTS TO BE MADE BY ALL LESSEES (INCLUDING OPERATORS)

§ 221.57 *General requirements.* Information required to be submitted in accordance with the regulations in this part shall be furnished in the manner and form prescribed in the regulations in this part or as directed by the supervisor. Prescribed standard forms in general use are described in §§ 221.58–221.64. Copies of such forms can be obtained from the supervisor and must be filled out completely and filed punctually with that official. Failure of the lessee to submit the information and reports required herein constitutes noncompliance with the terms of the regulations in this part

and is cause for the assessment of specific damages as prescribed by the regulations in this part and the cancelation of the lease.

§ 221.58 *Sundry notices and reports on wells (Form 9-331A Public; Form 9-331B Indian)*. Forms 9-331A and 9-331B cover all notices of intention and all subsequent reports pertaining to individual wells except those for which special blanks are provided. The forms may be used for any of the purposes listed thereon, or a special heading may be inserted in the blank to adapt it for use for similar purposes. Any written notice of intention to do work or to change plans previously approved must be filed in triplicate, unless otherwise directed, and must reach the supervisor and receive his approval before the work is begun. The lessee is responsible for receipt of the notice by the supervisor in ample time for proper consideration and action. If, in case of emergency, any notice is given orally or by wire, and approval is obtained, the transaction shall be confirmed in writing as a matter of record. The following paragraphs illustrate some of the uses to which Forms 9-331A and 9-331B may be put and indicate the requirements with respect to each use.

(a) *Notice of intention to drill*. The notice of intention to drill a well must be filed with the supervisor and approval received before the work is begun. This notice must give the location, in feet, and direction from the nearest lines of established public survey; the altitude of the ground and derrick floor above sea level and how obtained; and the geologic name of the surface formation. Under the heading "Details of Work", the proposed drilling and casing plan should be outlined in detail. Essential information includes type of tools, proposed depth to which the well will be drilled, estimated depths to the top of important markers, estimated depths at which water, oil, gas, and mineral beds are expected, the proposed casing record, including the size and weight of casing, the depth at which each string is to be set, and the amount of cement and mud to be used. Information also shall be given relative to the drilling plan, such as making drill-stem tests, drilling in with oil, using reversed circulation, perforating opposite pays, using special types of mud in rotary drilling, coring at specified depths, and using electric logging together with any other

information which may be required by the supervisor.

(b) *Notice of intention to change plans*. Where unexpected conditions necessitate any change in the plans of proposed work already approved, complete details of the changes must be submitted to the supervisor and approval thereof obtained before the work is undertaken.

(c) *Notice of date for casing and water shut-off test*. The protection and segregation of oil, gas, or water-bearing formations is an important item of conservation, and the supervisor will witness all casing and water shut-off tests. Notice must be filed with the supervisor in advance of the date on which the lessee expects to make such test. Later by agreement the exact time shall be fixed. The casing test and the test of water shut-off must be approved before further drilling can proceed. In the event of failure, casing must be repaired or replaced or recemented, whichever the conditions may require.

(d) *Subsequent report of casing and water shut-off test*. Within 15 days after making a casing or water shut-off test, the results of the test must be reported. The report must give complete and accurate details, amount of mud and cement used, lapse of time between running and cementing the casing and making the test, method of testing, and results.

(e) *Notice of intention to redrill, repair, or condition well*. Before repairing, deepening, or conditioning a well, a detailed written statement of the plan of work must be filed with the supervisor and approval obtained before the work is started. In work that affects only rods, pumps, or tubing, or other routine work, such as cleaning out to previous total depth, no report is necessary unless specifically required by the supervisor.

(f) *Subsequent report of redrilling, repairing, or conditioning*. Within 15 days after completion of the repair work a detailed report of work done and the results obtained should be filed. Such report shall show the amount of production of oil, gas, and water, both before and after the work is done, and shall also include a complete statement of the work accomplished and methods employed, including all dates.

(g) *Notice of intention to use explosive or chemicals*. Before using explosive or chemicals (shooting or acidizing) in any well, whether for increasing production

or in drilling, repair, or abandonment, notice of intention shall be filed and approval obtained before the work is done. When such notice of intention forms a part of a notice of intention to redrill, repair, or abandon a well, the supervisor may accept such notice in lieu of a separate notice of intention to use explosive or chemicals. The notice of intention to use explosive or chemicals must be accompanied by the complete log of the well to date, provided the complete log has not previously been filed, and must state the object of the work to be done, the amount and nature of the material to be used, its exact location and distribution in the well by depths, the method of localizing its effects, and the name of the company that is to do the work. The notice shall also contain an accurate statement of the dates and daily production of oil, gas, and water from the well for each of the last preceding 10 producing days.

(h) *Subsequent report of use of explosive or chemicals.* After using explosive or chemicals in any well a subsequent report must be filed with the supervisor. This report shall be filed separately within 15 days after the work is done, unless such report is included in the log as a part of a report of other subsequent work done or as a part of an abandonment report any one of which shall have been filed within that period. The subsequent report of use of explosive or chemicals shall include a statement of the amount and the nature of the material used, its exact location and distribution in the well by depths, and the method used to localize its effects. The report shall also contain an accurate statement of the dates and daily production of oil, gas, and water for each of the last 10 producing days preceding the use of explosive or chemicals and a similar statement of production after the work is done. In addition, this report must include other pertinent information, such as the depth to which the well was cleaned out, the time spent in balling and cleaning out, and any injuries to the casing or well.

(i) *Notice of intention to pull, perforate, or otherwise alter casing.* If any casing is to be pulled, perforated, or otherwise altered, notice of intention must be filed and approved before the work is started. Such notice must give full details of the contemplated work, stating fully what changes are intended and what results are anticipated. A notice of

intention to perforate the casing shall state the conditions of the well that make such work desirable; whether it is to be ripped or shot, the depth, number, and size of shots, or if ripped, the depths of the rips proposed; the production of oil, gas, and water; and, if a log of the well has not already been filed, the notice should be accompanied by a duplicate copy of the log showing all casing seats as well as all water strata and all oil and gas shows.

(j) *Subsequent report of pulling, perforating, or otherwise altering casing.* If any casing has been pulled, perforated, or otherwise altered, the results of the work should be reported within 15 days after the completion of such work, stating exactly what was done and the results obtained, including any change in production. The report of perforating casing also should include the number, depth, and size of shots, the date shot, and who did the shooting. If ripped, the depths and number of rips should be stated. The production of oil, gas, and water obtained by the work should be shown.

(k) *Notice of intention to abandon well.* Before beginning abandonment work on any well, whether drilling well, oil or gas well, water well, or so-called dry hole, notice of intention to abandon shall be filed with the supervisor and approval obtained before the work is started. The notice must show the reason for abandonment and must be accompanied by a complete log, in duplicate, of the well to date, provided the complete log has not been filed previously, and must give a detailed statement of the proposed work, including such information as kind, location, and length of plugs (by depths), and plans for mudding, cementing, shooting, testing, and removing casing, as well as any other pertinent information.

(l) *Subsequent report of abandonment.* After a well is abandoned or plugged a subsequent record of work done must be filed with the supervisor. This report shall be filed separately within 15 days after the work is done. The report shall give a detailed account of the manner in which the abandonment or plugging work was carried out, including the nature and quantities of materials used in plugging and the location and extent (by depths) of the plugs of different materials; records of any tests or measurements made and of the amount, size, and

location (by depths) of casing left in the well; and a detailed statement of the volume of mud fluid used, and the pressure attained in mudding. If an attempt was made to part any casing, a complete report of the methods used and results obtained must be included.

§ 221.59 *Log and history of well (Form 9-330)*. The lessee shall furnish in duplicate, on Form 9-330, to the supervisor, not later than 15 days after the completion of each well, a complete and accurate log and history, in chronologic order, of all operations conducted on the well. If a log is compiled for geologic information from cores or formation samples, duplicate copies of such log shall be filed in addition to the regular log. Duplicate copies of all electric logs, temperature surveys, or direction surveys shall be furnished. The lessee shall require the drillers, whether using company labor or contract labor, to record accurately the depth, character, fluid content, and fluid levels, where possible, of each formation as it is penetrated, together with all other pertinent information obtained in drilling the well. The practice of compiling well logs from memory, after the work has been completed, will not be permitted.

§ 221.60 *Monthly report of operations (Form 9-329 Public; Form 9-329A Indian)*. A separate report of operations for each lease must be made on Form 9-329 for public land and on Form 9-329A for Indian land, for each calendar month, beginning with the month in which drilling operations are initiated, and must be filed in duplicate with the supervisor on or before the 6th day of the succeeding month, unless an extension of time for the filing of such report is granted by the supervisor. The report on this form shall disclose accurately all operations conducted on each well during each month, the status of operations on the last day of the month, and a general summary of the status of operations on the leased lands, and the report must be submitted each month until the lease is terminated or until omission of the report is authorized by the supervisor. It is particularly necessary that the report shall show for each calendar month:

(a) The lease be identified by inserting the name of the United States land office and the serial number, or in the case of Indian land the lease number and lessor's name, in the space provided in the upper right corner;

(b) Each well be listed separately by number, its location be given by 40-acre subdivision ($\frac{1}{4}$ $\frac{1}{4}$ sec. or lot), section number, township, range, and meridian;

(c) The number of days each well produced, whether oil or gas, and the number of days each input well was in operation be stated;

(d) The quantity of oil, gas, and water produced, the total amount of gasoline, and other lease products recovered, and other required information. When oil and gas, or oil, gas, and gasoline, or other hydrocarbons are concurrently produced from the same lease, separate reports on this form should be submitted for oil and for gas and gasoline, unless otherwise authorized or directed by the supervisor.

(e) The depth of each active or suspended well, and the name, character, and depth of each formation drilled during the month, the date each such depth was reached, the date and reason for every shut-down, the names and depths of important formation changes and contents of formations, the amount and size of any casing run since last report, the dates and results of any tests such as production, water shut-off, or gasoline content, and any other noteworthy information on operations not specifically provided for in the form.

(f) The footnote must be completely filled out as required by the supervisor. If no runs or sales were made during the calendar month, the report must so state.

§ 221.61 *Daily report of gas-producing wells (Form 9-352)*. Unless otherwise directed by the supervisor, the readings of all meters showing production of natural gas from leased lands shall be submitted daily on Form 9-352, together with the meter charts. After a check has been had the meter charts will be returned.

§ 221.62 *Statement of oil and gas runs and royalties (Form 9-361 Public; Form 9-361A Indian)*. When directed by the supervisor, a monthly report shall be made by the lessee in duplicate, on Form 9-361 or 9-361A, showing each run of oil, all sales of gas, gasoline, other lease products, and the royalty accruing therefrom to the lessor. When use of this form is required it must be completely filled out and sworn to.

§ 221.63 *Royalty and rental remittance (Form 9-614A Indian)*. Form 9-614A, completely filled out and signed,

shall be submitted to the supervisor in triplicate and shall accompany each remittance covering payments of royalty or rental on Indian lands.

§ 221.64 *Royalty and rental remittance (Form 11ND Naval Petroleum Reserves)*. Form 11ND, completely filled out and signed, must accompany each remittance covering payments of royalty or rental on Naval Petroleum Reserves. The remittance and the original form shall be sent direct to the Property Accounting Officer, United States Navy, Bureau of Supplies and Accounts, Navy Department, Washington, D. C., and the duplicate and triplicate copies of the form shall be sent to the oil and gas supervisor.

§ 221.65 *Special forms or reports*. When special forms or reports other than those referred to in the regulations in this part may be necessary, instructions for the filing of such forms or reports will be given by the supervisor.

§ 221.66 *Appeals*. An appeal from any order issued under authority of the regulations in this part may be filed as hereinafter set forth in this section. Compliance with any such order shall not be suspended by reason of an appeal having been taken unless such suspension is authorized in writing by the Director, or the Secretary (dependent upon the officer with whom the appeal is pending), and then only upon a determination that such suspension will not be detrimental to the lessor or upon the submission and acceptance of a bond deemed adequate to indemnify the lessor from loss or damage.

(a) An appeal to the Director may be taken from any order of the supervisor by filing such appeal with the latter officer within 20 days after service of the order. The appeal shall incorporate or be accompanied by such written showing and argument on the facts and law as the appellant may deem adequate to justify reversal or modification of the order. All statement of facts must be made under oath.

(b) The supervisor shall transmit the appeal and accompanying papers to the Director with a full report and recommendations in the premises and that officer shall review the record and render such a decision in the case as he deems proper.

(c) An appeal from any decision of the Director may be taken to the Secretary within 30 days after service of the Direc-

tor's decision. The appeal shall be accompanied by such written showing and argument on the facts and law as appellant may deem adequate to justify reversal or modification of the decision. Any statement of facts not submitted to the Director must be made under oath.

(d) Oral argument in any case pending before the supervisor, the Director, or the Secretary will be allowed on motion in the discretion of such officer and at a time to be fixed by him.

(e) The procedure for appeals involving leases for public land shall be followed for leases on the naval petroleum reserves and Indian land except that, with regard to the Naval Petroleum Reserves, the Director of Naval Petroleum Reserves, and with regard to Indian land, the Commissioner of Indian Affairs will exercise the functions vested in the Director.

§ 221.67 *Effective date; repeal of prior regulations*. The regulations in this part shall become effective on the 1st day of June 1942, and shall supersede the oil and gas operating regulations of November 1, 1936, as amended, 30 CFR, 1938 ed., 221.1 to 221.56, except as to leases and unit agreements in force and effect on June 1, 1942, to which the regulations in this part are not applicable.¹

Part 222—Reports and Inspections of Facilities and Agencies for the Production, Processing, Storage and Transportation of Petroleum and Petroleum Products

Sec.	
222.1	Designated areas.
222.2	Federal Petroleum Board designated to administer the regulations in this part.
222.3	Definitions.
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222.8	Way bills.
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¹ Not applicable on said effective date to lands acquired under the act known as the Appalachian Forest Act of March 1, 1911, 36 Stat. 961, to lands in national parks, to lands withdrawn or reserved for military or naval uses or purposes, except naval petroleum reserves, or to lands within the Osage Indian Reservation.

Sec.

- 222.9b Diagrams.
 222.10 Sworn or certified reports and statements.
 222.11 Shipment by barge, tanker, or other vessel; reports; certificates.
 222.12 Saving clause.
 222.20 Official records.

AUTHORITY: §§ 222.1 to 222.20 issued under sec. 5, 49 Stat. 31; 15 U. S. C. 715d; E. O. 10752, 23 F. R. 973, 3 CFR, 1958 Supp.

SOURCE: §§ 222.1 to 222.20 appear at 23 F. R. 1110, Feb. 20, 1958, except as otherwise noted.

§ 222.1 *Designated areas.* Until further order, the regulations in this part shall be applicable only to that part of the State of New Mexico included within the counties of Lea and Eddy, to that part of the State of Texas included within the counties of:

Anderson, Andrews, Angelina, Aransas, Austin, Bee, Borden, Bowie, Brazoria, Brazos, Brooks, Burleson, Calhoun, Cameron, Camp, Cass, Chambers, Cherokee, Cochran, Colorado, Crane, Crockett, Dawson, DeWitt, Duval, Ector, Fayette, Fisher, Fort Bend, Franklin, Gaines, Galveston, Garza, Glascock, Goliad, Gonzales, Gregg, Grimes, Hardin, Harris, Harrison, Hidalgo, Hockley, Houston, Howard, Jackson, Jasper, Jefferson, Jim Hogg, Jim Wells, Karnes, Kenedy, Kleberg, Lavaca, Lee, Liberty, Live Oak, Loving, Lynn, Madison, Marion, Martin, Matagorda, Midland, Mitchell, Montgomery, Morris, Nacogdoches, Newton, Nueces, Orange, Panola, Pecos, Polk, Reagan, Red River, Reeves, Refugio, Rusk, Sabine, San Augustine, San Jacinto, San Patricio, Scurry, Shelby, Smith, Starr, Terry, Titus, Trinity, Tyler, Upshur, Upton, Victoria, Walker, Waller, Ward, Washington, Webb, Wharton, Willacy, Wilson, Winkler, Wood, Yoakum, and Zapata, and to the entire State of Louisiana, which area is hereinafter referred to as the designated area.

§ 222.2 *Federal Petroleum Board designated to administer the regulations in this part.* The Federal Petroleum Board, hereinafter referred to as the board, is hereby designated to administer the regulations prescribed in this part, under the supervision of the Secretary of the Interior.

§ 222.3 *Definitions.* When used in this part or in subsequent orders and regulations prescribed pursuant to said act and Executive orders, or in any forms prescribed thereunder, the term:

(a) "Person" shall include any individual, partnership, corporation, or joint stock company.

(b) "Producer" shall include every person having any part in the control or

management of any operation by which petroleum is produced from any property. Every person in possession of crude petroleum who refuses to identify the prior owner thereof, from whom he acquired the same, shall be deemed the producer of such petroleum within the meaning of this part.

(c) "Refiner" shall include every person who has any part in the control or management of any operation by which the physical or chemical characteristics of petroleum or petroleum products are changed, but exclusive of the operations of passing petroleum through separators to remove gas, placing petroleum in settling tanks to remove basic sediment and water, dehydrating petroleum and generally cleaning and purifying petroleum. Within the term shall be included every person who blends petroleum with any product of petroleum.

(d) "Reclamation plant" shall include every plant operated in the process of reclaiming, treating or washing waste petroleum, wash oil, pit oil, fugitive oil, basic sediment, or tank bottoms.

(e) "Casinghead gasoline plant" shall include every plant or device by the use of which gasoline or natural gasoline or casinghead gasoline (as those terms are commonly understood in the industry), or any of them, is extracted by any process or method from natural gas or casinghead gas, or from any gas liberated from petroleum in the process of refining.

(f) "Pipe line" shall include every line of pipe, however constructed and regardless of length, and all receiving, storage and delivery tanks and facilities used in the operation thereof, by which petroleum or any petroleum product is transported, regardless of whether or not such line of pipe is owned, in whole or in part, by the person producing, refining, processing, manufacturing, purchasing, cleansing, or marketing such petroleum or such petroleum product, or by any or all such persons jointly, or by any other person or combination of persons, except that the term "pipe line" shall not include any line from a well to lease storage, or any line used in actual plant operations, and not used in the receipt or delivery of petroleum or petroleum products. The terms "pipe line system" and "gathering system" are included within the term "pipe line."

(g) "Transporting agency" shall include railroads, pipe lines, gathering systems, tankers, barges, trucks, or any

other means of conveyance used for transporting petroleum or petroleum products.

(h) "Storer" shall include every person who places petroleum or any petroleum product in any receptacle and keeps the same in any such receptacle for any period of time longer than is usually required in the ordinary conduct of business to move the same currently into the channels of trade and commerce; but excluding the ordinary working stocks of refiners and transporters by pipe line.

(i) "Petroleum" when used singly and separate and apart from "product" shall include petroleum in its crude form, and the terms "product (or products) of petroleum" or "petroleum product (or products)" shall include any article produced or derived in whole or in part from petroleum or any product thereof by refining, processing, manufacturing or otherwise. Whenever natural gas is produced in conjunction or coincidentally with petroleum, such natural gas and all products derived therefrom shall be considered petroleum products. The terms "oil," "crude oil," and "crude petroleum" shall be considered synonymous with petroleum in the regulations in this part.

(j) "Barrel of petroleum" means 42 United States gallons of petroleum, measured and calculated to net or gross quantities in accordance with the regulations of the State authorities in force at the point of production, or in the absence of such regulations, measured and calculated in the manner generally in use in the industry at such point of production. The term "barrel" as used otherwise in the regulations in this part shall mean 42 United States gallons of the article referred to.

(k) "Contraband oil" means petroleum which, or any constituent part of which, was produced, transported, or withdrawn from storage in excess of the amounts permitted to be produced, transported, or withdrawn from storage under the laws of a State or under any regulation or order prescribed thereunder by any board, commission, officer, or other duly authorized agency of such State, or any of the products of such petroleum.

(l) "Interstate commerce" means commerce between any point in a State and any point outside thereof, or between points within the same State but through any place outside thereof, or from any

place in the United States to a foreign country, but only in so far as such commerce takes place within the United States.

§ 222.4 *Inspection books and records; examination properties and facilities.* All persons producing, refining, processing, manufacturing, transporting, withdrawing from storage or otherwise handling petroleum or any petroleum product in the designated area shall permit any person or persons authorized by the Secretary of the Interior or by the board to enter upon their properties, plants and facilities, and to examine all the books and records kept or required to be kept in accordance with this part, and all other books, papers, records, vouchers, run-tickets, bills of lading, way bills, charges, memoranda, diagrams showing the location of each lease, the location and identifying number of each well, the location, capacity and identifying number of each tank, the size of all pipe lines, flow lines and gathering systems and other outlets attached to their properties, and every method by which oil is delivered to and from their properties, or other documents which are used by them in connection with producing, refining, processing, manufacturing, transporting, withdrawing from storage or otherwise handling petroleum or any petroleum products, and to inspect such plants, facilities and properties, and to gauge tanks, and to examine wells, pipe lines, gathering systems, flow lines, pipe connections, storage tanks, loading racks, separators, pumps, meters or other measuring devices, and any other equipment or instruments.

§ 222.5 *Measurements; records.* Every producer, transporter, storer and refiner in the designated area shall accurately gauge and measure all petroleum and petroleum products before any part thereof leaves his possession or control. No means or device which prevents or hinders such accurate measurement shall be used. Complete and accurate records of all such measurements shall be kept up to date and retained as provided in § 222.6, and shall be open to the inspection of any person authorized by the Secretary of the Interior or by the Board.

§ 222.6 *Records.* From the effective date of this part the following records shall be made and retained accurately and completely showing the following

facts with respect to production, refining, processing, manufacturing, transporting, withdrawing or otherwise handling petroleum or petroleum products in the designated area: *Provided*, That when such records have been retained for a period of not less than 5 years the board may upon written request of the operator, grant permission to destroy or dispose of such records:

(a) By producers:

(1) *Location, wells, allowable production.* The location of the producing properties, the number and location of wells thereon, and the allowable production for each property and well as prescribed by the proper State agency.

(2) *Inventories.* An opening and closing inventory of the crude petroleum on hand each 24-hour day.

(3) *Production.* The daily production in barrels of petroleum produced from each lease and well (ascertained by the application of acceptable operating practice as to wells which are produced into common tankage and of which no separate daily gauge is made), with a notation of the allowance made for basic sediment and water, and the tanks, identified by number and location into which the petroleum is run.

(4) *Consumption.* The amount of petroleum consumed upon each property daily.

(5) *Deliveries.* A daily record of all deliveries of petroleum or petroleum products, showing the names and places of business of all persons to whom such petroleum or petroleum products are delivered, whether purchasers, consignees or transporting agencies, the quantity involved in each delivery, transportation or other disposition, the identity of the means of transportation by which the petroleum or products are removed.

(6) *Tickets.* Gauge tickets, and run tickets, as made by the employees actually performing or observing the operations to which such records relate.

(7) *Other records.* Such other records as may now be required under the rules and regulations of other governmental agencies, State or Federal, which supervise, regulate or tax the production of petroleum.

(b) By every purchaser, refiner, storer, shipper or consignor of petroleum or petroleum products, by every casinghead gasoline plant, and by every person deal-

ing in petroleum or petroleum products as a factor, broker, buyer or seller.

(1) *Inventories.* An opening and closing inventory of petroleum and petroleum products on hand each 24-hour day.

(2) *Receipts.* The daily receipts of petroleum and the petroleum products showing the amount received, the place and date of each receipt, the tanks identified by location and number into which received, the names and addresses of all producers or other persons from whom the crude petroleum and the petroleum products were received, a description identifying the transporting agency by which received.

(3) *Consumption.* The amount of petroleum and petroleum products used or otherwise disposed of daily showing the amount run to stills and to cracking units and the amount and type of petroleum products refined, processed or manufactured.

(4) *Deliveries; purchasers; transporter.* A daily record of all deliveries of petroleum and petroleum products including the names and addresses of purchasers and a description identifying the transporting agency delivering the same.

(5) *Reports of operations.* Crude, pumping, still, transfer, and yield reports as made by the employees actually performing or observing the operations to which such records relate.

(6) *Other records.* Such other records as may now be required under the rules and regulations of other governmental agencies, State or Federal, which supervise, regulate or tax the purchasing, refining, storing, shipping or consigning or otherwise dealing in as a factor, broker, buyer or seller of petroleum and petroleum products.

(c) By every person operating a reclamation plant:

(1) *Inventories.* An opening and closing inventory of all petroleum and petroleum products on hand each 24-hour day.

(2) *Receipts.* The number of barrels of each kind of petroleum and petroleum products which came into the possession of such plant daily, the name and address of each person from whom possession was acquired, the location from which the petroleum and petroleum products were acquired, the quantities acquired from each prior possessor and from each location, a description identifying the

transporting agency by which such petroleum and petroleum products were acquired. In case any petroleum or petroleum product is picked up or reclaimed by such plant from any creek, river, stream or the bed thereof, such record shall also contain information as to the apparent source of the petroleum or petroleum product before it went into such creek, river, stream or the bed thereof.

(3) *Reclamation; destination; identification.* The number of barrels reclaimed by such plant daily and the disposition thereof showing the names and addresses of purchasers, a description identifying the transporting agency used in making delivery.

(4) *Original operating records.* The original records made by the employees actually performing or observing the operations to which such records relate as required by subparagraphs (1), (2), and (3) of this paragraph.

(5) *Other records.* Such other records as may now be required under the rules and regulations of all other governmental agencies, State or Federal, which supervise, regulate or tax the reclaiming or handling of petroleum or petroleum products.

(d) By pipe lines:

(1) *Inventories.* An opening and closing inventory including averages of crude petroleum and petroleum products on hand each 24-hour day.

(2) *Receipts; consignors, consignees; origin; destination.* The daily receipts of all petroleum and petroleum products showing the kind, grade and quantity received, the names and addresses of the consignors, the names and addresses of the consignees, the points of origin and destination.

(3) *Locations; persons; transporting agencies.* In case of the first transporting pipe line, and where possible in cases of subsequent transporting pipe lines, the location of the properties where the petroleum or petroleum products were produced, refined, processed or manufactured, the names and addresses of persons removing the petroleum or petroleum products from the properties where produced, refined, processed or manufactured, and a description identifying the transporting agency used in making delivery from such properties.

(4) *Diversion, stoppage.* A record of all shipments of petroleum or petroleum products diverted prior to reaching the

original point of destination or stopped in the course of transportation, showing the disposition thereof.

(5) *Shipping documents.* Copies of all run-tickets, way bills, division and transfer orders and other documents used in the transportation of petroleum or petroleum products.

(6) *Other records.* Such other records as may now be required under the rules or regulations of other governmental agencies, State or Federal, which supervise, regulate or tax the transportation of petroleum or petroleum products.

(e) By transporting agencies, other than pipe lines:

(1) *Shipments.* The daily shipments of all petroleum and petroleum products showing the kind, grade and quantity transported, the names and addresses of the consignors, the names and addresses of the consignees, the points of origin and destination, and in the case of railroads the car initials and numbers identifying the various shipments.

(2) *Diversion or stoppage.* A record of all shipments of petroleum or petroleum products diverted prior to reaching the original point of destination, or stoppage in the course of transportation, showing the disposition thereof.

(3) *Shipping documents.* Copies of all way bills, bills of lading and other documents used in the transportation of petroleum or petroleum products.

(4) *Other records.* Such other records as may now be required under the rules or regulations of other governmental agencies, State or Federal, which supervise, regulate or tax the transportation of petroleum or petroleum products.

(f) The records required by this regulation to be made and preserved shall be made currently as the transactions involved occur. Such records prescribed in paragraph (a) (1), (2), (3), (4) and (5) of this section shall be kept on the lease or property to which they relate, or shall be kept in the field office or field headquarters from which the operations on such properties are conducted. Such records prescribed under paragraph (b) (1), (2), (3), (4), (c) (1), (2), and (3), and (d) (1), (2), (3), and (5) of this section shall be kept at the field office or field headquarters from which the operations involved are conducted. Such records prescribed under paragraph (e) (1) and (3) of this section shall be kept at

the freight office where the shipping papers for any shipment originate.

[23 F. R. 1110, Feb. 20, 1958, as amended at 23 F. R. 1922, Mar. 22, 1958]

§ 222.7 *Accurate billing.* No transporting agency transporting petroleum or petroleum products from the designated area in interstate commerce shall accept for shipment any petroleum or any petroleum product unless the billing and other records of transportation covering such shipment truly and accurately describe by its proper and generally accepted name the commodity so shipped. Every transporting agency shall be held responsible for the truth of its records, way bills, bills of lading, division or transfer orders and other papers relating to such shipment, and shall be answerable as for a violation of the regulations in this part for each false billing of any such petroleum or petroleum product.

§ 222.8 *Way bills.* Each transporting agency, other than pipe lines, transporting petroleum or petroleum products in or from the designated area shall make available daily to the board for inspection copies of all way bills, or other papers fulfilling the functions thereof, covering the movement during the preceding day of petroleum or petroleum products in or from said area, both interstate and intrastate. Upon request of the board such way bills or other papers shall be attached to an affidavit executed by a duly authorized agent of the transporting agency stating that the way bills or other papers cover all shipments of petroleum or petroleum products moved by the transporting agency during the period named therein.

§ 222.9 *Monthly reports.* Except as otherwise provided in this section, every producer, refiner, reclamation plant, casinghead gasoline plant, transporting agency, and storer of petroleum or petroleum products in the designated area shall file with the board monthly reports on forms approved by the Secretary of the Interior. Each report on such forms shall be subscribed and certified to by the person required to file the same, using the form of certification therein contained, and the person required to file the report must make therein a full, truthful and complete disclosure of all the information required on the form and necessary to the full use thereof. If the board determines that the reports

required of any person under this section serve no useful purpose, it may by written notice to such person relieve him of the obligation to submit such reports for any specified period of time or until further notice.

§ 222.9a *Forms for monthly reports.* The following forms, which may be obtained from the Federal Petroleum Board, Kilgore, Texas, must be used in filing the monthly reports required by § 222.9.

(a) By operators of natural gasoline, cycling, and other similar plants—Form G, requiring information on total intake volume of natural gas, disposition of intake volume, and barrels of petroleum and petroleum products produced, delivered, received, and in stock.

(b) By petroleum producers—Form P, requiring information on lease data, lease operations, allowables, and production and disposition of petroleum.

(c) By refiners of petroleum—Form R, requiring information on stock on hand, runs to stills, re-runs, products manufactured, plant use and losses, receipts, and deliveries.

(d) By transporters and storers—Form T, requiring information on stock on hand, receipts, deliveries, shortages, and overages.

§ 222.9b *Diagrams.* Whenever directed by written order of the board so to do, every producer, refiner, pipe line, gathering system, reclamation plant and casinghead gasoline plant in the designated area shall, within 30 days from the service of such order, furnish the board with a diagram or diagrams accurately and completely showing to scale, so far as is applicable to the business of the person furnishing the diagram, the location of each lease, the location and identifying number of each well, the location, capacity and identifying numbers of all tanks, the location and size of all pipe lines, flow lines and gathering systems operated by him, and the location and sizes of all pipe lines, flow lines, gathering systems and other outlets attached to his properties, and every method by which oil is or can be delivered to and from his properties.

§ 222.10 *Sworn or certified reports and statements.* When any sworn or certified report or statement is required by this part, or by orders promulgated pursuant hereto or to the act of February

22, 1935 (49 Stat. 30; 15 U. S. C. 715-715k) as amended, or Executive orders, to be made or filed by any person, such report or statement must be made or filed by any real person in interest owning, producing, refining, processing, manufacturing, transporting, withdrawing from storage, or otherwise handling petroleum or petroleum products involved in the transaction or transactions which are the subject of such report or statement. Such report or statement, however, may be made or filed by a duly authorized agent of such real party in interest if, on or before the date of filing the same, proof of his authorization has been filed with the board or other agency with which the report or statement is to be filed.

§ 222.11 *Shipment by barge, tanker, or other vessel; reports; certificates.* The shipper, or duly authorized agent of the shipper, a copy of whose authorization has been filed with the Geological Survey, Department of the Interior, Washington 25, D. C., of a cargo of petroleum or petroleum products, or any part thereof, which has been loaded at any port in the States of Texas, Louisiana, Arkansas, or Mississippi, for shipment by tanker, barge, or other vessel, in whole or in part in interstate or foreign commerce, shall transmit by mail to the Geological Survey, Department of the Interior, Washington 25, D. C., with full postage paid, not later than 24 hours after the date of sailing, a report and certification in duplicate on form designated OCR-1, made and executed in accordance with instructions prescribed and approved by the Secretary of the Interior and appearing thereon. No such report on Form OCR-1 is required covering the shipment of petroleum or petroleum products where the cargo is loaded and unloaded wholly within a State.

§ 222.12 *Saving clause.* If any provision of this part or any clause, sentence or part hereof is held unauthorized or invalid for any reason, or the application thereof to any person, circumstance, commodity or class of transactions with respect to any commodity be held unauthorized or invalid for any reason, the validity of the remainder of this part and the application of such provisions to other persons, circumstances, commodities and classes of transactions shall not be affected thereby.

§ 222.20 *Official records.* Official records to be kept confidential, except when otherwise ordered by the Director, Geological Survey, shall include the following types of records: reports, diagrams and other papers submitted, and records of inspections made, pursuant to this part; records of investigations and hearings; and recommendations in the enforcement of the Connally "Hot Oil" Act. (See also 43 CFR Part 2.)

Part 223—Approval of Sales Agreements or Contracts Covering the Disposal of Oil and Gas Lease Products (Not Applicable to Indian or Naval Petroleum Reserve Lands)

Sec.

- 223.1 What this part does.
- 223.2 Filing of contracts.
- 223.3 Contracts made pursuant to new form leases.
- 223.4 Contracts made pursuant to old form leases.
- 223.5 Requests for approval.
- 223.6 Pending contracts.
- 223.7 Appeals.

AUTHORITY: §§ 223.1 to 223.7 issued under R. S. 161, as amended, sec. 32, 41 Stat. 450, sec. 10, 61 Stat. 915; 5 U. S. C. 22, 30 U. S. C. 189, 359.

SOURCE: §§ 223.1 to 223.7 appear at 16 F. R. 10519, Oct. 16, 1951.

§ 223.1 *What this part does.* This part prescribes the procedure for the filing, and approval when required, of sales agreements or contracts made by lessees or their operators covering the disposal of products from oil and gas leases on public domain lands and acquired lands of the United States.

§ 223.2 *Filing of contracts.* Copies of all contracts or agreements, whether or not approval is required or requested as provided in this part, must be filed in duplicate with the oil and gas supervisor of the Geological Survey not later than 30 days after the effective date thereof.

§ 223.3 *Contracts made pursuant to new form leases.* On November 29, 1950, a new form of lease was adopted (Form 4-1158, 15 F. R. 8585), containing provisions whereby the lessee agrees that nothing in any contract or other arrangement made for the sale or disposal of oil, gas, natural gasoline, and other

products of the leased land, shall be construed as modifying any of the provisions of the lease, including, but not limited to, provisions relating to gas waste, taking royalty in kind, and the method of computing royalties due as based on a minimum valuation and in accordance with the oil and gas operating regulations. A contract or agreement pursuant to a lease containing such provisions may be made without obtaining approval of the United States as lessor, but must be filed as provided in § 223.2.

§ 223.4 *Contracts made pursuant to old form leases.* (a) Old form leases are those containing provisions prohibiting sales or disposal of oil, gas, natural gasoline, and other products of the lease except in accordance with a contract or other arrangement approved by the Secretary of the Interior, or by the Director of the Geological Survey or his representative. A contract or agreement made pursuant to an old form lease may be made without obtaining approval if the contract or agreement either contains the substance of or is accompanied by the stipulation set forth in paragraph (b) of this section, signed by the seller (lessee or operator).

(b) The stipulation the substance of which must be included in the contract, or be made the subject matter of a separate instrument properly identifying the leases affected thereby, is as follows:

It is hereby understood and agreed that nothing in the within contract or in any approval thereof shall be construed as affecting any of the relations between the United States and its lessee, particularly in matters of gas waste, taking royalty in kind and the method of computing royalties due as based on a minimum valuation and in accordance with the terms and provisions of the oil and gas operating regulations applicable to the lands covered by said contract.

(c) A contract or agreement not containing the substance of nor accompanied by the stipulation set forth in paragraph (b) of this section may, if the provisions thereof are otherwise acceptable, be approved by the oil and gas supervisor subject to the condition that nothing in such contract or agreement or in the approval thereof shall be construed as affecting any of the relations between the United States and its lessee, including, but not limited to, the matters enumerated in paragraph (b) of this section.

§ 223.5 *Requests for approval.* A contract or agreement coming within the provisions of § 223.3 or § 223.4 (a) may be approved by the oil and gas supervisor if request for approval is made by the seller and the provisions thereof are acceptable.

§ 223.6 *Pending contracts.* Contracts filed but not acted upon before the effective date of this revision shall be acted upon in accordance with the regulations as revised in this part.

§ 223.7 *Appeals.* An appeal may be taken as provided in § 221.66 of this chapter from any action of the oil and gas supervisor under the regulations in this part.

Part 225—Disposal of Government Royalty Oil

Sec.

- 225.1 Statutory authority.
- 225.2 Policy.
- 225.3 Exchange agreements.
- 225.4 Application; contents.
- 225.5 Action by the Geological Survey.
- 225.6 Notice of offer of sale of oil.
- 225.7 Who may submit bids and priority of bidders.
- 225.8 Award of oil.

AUTHORITY: §§ 225.1 to 225.8 issued under sec. 32, 41 Stat. 450; 30 U. S. C. 189. Interpret or apply sec. 36, 41 Stat. 451, as amended; 30 U. S. C. 192.

SOURCE: §§ 225.1 to 225.8 appear at 11 F. R. 10580, Sept. 20, 1946.

§ 225.1 *Statutory authority.* The act of July 13, 1946 (Public Law 506, 79th Cong., 2d Sess., 60 Stat. 533), provides that in order to assist small business enterprise by encouraging the operation of oil refineries not having an adequate supply of crude oil, the Secretary of the Interior is authorized and directed to grant a preference to such refineries in the sale of Government royalty oil accruing from public land oil and gas leases for processing or use in such refineries and not for resale in kind, when he determines that sufficient supplies of crude oil are not available to such refineries in the open market.

§ 225.2 *Policy.* Whenever practicable, Government royalty oil available for disposal pursuant to the act will be offered for sale by competitive bidding after notice by publication under sealed bids to the highest bidder entitled to a preference in accordance with the procedure prescribed in §§ 255.4 to 225.8.

The amount of the bond, the place of delivery of the oil, the volume measurements, the gravity determinations, and such other requirements or conditions of the sale as may be deemed necessary to effectuate the purposes of the act will be incorporated in the call for bids when royalty oil is offered for sale.

§ 225.3 *Exchange agreements.* The act of July 13, 1946 requires refiners granted a preference to process or use in such refineries and not resell in kind royalty oil purchased thereunder. Agreements providing for the exchange of crude oil purchased under the act for other crude oil on a volume or equivalent value basis will not be construed as constituting a resale in kind prohibited by the act. Where an exchange agreement has been entered into or is contemplated with regard to royalty oil available for sale, full information relative thereto must be furnished either at the time of filing application to purchase royalty oil or with the submission of a bid.

§ 225.4 *Application; contents.* A refiner unable to purchase in the open market an adequate supply of crude oil to meet the needs of his existing refinery capacity may file an application with the Director of the Geological Survey, Washington, D. C. Such application shall be filed in triplicate and must be accompanied by a detailed statement containing the following information:

(a) The full name and address of the applicant; the location of his refinery or refineries; a complete disclosure of applicant's affiliation or association with any other refiner of oil if such relationship exists; and reasons for believing that applicant is entitled to a preference under the act of July 13, 1946, including a full showing of efforts made to purchase the needed oil in the open market.

(b) The capacity of the refinery to be supplied and the amount, source, and grade of all crude oil currently available to the applicant refiner from his own production or by purchase.

(c) The minimum amount and grade of additional crude oil needed to meet existing refinery commitments or existing refinery capacity, the field or fields which the refiner believes offer a potential source of crude-oil supply because of proximity to the refinery, and the available transportation facilities which the refiner proposes to utilize.

(d) A tabulation for the preceding 12 months or for the last 12 months of operation of the amount and grade of crude oil refined each month, and the kind and amount of the principal finished products.

§ 225.5 *Action by the Geological Survey.* The Geological Survey shall examine each application filed pursuant to this part and where it finds that the showing submitted is inadequate or unsatisfactory, such additional showing shall be required as may be deemed necessary. Thereafter, the Geological Survey shall make appropriate recommendation to the Secretary as to the Government royalty oil to be sold, if any, and the terms and conditions to govern the sale.

§ 225.6 *Notice of offer of sale of oil.* Where the Secretary elects to offer royalty oil for sale, the oil will be advertised for sale in designated newspapers or periodicals of general circulation for such period of time as may be specified. Such notice will set the day and hour on which sealed bids will be received in the office of the Director, Geological Survey, and will contain the terms and conditions of the sale. The notice will be published at the expense of the Government. All bidders are warned against violation of the provisions of section 59 of the United States Criminal Code, approved March 4, 1909, prohibiting unlawful combination or intimidation of bidders.

§ 225.7 *Who may submit bids and priority of bidders.* Bids may be submitted regardless of whether or not a preference is asserted pursuant to the act of July 13, 1946. Where such a preference is asserted, bids must be accompanied by the showing required by § 225.4. Bidders asserting a preference and found properly entitled thereto will receive priority over bidders who have no preference where the bids are made for the same royalty oil.

§ 225.8 *Award of oil.* The Geological Survey shall consider all bids submitted for Government royalty oil and make appropriate recommendation to the Secretary of the Interior in accordance with the general principles stated in this section. In no case will Government royalty oil be sold for less than the market price. Where none of the bidders for the same royalty oil is found to be entitled to a preference, the oil will be awarded to the qualified bidder offering

the highest price therefor in accordance with the specifications governing the sale. Where two or more bidders for the same royalty oil are properly entitled to a preference, the oil will be awarded to the bidder offering the highest price therefor in accordance with the specifications governing the sale. In case two or more identical bids are received for the same royalty oil from bidders properly entitled to a preference, the Secretary of the Interior reserves the right to prorate the oil among such bidders in such amounts as he deems equitable or, if it is not practicable to prorate the oil, to award it to one of such bidders by public drawing after notice to the bidders who submitted the identical bids. In connection with any sale of royalty oil under the act of July 13, 1946, the Secretary of the Interior reserves the right to reject all bids and sell the oil or any portion thereof at private sale to any refinery entitled to a preference at not less than the market price whenever in his judgment the spirit and intent of the act will be subserved thereby.

Part 226—Unit or Cooperative Agreements

Sec.	
226.1	Introduction.
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226.3	Designation of unit area; depth of test well.
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226.17	Form of change in unit operator by assignment.

AUTHORITY: §§ 226.1 to 226.17 issued under sec. 32, 41 Stat. 450; 30 U. S. C. 189. Interpret or apply sec. 17b, 60 Stat. 952, as amended; 30 U. S. C. 226e.

SOURCE: §§ 226.1 to 226.17 appear at 16 F. R. 77, Jan. 4, 1951.

§ 226.1 Introduction. The regulations in this part prescribe the procedure to be followed and the requirements to be met by holders of Federal oil and gas leases (see § 226.2 (d)) and their representatives who wish to unite with each other, or jointly or separately with others, in collectively adopting and operating under a cooperative or unit plan for the development of any oil or gas pool, field, or like area, or any part thereof (see 43 CFR 192.20, 192.21).

§ 226.2 Definitions. The following terms, as used in this part or in any agreement approved under the regulations in this part, shall have the meanings here indicated unless otherwise defined in such agreement:

(a) *Unit agreement.* An agreement or plan of development and operation for the recovery of oil and gas made subject thereto as a single consolidated unit without regard to separate ownerships and for the allocation of costs and benefits on a basis as defined in the agreement or plan.

(b) *Cooperative agreement.* An agreement or plan of development and operation for the recovery of oil and gas made subject thereto in which separate ownership units are independently operated without allocation of production.

(c) *Agreement.* For convenience, the term "agreement" as used in this part refers to both a unit or a cooperative agreement as defined in paragraphs (a) and (b) of this section unless otherwise indicated.

(d) *Federal lease.* A lease issued under the act of February 25, 1920, as amended (41 Stat. 437, as amended; 30 U. S. C. 181, et seq.), or the act of August 7, 1947 (61 Stat. 913; 30 U. S. C. 351, et seq.).

(e) *Unit area.* The area described in an agreement as constituting the land logically subject to development under such agreement.

(f) *Unitized land.* The part of a unit area committed to an agreement.

(g) *Unitized substances.* Deposits of oil and gas recoverable by operation under and pursuant to an agreement.

(h) *Unit operator.* The person, association, partnership, corporation, or other business entity designated under a unit agreement to conduct operations on unitized land as specified in such agreement.

(i) *Participating area.* That part of a unit area to which production is allocated in the manner described in a unit agreement.

(j) *Working interest.* The interest held in unitized substances or in lands containing the same by virtue of a lease, operating agreement, fee title, or otherwise, under which, except as otherwise provided in a unit or cooperative agreement, the owner of such interest is vested with the right to explore for, develop, and produce such substances. The right delegated to the unit operator as such by the unit agreement is not to be regarded as a working interest.

(k) *Secretary.* The Secretary of the Interior or any person duly authorized to exercise the powers vested in that officer.

(l) *Director.* The Director of the Geological Survey.

(m) *Supervisor.* The oil and gas supervisor of the Geological Survey for the region in which a unit area is situated.

§ 226.3 *Designation of unit area; depth of test well.* An application for designation of an area as logically subject to development under a unit or cooperative agreement and for determination of the depth of a test well may be filed by any proponent of such an agreement. Such application shall be accompanied by a map or diagram on a scale of not less than 1 inch to 1 mile, outlining the area sought to be designated under this section. The Federal, State, and privately owned land should be indicated by distinctive symbols or colors. Federal oil and gas leases and lease applications should be identified by lease serial numbers. Geologic information, including the results of any geophysical surveys, and any other available information showing that unitization is necessary and advisable in the public interest should be furnished. If requested, geologic information so furnished will be treated as confidential. These data will be considered by the Director and the applicant will be informed of the decision reached. The designation of an area, pursuant to an application filed under this section, shall not create an exclusive right to submit an agreement for such area, nor preclude the inclusion of such area or any part thereof in another unit area.

§ 226.4 *Preliminary consideration of certain unit or cooperative agreements.*

The form of unit agreement set forth in § 226.12, is acceptable for use in unproved areas. The use of this form is not mandatory, but any substantial departure therefrom should be submitted for preliminary consideration and for such revision as may be deemed necessary prior to the execution of the agreement by the interested parties. In areas proposed for unitization in which a discovery of oil or gas has been made, or where a cooperative agreement is contemplated, modification of the form of unit agreement set forth in § 226.12 will be necessary. Any such proposed agreement should likewise be submitted for preliminary consideration and for such revision as may be deemed necessary in advance of execution by the interested parties.

§ 226.5 *Parties to unit or cooperative agreement.* The owners of any right, title, or interest in the oil and gas deposits to be unitized are regarded as proper parties to a proposed agreement. All such parties must be invited to join the agreement. If any party fails or refuses to join the agreement, the proponent of the agreement, at the time it is filed for approval, must submit evidence of reasonable effort made to obtain joinder of such party and the reasons for nonjoinder. The address of each signatory party to the agreement should be inserted below the signature. Each signature should be attested by at least one witness, if not notarized. Corporate or other signatures made in a representative capacity must be accompanied by evidence of the authority of the signatories to act unless such evidence is already a matter of record in the Department. The parties may execute any number of counterparts of the agreement with the same force and effect as if all parties signed the same document, or may execute a ratification or consent in a separate instrument with like force and effect.

§ 226.6 *Qualifications of unit operator.* A unit operator must qualify as to citizenship in the same manner as those holding interests in oil and gas leases under the Mineral Leasing Act (see 43 CFR 192.42). The unit operator may be an owner of a working interest in the unit area or such other party as may be selected by the owners of working interests. The unit operator shall execute an acceptance of the duties and obligations imposed by the agreement. No

designation of or change in a unit operator will become effective unless and until approved by the Secretary or the Director and no such approval will be granted unless the unit operator is deemed qualified to fulfill the duties and obligations prescribed in the agreement.

§ 226.7 *State land.* Where State-owned land is to be unitized, approval of the agreement by appropriate State officials must be obtained prior to its submission to the Department for final approval. When authorized by the laws of the State in which the unitized land is situated, appropriate provision may be made in the agreement accepting such laws to the extent that they are applicable to non-Federal unitized land.

§ 226.8 *Approval of unit or cooperative agreement.* (a) A unit or cooperative agreement will be approved by the Secretary, or his duly authorized representative, upon a determination that such agreement is necessary or advisable in the public interest and is for the purpose of more properly conserving natural resources. Such approval will be incorporated in a certificate appended to the agreement. No such agreement will be approved unless at least one of the parties is a holder of a Federal lease in the unit area and unless the parties signatory to the agreement hold sufficient interests in the unit area to give reasonably effective control of operations.

(b) Whenever the Federal land involved in a unit or cooperative agreement accounts for less than 50 percent of the acreage of the unitized lands, and whenever, if the field involved is fully developed, the Federal land has less than 50 percent of the estimated recoverable unitized substances, the agreement may, with the approval of the Secretary or his duly authorized representative, make portions of the Operating Regulations, Part 221 of this chapter, inapplicable to operations under the agreement with respect to Federal land.

(c) Any modification of an approved agreement will require like approval.

§ 226.9 *Filing of papers and number of counterparts.* (a) All papers, instruments, documents, and proposals submitted under this part should be filed in the office of the oil and gas supervisor for the region in which the unit area is situated unless otherwise provided in this part or otherwise instructed by the Director.

(b) An application for designation of a proposed unit area and determination of the required depth of test well should be filed in triplicate. A like number of counterparts should be filed of any geologic data and any other information submitted in support of such application.

(c) Where substantial modification of the form of unit agreement set forth in § 226.12 is proposed, triplicate copies of the proposed agreement with all modifications plainly marked and with exhibits A and B included, should be submitted for preliminary consideration.

(d) Where a duly executed agreement is submitted for final Departmental approval a minimum of six signed counterparts should be filed. If State lands are involved, an additional counterpart should be provided for delivery to the appropriate State authority. The same number of counterparts must be filed for documents supplementing, modifying, or amending an agreement, including change of operator, designation of new operator, designation of a participating area, and notice of surrender, relinquishment, or termination.

(e) Four counterparts of a substantiating geologic report, including structure-contour map, cross sections, and pertinent data, shall accompany each application for approval of a participating area or amendment thereof under an approved agreement.

(f) Four counterparts are required of a plan of further development and operation submitted for approval under an approved agreement.

(g) One approved counterpart of each instrument or document submitted for approval will be returned to the operator by the approving official or his representative, together with such additional counterparts as may have been furnished for that purpose.

§ 226.10 *Bonds.* In lieu of separate bonds required for each Federal lease committed to a unit agreement, the unit operator may furnish and maintain a collective corporate surety bond or a personal bond conditioned upon faithful performance of the duties and obligations of the agreement and the terms of the leases subject thereto. Personal bonds shall be accompanied by a deposit of negotiable Federal securities in a sum equal at their par value to the amount of the bond, and by a proper conveyance to the secretary of full authority to sell such securities in case of default in the

performance of the obligations assumed. The liability under the bond shall be for such amount as the Director shall determine to be adequate to protect the interests of the United States, and additional bond may be required whenever deemed necessary. The bond may be filed with the manager of the district land office, the Director of the Bureau of Land Management, or the Supervisor. Evidence must be furnished the supervisor that such bond has been accepted by the Bureau of Land Management before operations will be authorized. A form of corporate surety bond is set forth in § 226.15. In case of change of unit operator a new bond must be filed or consent of surety to such change must be furnished.

§ 226.11 *Appeals.* An appeal may be taken to the Secretary, pursuant to § 221.66 of this chapter, from any decision, order, or ruling of the Director under the regulations in this part.

§ 226.12 *Form of unit agreement for approved areas.*

UNIT AGREEMENT FOR THE DEVELOPMENT AND OPERATION OF THE ----- UNIT AREA, COUNTY OF -----, STATE OF ----- I-Sec. No. -----

This agreement, entered into as of the ----- day of ----- 19-----, by and between the parties subscribing, ratifying, or consenting hereto, and herein referred to as the "parties hereto,"

WITNESSETH: Whereas the parties hereto are the owners of working, royalty, or other oil and gas interests in the unit area subject to this agreement; and

Whereas the act of February 25, 1920, 41 Stat. 437, as amended by the act of August 8, 1946, 60 Stat. 950, 30 U. S. C. secs. 181 et seq., authorizes Federal lessees and their representatives to unite with each other, or jointly or separately with others, in collectively adopting and operating a cooperative or unit plan of development or operation of any oil or gas pool, field, or like area, or any part thereof, for the purpose of more properly conserving the natural resources thereof whenever determined and certified by the Secretary of the Interior to be necessary or advisable in the public interest; and

Whereas the parties hereto hold sufficient interests in the ----- Unit Area covering the land hereinafter described to give reasonably effective control of operations therein; and

Whereas it is the purpose of the parties hereto to conserve natural resources, prevent waste, and secure other benefits obtainable through development and operation of the area subject to this agreement under the terms, conditions, and limitations herein set forth;

Now, therefore, in consideration of the premises and the promises herein contained, the parties hereto commit to this agreement their respective interests in the below-defined unit area, and agree severally among themselves as follows:

1. *Enabling act and regulations.* The act of February 25, 1920, as amended, supra, and all valid pertinent regulations, including operating and unit plan regulations, heretofore issued thereunder or valid pertinent and reasonable regulations hereafter issued thereunder are accepted and made a part of this agreement as to Federal lands, provided such regulations are not inconsistent with the terms of this agreement; and as to non-Federal lands, the oil and gas operating regulations in effect as of the effective date hereof governing drilling and producing operations, not inconsistent with the terms hereof or the laws of the State in which the non-Federal land is located, are hereby accepted and made a part of this agreement.

2. *Unit area.* The following-described land is hereby designated and recognized as constituting the unit area:

Exhibit A attached hereto is a map showing the unit area and the boundaries and identity of tracts and leases in said area to the extent known to the Unit Operator. Exhibit B attached hereto is a schedule showing to the extent known to the Unit Operator the acreage, percentage, and kind of ownership of oil and gas interests in all land in the unit area. However, nothing herein or in said schedule or map shall be construed as a representation by any party hereto as to the ownership of any interest other than such interest or interests as are shown in said map or schedule as owned by such party. Exhibits A and B shall be revised by the Unit Operator whenever changes in the unit area render such revision necessary, or when requested by the Oil and Gas Supervisor, hereinafter referred to as "Supervisor," and not less than six copies of the revised exhibits shall be filed with the Supervisor.

The above-described unit area shall when practicable be expanded to include therein any additional tract or tracts regarded as reasonably necessary or advisable for the purposes of this agreement, or shall be contracted to exclude lands not within any participating area whenever such expansion or contraction is necessary or advisable to conform with the purposes of this agreement. Such expansion or contraction shall be effected in the following manner:

(a) Unit Operator, on its own motion or on demand of the Director of the Geological Survey, hereinafter referred to as "Director," shall prepare a notice of proposed expansion or contraction describing the contemplated changes in the boundaries of the unit area, the reasons therefor, and the proposed effective date thereof.

(b) Said notice shall be delivered to the Supervisor, and copies thereof mailed to the last known address of each working interest owner, lessee, and lessor whose interests are affected, advising that 30 days

will be allowed for submission to the Unit Operator of any objections.

(c) Upon expiration of the 30-day period provided in the preceding item (b) hereof, Unit Operator shall file with the Supervisor evidence of mailing of the notice of expansion or contraction and a copy of any objections thereto which have been filed with the Unit Operator.

(d) After due consideration of all pertinent information, the expansion or contraction shall, upon approval by the Director, become effective as of the date prescribed in the notice thereof.

All land committed to this agreement shall constitute land referred to herein as "unitized land" or "land subject to this agreement."

3. *Unitized substances.* All oil and gas in any and all formations of the unitized land are unitized under the terms of this agreement and herein are called "unitized substances."

4. *Unit operator.* ----- is hereby designated as Unit Operator and by signature hereto as Unit Operator agrees and consents to accept the duties and obligations of Unit Operator for the discovery, development, and production of unitized substances as herein provided. Whenever reference is made herein to the Unit Operator, such reference means the Unit Operator acting in that capacity and not as an owner of interest in unitized substances, and the term "working interest owner" when used herein shall include or refer to Unit Operator as the owner of a working interest when such an interest is owned by it.

5. *Resignation or removal of unit operator.* Unit Operator shall have the right to resign at any time prior to the establishment of a participating area or areas hereunder, but such resignation shall not become effective so as to release Unit Operator from the duties and obligations of Unit Operator and terminate Unit Operator's rights as such for a period of 6 months after notice of intention to resign has been served by Unit Operator on all working interest owners and the Director, and until all wells then drilled hereunder are placed in a satisfactory condition for suspension or abandonment whichever is required by the Supervisor, unless a new Unit Operator shall have been selected and approved and shall have taken over and assumed the duties and obligations of Unit Operator prior to the expiration of said period.

Unit Operator shall have the right to resign in like manner and subject to like limitations as above provided at any time a participating area established hereunder is in existence, but until a successor unit operator is selected and approved as herein-after provided, the working interest owners shall be jointly responsible for performance of the duties of unit operator, and shall not later than 30 days before such resignation becomes effective appoint a common agent to

represent them in any action to be taken hereunder.

The resignation of Unit Operator shall not release Unit Operator from any liability for any default by it hereunder occurring prior to the effective date of its resignation.

The Unit Operator may, upon default or failure in the performance of its duties or obligations hereunder, be subject to removal by the same percentage vote of the owners of working interests determined in like manner as herein provided for the selection of a new Unit Operator. Such removal shall be effective upon notice thereof to the Director.

The resignation or removal of Unit Operator under this agreement shall not terminate its right, title, or interest as the owner of a working interest or other interest in unitized substances, but upon the resignation or removal of Unit Operator becoming effective, such Unit Operator shall deliver possession of all equipment, materials, and appurtenances used in conducting the unit operations and owned by the working interest owners to the new duly qualified successor Unit Operator or to the owners thereof if no such new Unit Operator is elected, to be used for the purpose of conducting unit operations hereunder. Nothing herein shall be construed as authorizing removal of any material, equipment and appurtenances needed for the preservation of any wells.

6. *Successor unit operator.* Whenever the Unit Operator shall tender his or its resignation as Unit Operator or shall be removed as herein-above provided, the owners of the working interests in the participating area or areas according to their respective acreage interests in such participating area or areas, or, until a participating area shall have been established, the owners of the working interests according to their respective acreage interests in all unitized land, shall by majority vote select a successor Unit Operator: *Provided, That, if a majority but less than 75 per cent of the working interests qualified to vote are owned by one party to this agreement, a concurring vote of one or more additional working interest owners shall be required to select a new operator.* Such selection shall not become effective until (a) a Unit Operator so selected shall accept in writing the duties and responsibilities of Unit Operator, and (b) the selection shall have been approved by the Director. If no successor Unit Operator is selected and qualified as herein provided, the Director at his election may declare this unit agreement terminated.

7. *Accounting provisions and unit operating agreement.* If the Unit Operator is not the sole owner of working interests, costs and expenses incurred by Unit Operator in conducting unit operations hereunder shall be paid and apportioned among and borne by the owners of working interests, all in accordance with the agreement or agreements entered into by and between the Unit Operator and the owners of working interests,

whether one or more, separately or collectively. Any agreement or agreements entered into between the working interest owners and the Unit Operator as provided in this section, whether one or more, are herein referred to as the "unit operating agreement." Such unit operating agreement shall also provide the manner in which the working interest owners shall be entitled to receive their respective proportionate and allocated share of the benefits accruing hereto in conformity with their underlying operating agreements, leases, or other independent contracts, and such other rights and obligations as between Unit Operator and the working interest owners as may be agreed upon by Unit Operator and the working interest owners; however, no such unit operating agreement shall be deemed either to modify any of the terms and conditions of this unit agreement or to relieve the Unit Operator of any right or obligation established under this unit agreement, and in case of any inconsistency or conflict between the unit agreement and the unit operating agreement, this unit agreement shall prevail. Three true copies of any unit operating agreement executed pursuant to this section shall be filed with the Supervisor.

8. *Rights and obligations of Unit Operator.* Except as otherwise specifically provided herein, the exclusive right, privilege, and duty of exercising any and all rights of the parties hereto which are necessary or convenient for prospecting for, producing, storing, allocating, and distributing the unitized substances are hereby delegated to and shall be exercised by the Unit Operator as herein provided. Acceptable evidence of title to said rights shall be deposited with said Unit Operator and, together with this agreement, shall constitute and define the rights, privileges, and obligations of Unit Operator. Nothing herein, however, shall be construed to transfer title to any land or to any lease or operating agreement, it being understood that under this agreement the Unit Operator, in its capacity as Unit Operator, shall exercise the rights of possession and use vested in the parties hereto only for the purposes herein specified.

9. *Drilling to discovery.* Within 6 months after the effective date hereof, the Unit Operator shall begin to drill an adequate test well at a location approved by the Supervisor, unless on such effective date a well is being drilled conformably with the terms hereof, and thereafter continue such drilling diligently until the ----- formation has been tested or until at a lesser depth unitized substances shall be discovered which can be produced in paying quantities (to wit: quantities sufficient to repay the costs of drilling, and producing operations, with a reasonable profit) or the Unit Operator shall at any time establish to the satisfaction of the Supervisor that further drilling of said well would be unwarranted or impracticable. provided, however, that Unit Operator shall not in any event be required to drill said well to a depth in excess of ----

feet. Until the discovery of a deposit of unitized substances capable of being produced in paying quantities, the Unit Operator shall continue drilling diligently one well at a time, allowing not more than 6 months between the completion of one well and the beginning of the next well, until a well capable of producing unitized substances in paying quantities is completed to the satisfaction of said Supervisor, or until it is reasonably proved that the unitized land is incapable of producing unitized substances in paying quantities in the formations drilled hereunder. Nothing in this section shall be deemed to limit the right of the Unit Operator to resign as provided in section 5 hereof, or as requiring Unit Operator to commence or continue any drilling during the period pending such resignation becoming effective in order to comply with the requirements of this section. The Director may modify the drilling requirements of this section by granting reasonable extensions of time when, in his opinion, such action is warranted.

Upon failure to comply with the drilling provisions of this section, the Director may, after reasonable notice to the Unit Operator and each working interest owner, lessee, and lessor at their last known addresses, declare this unit agreement terminated.¹

10. *Plan of further development and operation.* Within 6 months after completion of a well capable of producing unitized substances in paying quantities, the Unit Operator shall submit for the approval of the Supervisor an acceptable plan of development and operation for the unitized land which, when approved by the Supervisor, shall constitute the further drilling and operating obligations of the Unit Operator under this agreement for the period specified therein. Thereafter, from time to time before the expiration of any existing plan, the Unit Operator shall submit for the approval of the Supervisor a plan for an additional specified period for the development and operation of the unitized land. Any plan submitted pursuant to this section shall provide for the exploration of the unitized area and for the determination of the area or areas thereof capable of producing unitized substances in paying quantities in each and every productive formation and shall be as complete and adequate as the Supervisor may determine to be necessary for timely development and proper conservation of the oil and gas

¹ The following paragraph may be substituted for the last paragraph of section 9:

"Upon failure to commence any well provided for in this section within the time allowed including any extension of time granted by the Director, this agreement will automatically terminate; upon failure to continue drilling diligently, the Director may, after reasonable notice to the Unit Operator, and each working interest owner, lessee, and lessor, declare this unit agreement terminated."

resources of the unitized area and shall (a) specify the number and locations of any wells to be drilled and the proposed order and time for such drilling; and (b) to the extent practicable specify the operating practices regarded as necessary and advisable for proper conservation of natural resources. Separate plans may be submitted for separate productive zones, subject to the approval of the Supervisor. Said plan or plans shall be modified or supplemented when necessary to meet changed conditions or to protect the interests of all parties to this agreement. Reasonable diligence shall be exercised in complying with the obligations of the approved plan of development. The Supervisor is authorized to grant a reasonable extension of the 6-month period herein prescribed for submission of an initial plan of development where such action is justified because of unusual conditions or circumstances. After completion hereunder of a well capable of producing any unitized substance in paying quantities, no further wells, except such as may be necessary to afford protection against operations not under this agreement or such as may be specifically approved by the Supervisor, shall be drilled except in accordance with a plan of development approved as herein provided.

11. *Participation after discovery.* Upon completion of a well capable of producing unitized substances in paying quantities or as soon thereafter as required by the Supervisor, the Unit Operator shall submit for approval by the Director a schedule, based on subdivisions of the public-land survey or aliquot parts thereof, of all unitized land then regarded as reasonably proved to be productive of unitized substances in paying quantities; all lands in said schedule on approval of the Director to constitute a participating area, effective as of the date of first production. Said schedule also shall set forth the percentage of unitized substances to be allocated as herein provided to each unitized tract in the participating area so established, and shall govern the allocation of production from and after the date the participating area becomes effective. A separate participating area shall be established in like manner for each separate pool or deposit of unitized substances or for any group thereof produced as a single pool or zone, and any two or more participating areas so established may be combined into one with the consent of the owners of all working interests in the lands within the participating areas so to be combined, on approval of the Director. The participating area or areas so established shall be revised from time to time, subject to like approval, whenever such action appears proper as a result of further drilling operations or otherwise, to include additional land then regarded as reasonably proved to be productive in paying quantities;² **or to

² Alternative: Clause between double asterisks may be omitted if the working interests are owned by more than one party and such interests are divided.

exclude land then regarded as reasonably proved not to be productive** and the percentage of allocation shall also be revised accordingly. The effective date of any revision shall be the first of the month in which is obtained the knowledge or information on which such revision is predicated, unless a more appropriate effective date is specified in the schedule. No land shall be excluded from a participating area on account of depletion of the unitized substances.

It is the intent of this section that a participating area shall represent the area known or reasonably estimated to be productive in paying quantities; but, regardless of any revision of the participating area, nothing herein contained shall be construed as requiring any retroactive adjustment for production obtained prior to the effective date of the revision of the participating area.

In the absence of agreement at any time between the Unit Operator and the Director as to the proper definition or redefinition of a participating area, or until a participating area has, or areas have, been established as provided herein, the portion of all payments affected thereby may be impounded in a manner mutually acceptable to the owners of working interests, except royalties due the United States, which shall be determined by the Supervisor and the amount thereof deposited, as directed by the Supervisor, to be held as unearned money until a participating area is finally approved and then applied as earned or returned in accordance with a determination of the sum due as Federal royalty on the basis of such approved participating area.

Whenever it is determined, subject to the approval of the Supervisor, that as well drilled under this agreement is not capable of production in paying quantities and inclusion of the land on which it is situated in a participating area is unwarranted, production from such well shall, for the purposes of settlement among all parties other than working interest owners, be allocated to the land on which the well is located so long as such land is not within a participating area established for the pool or deposit from which such production is obtained. Settlement for working interest benefits from such a well shall be made as provided in the unit operating agreement.

12. *Allocation of production.* All unitized substances produced from each participating area established under this agreement, except any part thereof used in conformity with good operating practices within the unitized area for drilling, operating, camp and other production or development purposes, for repressuring or recycling in accordance with a plan of development approved by the Supervisor, or unavoidably lost, shall be deemed to be produced equally on an acreage basis from the several tracts of unitized land of the participating area established for such production and, for the purpose of determining any benefits accruing under this agreement, each such

tract of unitized land shall have allocated to it such percentage of said production as the number of acres of such tract included in said participating area bears to the total acres of unitized land in said participating area. It is hereby agreed that production of unitized substances from a participating area shall be allocated as provided herein regardless of whether any wells are drilled on any particular part or tract of said participating area. If any gas produced from one participating area is used for repressuring or recycling purposes in another participating area, the first gas withdrawn from such last-mentioned participating area for sale during the life of this agreement shall be considered to be the gas so transferred until an amount equal to that transferred shall be so produced for sale and such gas shall be allocated to the participating area from which initially produced as constituted at the time of such final production.

13. *Development or operation of non-participating land or formations.* Any party hereto owning or controlling the working interest in any unitized land having thereon a regular well location may with the approval of the Supervisor, at such party's sole risk, cost, and expense drill a well to test any formation for which a participating area has not been established or to test any formation for which a participating area has been established if such location is not within said participating area, unless within 90 days of receipt of notice from said party of his intention to drill the well the Unit Operator elects and commences to drill such well in like manner as other wells are drilled by the Unit Operator under this agreement.

If any well drilled as aforesaid by a working interest owner results in production such that the land upon which it is situated may properly be included in a participating area, such participating area shall be established or enlarged as provided in this agreement and the well shall thereafter be operated by Unit Operator in accordance with the terms of this agreement and the unit operating agreement.

If any well drilled as aforesaid by a working interest owner obtains production in quantities insufficient to justify the inclusion in a participating area of the land upon which such well is situated, such well may be operated and produced by the party drilling the same subject to the conservation requirements of this agreement. The royalties in amount or value of production from any such well shall be paid as specified in the underlying lease and agreements affected.

14. *Royalty settlement.* The United States and any State and all royalty owners who under existing contract, are entitled to take in kind a share of the substances now unitized hereunder produced from any tract, shall hereafter be entitled to the right to take in kind their share of the unitized substances allocated to such tract, and Unit Operator, or in case of the operation of a

well by a working interest owner as herein in special cases provided for, such working interest owner, shall make deliveries of such royalty share taken in kind in conformity with the applicable contracts, laws, and regulations. Settlement for royalty interest not taken in kind shall be made by working interest owners responsible therefor under existing contracts, laws, and regulations, on or before the last day of each month for unitized substances produced during the preceding calendar month; provided, however, that nothing herein contained shall operate to relieve the lessee of any land from their respective lease obligations for the payment of any royalties due under their leases.

If gas obtained from lands not subject to this agreement is introduced into any participating area hereunder, for use in repressuring, stimulation of production, or increasing ultimate recovery, which shall be in conformity with a plan first approved by the Supervisor, a like amount of gas, after settlement as herein provided for any gas transferred from any other participating area and with due allowance for loss or depletion from any cause, may be withdrawn from the formation into which the gas was introduced, royalty free as to dry gas, but not as to the products extracted therefrom; provided that such withdrawal shall be at such time as may be provided in the plan of operations or as may otherwise be consented to by the Supervisor as conforming to good petroleum engineering practice; and provided further, that such right of withdrawal shall terminate on the termination of this unit agreement.

Royalty due the United States shall be computed as provided in the operating regulations and paid in value or delivered in kind as to all unitized substances on the basis of the amounts thereof allocated to unitized Federal land as provided herein at the rates specified in the respective Federal leases, or at such lower rate or rates as may be authorized by law or regulation; provided, that for leases on which the royalty rate depends on the daily average production per well, said average production shall be determined in accordance with the operating regulations as though each participating area were a single consolidated lease.

15. *Rental settlement.* Rental or minimum royalties due on leases committed hereto shall be paid by working interest owners responsible therefor under existing contracts, laws, and regulations, provided that nothing herein contained shall operate to relieve the lessees of any land from their respective lease obligations for the payment of any rental or minimum royalty in lieu thereof due under their leases. Rental or minimum royalty for lands of the United States subject to this agreement shall be paid at the rate specified in the respective leases from the United States unless such rental or minimum royalty is waived, suspended, or reduced by law or by approval of

the Secretary or his duly authorized representative.

With respect to any lease on non-Federal land containing provisions which would terminate such lease unless drilling operations were within the time therein specified commenced upon the land covered thereby or rentals paid for the privilege of deferring such drilling operations, the rentals required thereby shall, notwithstanding any other provision of this agreement, be deemed to accrue and become payable during the term thereof as extended by this agreement and until the required drilling operations are commenced upon the land covered thereby or some portion of such land is included within a participating area.

16. *Conservation.* Operations hereunder and production of unutilized substances shall be conducted to provide for the most economical and efficient recovery of said substances without waste, as defined by or pursuant to State or Federal law or regulation.

17. *Drainage.* The Unit Operator shall take appropriate and adequate measures to prevent drainage of unutilized substances from unutilized land by wells on land not subject to this agreement or pursuant to applicable regulations pay a fair and reasonable compensatory royalty as determined by the Supervisor.

18. *Leases and contracts conformed and extended.* The terms, conditions, and provisions of all leases, subleases, and other contracts relating to exploration, drilling, development, or operation for oil or gas of lands committed to this agreement are hereby expressly modified and amended to the extent necessary to make the same conform to the provisions hereof, but otherwise to remain in full force and effect; and the parties hereto hereby consent that the Secretary shall and by his approval hereof, or by the approval hereof by his duly authorized representative, does hereby establish, alter, change, or revoke the drilling, producing, rental, minimum royalty, and royalty requirements of Federal leases committed hereto and the regulations in respect thereto to conform said requirements to the provisions of this agreement, and, without limiting the generality of the foregoing, all leases, subleases, and contracts are particularly modified in accordance with the following:

(a) The development and operation of lands subject to this agreement under the terms hereof shall be deemed full performance of all obligations for development and operation with respect to each and every part

or separately owned tract subject to this agreement, regardless of whether there is any development of any particular part or tract of the unit area, notwithstanding anything to the contrary in any lease, operating agreement or other contract by and between the parties hereto, or their respective predecessors in interest, or any of them.

(b) Drilling and producing operations performed hereunder upon any tract of unutilized lands will be accepted and deemed to be performed upon and for the benefit of each and every tract of unutilized land, and no lease shall be deemed to expire by reason of failure to drill or produce wells situated on the land therein embraced.

(c) Suspension of drilling or producing operations on all unutilized lands pursuant to direction or consent of the Secretary or his duly authorized representative shall be deemed to constitute such suspension pursuant to such direction or consent as to each and every tract of unutilized land.

(d) Each lease, sublease or contract relating to the exploration, drilling, development or operation for oil or gas of lands other than those of the United States, committed to this agreement, which, by its terms might expire prior to the termination of this agreement, is hereby extended beyond any such term so provided therein so that it shall be continued in full force and effect for and during the term of this agreement.

(e) Any Federal lease for a fixed term of twenty (20) years or any renewal thereof or any part of such lease which is made subject to this agreement shall continue in force beyond the term provided therein until the termination hereof. Any other Federal lease committed hereto shall continue in force beyond the term so provided therein or by law as to the committed land so long as such land remains committed hereto, provided unutilized substances are discovered in paying quantities within the unit area prior to the expiration date of the primary term of such lease.

(f) Each sublease or contract relating to the operation and development of unutilized substances from lands of the United States committed to this agreement, which by its terms would expire prior to the time at which the underlying lease, as extended by the immediately preceding paragraph, will expire, is hereby extended beyond any such term so provided therein so that it shall be continued in full force and effect for and during the term of the underlying lease as such term is herein extended.

(g) Any lease having only a portion of its lands committed hereto shall be segregated as to the portion committed and the portion not committed, and the terms of such lease shall apply separately to such segregated portions commencing as of the effective date

*Alternative: Paragraph between double asterisks optional if non-Federal land included.

hereof. In the event any such lease provides for a lump-sum rental payment, such payment shall be prorated between the portions so segregated in proportion to the acreage of the respective tracts.

19. *Covenants run with land.* The covenants herein shall be construed to be covenants running with the land with respect to the interest of the parties hereto and their successors in interest until this agreement terminates, and any grant, transfer, or conveyance, of interest in land or leases subject hereto shall be and hereby is conditioned upon the assumption of all privileges and obligations hereunder by the grantee, transferee, or other successor in interest. No assignment or transfer of any working interest, royalty, or other interest subject hereto shall be binding upon Unit Operator until the first day of the calendar month after Unit Operator is furnished with the original, photostatic, or certified copy of the instrument of transfer.

20. *Effective date and term.* This agreement shall become effective upon approval by the Secretary or his duly authorized representative and shall terminate on⁴ unless (a) such date of expiration is extended by the Director, or (b) it is reasonably determined prior to the expiration of the fixed term or any extension thereof that the unitized land is incapable of production of unitized substances in paying quantities in the formations tested hereunder and after notice of intention to terminate the agreement on such grounds is given by the Unit Operator to all parties in interest at their last known addresses, the agreement is terminated with the approval of the Director, or (c) a valuable discovery of unitized substances has been made on unitized land during said initial term or any extension thereof, in which event the agreement shall remain in effect for such term and so long as unitized substances can be produced in paying quantities, i. e., in this particular instance in quantities sufficient to pay for the cost of producing same from wells on unitized land within any participating area established hereunder and, should production cease, so long thereafter as diligent operations are in progress for the restoration of production or discovery of new production and so long thereafter as the unitized substances so discovered can be produced as aforesaid, or (d) it is terminated as heretofore provided in this agreement.

This agreement may be terminated at any time by not less than 75 per centum, on an acreage basis, of the owners of working interests signatory hereto, with the approval

of the Director; notice of any such approval to be given by the Unit Operator to all parties hereto.

21. *Rate of prospecting, development, and production.* The Director is hereby vested with authority to alter or modify from time to time in his discretion the quantity and rate of production under this agreement when such quantity and rate is not fixed pursuant to Federal or State law or does not conform to any state-wide voluntary conservation or allocation program, which is established, recognized, and generally adhered to by the majority of operators in such State, such authority being hereby limited to alteration or modification in the public interest, the purpose thereof and the public interest to be served thereby to be stated in the order of alteration or modification. Without regard to the foregoing, the Director is also hereby vested with authority to alter or modify from time to time in his discretion the rate of prospecting and development and the quantity and rate of production under this agreement when such alteration or modification is in the interest of attaining the conservation objectives stated in this agreement and is not in violation of any applicable Federal or State law.

Powers in this section vested in the Director shall only be exercised after notice to Unit Operator and opportunity for hearing to be held not less than 15 days from notice.

22. *Determinations by unit operator and review thereof.*⁵ Whenever a determination is required to be made in order to carry out the express terms of this agreement and the agreement does not specify by whom such determination shall be made, the Unit Operator is hereby authorized to make the necessary determination subject to approval of the Director in the manner hereinafter provided. Notice of any such determination by the Unit Operator, accompanied by data in support thereof, shall be furnished to the Director through the Supervisor. If, after reviewing all the available evidence, the Director finds that the determination reviewed is incorrect he shall advise the Unit Operator accordingly, stating the reasons therefor, and thereupon such determination shall be of no force and effect.

The Unit Operator shall then make a new determination in conformity with the finding of the Director or appeal to the Secretary as provided in the Operating Regulations. All determinations made by the Unit Operator pursuant to this section shall be effective unless and until altered, modified, or rescinded as herein provided.

⁴The termination date to be specified in section 20 should not be more than 5 years from the effective date of the agreement.

⁵Section 22 entitled "Determinations by Unit Operator and Review Thereof" may be omitted at the option of the parties.

Any party hereto shall have the right to request the Director (such request to be accompanied by appropriate supporting evidence) to review any determination made by the Unit Operator pursuant to this section not previously reviewed on appeal to the Secretary. Such request will be granted or denied in the discretion of the Director within 60 days after being received. If denied, the requesting party shall have the right to appeal to the Secretary. If the request for review is granted and thereafter the Director finds that the determination should be altered, modified, or rescinded, the Unit Operator shall be advised accordingly and shall either comply with the finding of the Director or appeal to the Secretary.

23. *Appearances.* Unit Operator shall, after notice to other parties affected, have the right to appear for or on behalf of any and all interests affected hereby before the Department of the Interior and to appeal from orders issued under the regulations of said Department or to apply for relief from any of said regulations or in any proceedings relative to operations before the Department of the Interior or any other legally constituted authority; provided, however, that any other interested party shall also have the right at his own expense to be heard in any such proceeding.

24. *Notices.* All notices, demands or statements required hereunder to be given or rendered to the parties hereto shall be deemed fully given if given in writing and personally delivered to the party or sent by postpaid registered mail, addressed to such party or parties at their respective addresses set forth in connection with the signatures hereto or to the ratification or consent hereof or to such other address as any such party may have furnished in writing to party sending the notice, demand or statement.

25. *No waiver of certain rights.* Nothing in this agreement contained shall be construed as a waiver by any party hereto of the right to assert any legal or constitutional right or defense as to the validity or invalidity of any law of the State wherein said unitized lands are located, or of the United States, or regulations issued thereunder in any way affecting such party, or as a waiver by any such party of any right beyond his or its authority to waive.

26. *Unavoidable delay.* All obligations under this agreement requiring the Unit Operator to commence or continue drilling or to operate on or produce unitized substances from any of the lands covered by this agreement shall be suspended while, but only so long as, the Unit Operator despite the exercise of due care and diligence is prevented from complying with such obligations, in whole or in part, by strikes, acts of God,

Federal, State, or municipal law or agencies, unavoidable accidents, uncontrollable delays in transportation, inability to obtain necessary materials in open market, or other matters beyond the reasonable control of the Unit Operator whether similar to matters herein enumerated or not.

27. *Fair employment.* The Unit Operator shall not discriminate against any employee or applicant for employment because of race, creed, color or national origin, and an identical provision shall be incorporated in all sub-contracts.

28. *Loss of title.* In the event title to any tract of unitized land shall fall and the true owner cannot be induced to join in this unit agreement, such tract shall be automatically regarded as not committed hereto and there shall be such readjustment of future costs and benefits as may be required on account of the loss of such title. In the event of a dispute as to title as to any royalty, working interest, or other interests subject thereto, payment or delivery on account thereof may be withheld without liability for interest until the dispute is finally settled; provided, that, as to Federal land or leases, no payments of funds due the United States should be withheld, but such funds shall be deposited as directed by the Supervisor to be held as unearned money pending final settlement of the title dispute, and then applied as earned or returned in accordance with such final settlement.

Unit Operator as such is relieved from any responsibility for any defect or failure of any title hereunder.

29. *Non-joinder and subsequent joinder.* If the owner of any substantial interest in a tract within the unit area fails or refuses to subscribe or consent to this agreement, the owner of the working interest in that tract may withdraw said tract from this agreement by written notice to the Director and the Unit Operator prior to the approval of this agreement by the Director. Any oil or gas interests in lands within the unit area not committed hereto prior to submission of this agreement for final approval may thereafter be committed hereto by the owner or owners thereof subscribing or consenting to this agreement, and, if the interest is a working interest, by the owner of such interest also subscribing to the unit operating agreement. After operations are commenced hereunder, the right of subsequent joinder, as provided in this section, by a working interest owner is subject to such requirements or approvals, if any, pertaining to such joinder, as may be provided for in the unit operating agreement. After final approval hereof joinder by a non-working interest owner must be consented to in writing by the working interest owner committed hereto

and responsible for the payment of any benefits that may accrue hereunder in behalf of such non-working interest. Prior to final approval hereof, joinder by any owner of a non-working interest must be accompanied by appropriate joinder by the owner of the corresponding working interest in order for the interest to be regarded as effectively committed hereto. Except as may otherwise herein be provided subsequent joinders to this agreement shall be effective as of the first day of the month following the filing with the Supervisor of duly executed counterparts of all or any papers necessary to establish effective commitment of any tract to this agreement unless objection to such joinder is duly made within 60 days by the Director.

30. *Counterparts.* This agreement may be executed in any number of counterparts no one of which needs to be executed by all parties or may be ratified or consented to by separate instrument in writing specifically referring hereto and shall be binding upon all those parties who have executed such a counterpart, ratification, or consent hereto with the same force and effect as if all such parties had signed the same document and regardless of whether or not it is executed by all other parties owning or claiming an interest in the lands within the above-described unit area.

31. *Surrender.** Nothing in this agreement shall prohibit the exercise by any working interest owner of the right to surrender vested in such party in any lease, sub-lease, or operating agreement as to all or any part of the lands covered thereby, provided that each party who will or might acquire such working interest by such surrender or by forfeiture as hereafter set forth, is bound by the terms of this agreement.

If as a result of any such surrender, the working interest rights as to such lands become vested in any party other than the fee owner of the unitized substances, said party shall forfeit such rights and no further benefits from operations hereunder as to said land shall accrue to such party, unless within ninety (90) days thereafter said party shall execute this agreement and the unit operating agreement as to the working interest acquired through such surrender, effective as though such land had remained continuously subject to this agreement and the unit operating agreement. And in the event such agreements are not so executed, the party next in the chain of title shall be and become the owner of such working interest at the end of such ninety (90) day period.

* Section 31 entitled "Surrender" may be omitted at the option of the parties.

with the same force and effect as though such working interest had been surrendered to such party.

If as the result of any such surrender or forfeiture the working interest rights as to such lands become vested in the fee owner of the unitized substances, such owner may:

(1) Execute this agreement and the unit operating agreement as a working interest owner, effective as though such land had remained continuously subject to this agreement and the unit operating agreement.

(2) Again lease such lands but only under the condition that the holder of such lease shall within thirty (30) days after such lands are so leased execute this agreement and the unit operating agreement as to each participating area theretofore established hereunder, effective as though such land had remained continuously subject to this agreement and the unit operating agreement.

(3) Operate or provide for the operation of such land independently of this agreement as to any part thereof or any oil or gas deposits therein not then included within a participating area.

If the fee owner of the unitized substances does not execute this agreement and the unit operating agreement as a working interest owner or again lease such lands as above provided with respect to each existing participating area, within six (6) months after any such surrender or forfeiture, such fee owner shall be deemed to have waived the right to execute the unit operating agreement or lease such lands as to each such participating area, and to have agreed, in consideration for the compensation hereinafter provided, that operations hereunder as to any such participating area or areas shall not be affected by such surrender.

For any period the working interest in any lands are not expressly committed to the unit operating agreement as the result of any such surrender or forfeiture, the benefits and obligations of operations accruing to such lands under this agreement and the unit operating agreement shall be shared by the remaining owners of unitized working interests in accordance with their respective participating working interest ownerships in any such participating area or areas, and such owners of working interests shall compensate the fee owner of unitized substances in such lands by paying sums equal to the rentals, minimum royalties, and royalties applicable to such lands under the lease in effect when the lands were unitized, as to such participating area or areas.

Upon commitment of a working interest to this agreement and the unit operating agreement as provided in this section, an appropriate accounting and settlement shall be

made, to reflect the retroactive effect of the commitment, for all benefits accruing to or payments and expenditures made or incurred on behalf of such surrendered working interest during the period between the date of surrender and the date of recommitment, and payment of any moneys found to be owing by such an accounting shall be made as between the parties then signatory to the unit operating agreement and this agreement within thirty (30) days after the recommitment. The right to become a party to this agreement and the unit operating agreement as a working interest owner by reason of a surrender or forfeiture as provided in this section shall not be defeated by the non-existence of a unit operating agreement and in the event no unit operating agreement is in existence and a mutually acceptable agreement between the proper parties thereto cannot be consummated, the Supervisor may prescribe such reasonable and equitable agreement as he deems warranted under the circumstances.

Nothing in this section shall be deemed to limit the right of joinder or subsequent joinder to this agreement as provided elsewhere in this agreement. The exercise of any right vested in a working interest owner to reassign such working interest to the party from whom obtained shall be subject to the same conditions as set forth in this section in regard to the exercise of a right to surrender.

WORKING INTEREST OWNERS

Date: -----
 Attest: -----
 Secretary By -----
 President

Date: -----
 Date: -----

OTHER PARTIES

Date: -----
 Attest: -----
 Secretary By -----
 President

Date: -----
 Date: -----

NOTE

- (a) At the option of the parties a section may be included covering the payment of taxes.
- (b) Unit Operator should sign both as Unit Operator and as a working interest owner.
- (c) Only those who are parties to the Unit Operating and Accounting Agreement should sign as working interest owners.

(d) A carried working interest owner should sign under the heading of **OTHER PARTIES**.

NOTE: The following is a sample form of approval certificate to be attached to each executed copy of unit agreement submitted for approval.

CERTIFICATION—DETERMINATION

Pursuant to the authority vested in the Secretary of the Interior, under the act approved February 25, 1920, 41 Stat. 437, 30 U. S. C. secs. 181, et seq., as amended by the act of August 8, 1946, 60 Stat. 950, and delegated to the Director of the Geological Survey pursuant to Departmental Order No. 2365 of October 8, 1947, 12 F. R. 6784, I do hereby:

A. Approve the attached agreement for the development and operation of the ----- Unit Area, State of -----

B. Certify and determine that the unit plan of development and operation contemplated in the attached agreement is necessary and advisable in the public interest for the purpose of more properly conserving the natural resources.

C. Certify and determine that the drilling, producing, rental, minimum royalty, and royalty requirements of all Federal leases committed to said agreement are hereby established, altered, changed, or revoked to conform with the terms and conditions of this agreement.

Dated: -----

 Director, United States Geological Survey.

EXHIBIT A

SWAN UNIT AREA
 T. 54 N. R. 10W., 6th PM, WYOMING

Deer	Frost	Deer	Doe
16-12	15-1	14-3	13-13
S. S. Sims erol	B-038470	B-039210	J. C. Smith
Snow	Smith	Frost	Deer
21-5	22-14	23-4	24-10
B-041274	T. J. Cook	B-039791	B-043970
Frost	Deer & Doe	Deer	Snow
28-6	27-7	26-9	25-11
B-041345	B-041679	B-042780	B-044792
Doe	Deer	Deer	Doe et al.
33-8	34-15	35-2	36-16
B. M. A. 041789	K. C. Knott	B-039123	A. A. Agan et al.

① Means tract number as listed on Exhibit B.

Chapter II—Geological Survey

§ 226.15

SAMPLE EXHIBIT B—SWAN UNIT AREA, CAMPBELL COUNTY, WYOMING, T. 54 N., R. 70 W.

Tract No.	Description of land	Number of acres	Application or serial No. and effective or expiration date of lease	Basic royalty and percentage	Lessee of record	Overriding royalty and percentage	Working interest and percentage
	<i>Federal land T. 54 N. R. 70 W.</i>		<i>Buffalo Serials</i>				
1	All Sec. 15	640.00	038470 7-1-49	U. S. All-----	T. J. Cook-----	T. J. Cook 2%---	Frost O. Co., All.
2	All Sec. 35	640.00	039123 7-1-49	do-----	O.M. Odom-----	O. M. Odom 1%--	Deer O. Co., All.
3	All Sec. 14	640.00	039210 7-1-49	do-----	Tom Black-----	Tom Black 2%--	Do.
4	All Sec. 23	640.00	039791 8-1-49	do-----	G. G. White-----	G. G. White 2%--	Frost O. Co., All.
5	All Sec. 21	640.00	041274 10-1-49	do-----	Joe Blue-----	Joe Blue 1%-----	Snow O. Co., All.
6	All Sec. 28	640.00	041345 11-1-49	do-----	{Max Pen----- Sam Small-----}	Max Pen 1%----- Sam Small 1%-----	Frost O. Co., All.
7	All Sec. 27	640.00	041679 12-1-49	do-----	Al Preen-----	Al Preen 2%-----	Deer O. Co., 50% Doe O. Co., 50%
8	All Sec. 33	640.00	BLM-A- 041789	do-----	S. T. Jones-----	S. T. Jones 1 1/2%	Doe O. Co., All.
9	All Sec. 26	640.00	1-1-50 042780	do-----	J. G. Goodin-----	J. G. Goodin 2%	Deer O. Co., All.
10	All Sec. 24	640.00	2-1-50 043970	do-----	Tim Holder-----	Tim Holder 2%--	Do.
11	All Sec. 25	640.00	3-1-50 044792 Appl'n.	do-----	Al Black-----	Al Black 2%-----	Snow O. Co., All.
12	All Sec. 16	640.00	7-12-50	{S. S. Sims 50%-- Wm. Sims 25%-- Joe Sims 25%--}	Deer O. Co....	T. T. Timo 2%--	Deer O. Co., All.
13	All Sec. 13	640.00	8-2-50	J. C. Smith-----	Doe O. Co....	None-----	Doe O. Co., All.
14	All Sec. 22	640.00	9-15-50	T. J. Cook-----	W. W. Smith-----	Sam Spade 1%--	W. W. Smith, All.
15	All Sec. 34	640.00	6-1-50	K. A. Knott-----	Deer O. Co....	None-----	Deer O. Co., All.
16	All Sec. 36	640.00	5-15-50	{A. A. Aben 75%-- L. P. Aben 25%--}	Doe O. Co....	do-----	{Doe O. Co. 60% W. W. Smith 40%}

Total: 16 tracts 10,240.00 acres in entire unit area.

NOTE: Group lands by types, listing Federal leases by order of serial number.

Tract numbers are merely for simple and convenient reference.

Consents should be identified (in pencil if desired) by tract numbers as listed in Exhibit B and assembled in that order as far as practical.

For patented land tracts, the lease expiration date may be shown in lieu of the lease date.

§ 226.15 Form of collective bond.

COLLECTIVE CORPORATE SURETY BOND

Know all men by these presents, That we, _____, signing as

(Name of unit operator)

Principal, for and on behalf of the record owners of unitized substances now or hereafter covered by the unit agreement for the _____, approved _____

(Name of unit)

(Date)

as Surety

(Name and address of Surety)

are jointly and severally held and firmly bound unto the United States of America in the sum of _____ Dollars, lawful

(Amount of bond)

money of the United States, for the use and benefit of and to be paid to the United States and any entryman or patentee of any portion of the unitized land, heretofore entered or patented with the reservation of the oil or gas deposits to the United States, for which payment, well and truly to be made,

we bind ourselves, and each of us, and each of our heirs, executors, administrators, successors, and assigns by these presents.

The condition of the foregoing obligation is such, that, whereas the Secretary of the Interior on _____ approved un-
(Date)

der the provisions of the act of February 25, 1920, 41 Stat. 497, 80 U. S. C. secs. 181, et seq., as amended by the act of August 8, 1946, 60 Stat 980, a unit agreement for the development and operation of the _____

(Name of unit and State)

Whereas said Principal and record owners of unitized substances, pursuant to said unit agreement, have entered into certain covenants and agreements as set forth therein, under which operations are to be conducted; and

Whereas said Principal as Unit Operator has assumed the duties and obligations of

the respective owners of unitized substances as defined in said unit agreement; and

Whereas said Principal and Surety agree to remain bound in the full amount of the bond for failure to comply with the terms of the unit agreement, and the payment of rentals, minimum royalties, and royalties due under the Federal leases committed to said unit agreement; and

Whereas the Surety hereby waives any right of notice of and agrees that this bond may remain in force and effect notwithstanding:

(a) Any additions to or change in the ownership of the unitized substances herein described;

(b) Any suspension of the drilling or producing requirements or waiver, suspension, or reduction of rental or minimum royalty payments or reduction of royalties pursuant to applicable laws or regulations thereunder; and

Whereas said Principal and Surety agree to the payment of compensatory royalty under the regulations of the Interior Department in lieu of drilling necessary offset wells in the event of drainage; and

Whereas nothing herein contained shall preclude the United States from requiring an additional bond at any time when deemed necessary:

Now, therefore, if the said Principal shall faithfully comply with all of the provisions of the above-identified unit agreement and with the terms of the leases committed thereto, then the above obligation is to be of no effect; otherwise to remain in full force and virtue.

Signed, sealed, and delivered this ____ day of _____, 19____, in the presence of:

Witnesses: _____ (Principal)
_____ (Surety)

§ 226.16 Form of designation of successor unit operator by working interest owners.

Designation of successor Unit Operator _____ Unit Area, County of _____ State of _____ No. _____

This Indenture, dated as of the ____ day of _____, 19____, by and between _____ hereinafter designated as "First Party," and the owners of unitized working interests, hereinafter designated as "Second Parties,"

WITNESSETH: Whereas under the provisions of the act of February 25, 1920, 41 Stat. 437, 30 U. S. C. secs. 181, et seq., as amended by the act of August 8, 1946, 60 Stat. 950, the Secretary of the Interior, on the ____ day of _____, 19____, approved a unit agreement for the _____ Unit Area, wherein _____ is designated as Unit Operator; and

Whereas said _____ has resigned as such Operator,¹ and the designation of a successor Unit Operator is now required pursuant to the terms thereof; and

Whereas the First Party has been and hereby is designated by Second Parties as Unit Operator, and said First Party desires to assume all the rights, duties, and obligations of Unit Operator under the said unit agreement:

Now, therefore, in consideration of the premises hereinbefore set forth and the promises hereinafter stated, the First Party hereby covenants and agrees to fulfill the duties and assume the obligations of Unit Operator under and pursuant to all the terms of the _____ unit agreement, and the Second Parties covenant and agree that, effective upon approval of this indenture by the Director of the Geological Survey, First Party shall be granted the exclusive right and privilege of exercising any and all rights and privileges as Unit Operator, pursuant to the terms and conditions of said unit agreement; said unit agreement being hereby incorporated herein by reference and made a part hereof as fully and effectively as though said unit agreement were expressly set forth in this instrument.

In witness whereof, the parties hereto have executed this instrument as of the date hereinabove set forth.

(Witnesses) (First Party)

(Witnesses) (Second Parties)

I hereby approve the foregoing indenture designating _____ as Unit Operator under the unit agreement for the _____ Unit Area, this ____ day of _____, 19____.

Director of the Geological Survey.

§ 226.17 Form of change in unit operator by assignment.

Change in Unit Operator _____ Unit Area, County of _____, State of _____, No. _____

This Indenture, dated as of the ____ day of _____, 19____, by and between _____ hereinafter designated as "First Party," and _____ hereinafter designated as "Second Party."

WITNESSETH: Whereas under the provisions of the act of February 25, 1920, 41 Stat. 437, 30 U. S. C. secs. 181, et seq., as amended by the act of August 8, 1946, 60 Stat. 950, the Secretary of the Interior, on the ____ day of _____, 19____, approved a unit agreement for the _____ Unit Area.

¹ Where the designation of a successor Unit Operator is required for any reason other than resignation, such reason shall be substituted for the one stated.

wherein the First Party is designated as Unit Operator; and

Whereas the First Party desires to transfer, assign, release, and quitclaim, and the Second Party desires to assume all the rights, duties, and obligations of Unit Operator under the unit agreement; and

Whereas for sufficient and valuable consideration, the receipt whereof is hereby acknowledged, the First Party has transferred, conveyed, and assigned all his/its rights under certain operating agreements involving lands within the area set forth in said unit agreement unto the Second Party:

Now, therefore, in consideration of the premises hereinbefore set forth, the First Party does hereby transfer, assign, release, and quitclaim unto Second Party all of First Party's rights, duties, and obligations as Unit Operator under said unit agreement; and

Second Party hereby accepts this assignment and hereby covenants and agrees to fulfill the duties and assume the obligations of Unit Operator under and pursuant to all the terms of said unit agreement to the full extent set forth in this assignment, effective upon approval of this indenture by the Director of the Geological Survey; said unit agreement being hereby incorporated herein by reference and made a part hereof as fully and effectively as though said unit agreement were expressly set forth in this instrument.

In witness whereof, the parties hereto have executed this instrument as of the date hereinabove set forth.

----- (Witnesses) -----
 ----- (First Party) -----
 ----- (Second Party) -----

I hereby approve the foregoing indenture designating ----- as Unit Operator under the unit agreement for the ----- Unit Area, this ----- day of ----- 19---

 Director of the Geological Survey.

Part 231—Operating and Safety Regulations Governing the Mining of Potash; Oil Shale, Sodium, and Phosphate; Sulphur; and Gold, Silver, or Quicksilver; and Other Non-Metallic Minerals, Including Silica Sand

ADMINISTRATION OF REGULATIONS AND DEFINITIONS

- Sec.
 231.1 Authority, purpose, and scope of the regulations in this part.
 231.2 Definitions.
 231.3 Powers and duties of mining supervisor.

- Sec.
 231.4 General obligations of lessees.

MAPS AND PLANS

- 231.5 Maps and plans required prior to beginning commercial operations; modification thereof; departure therefrom; operations in advance of approval thereof or not in conformity therewith.
 231.6 Requirements for maps of underground workings and surface operations and equipment; accuracy to be attested before notary public; posting.
 231.7 Other maps; what to be shown.

PROSPECT BORE HOLES

- 231.8 Submission of core or test hole records; cores, samples, cuttings, mill products; cementing and casing of drill holes.

WELFARE AND SAFETY

- 231.9 Sanitary, welfare, and safety arrangements.
 231.10 Reports of accidents, inundations, or fires to be promptly mailed; fatal accidents and serious or threatening damages to be reported by telegraph or telephone.
 231.11 Protection of employees; mechanical equipment; dangerous walks or passages; moving parts of machinery or belts.

MINING METHODS

- 231.12 Lessee shall observe good practice.
 231.13 Operations shall be conducted in a manner to yield ultimate maximum recovery; information recorded and copy furnished district mining supervisor.
 231.14 Sufficient pillars shall be left.
 231.15 Working places; traveling way.
 231.16 Mining or prospecting minerals soluble in water; brines; minerals taken in solution.

PROTECTION AGAINST MINE HAZARDS

- 231.17 Dust, fumes, and acids.
 231.18 Ventilation.
 231.19 Inflammable gas and dust.
 231.20 Explosives.
 231.21 Electricity.
 231.22 Fire protection.
 231.23 Escape ways.

MILLING; WASTE FROM MINING OR MILLING

- 231.24 Milling shall be in accord with approved practices.
 231.25 Disposal of waste from mining or milling.

PRODUCTION RECORDS AND AUDIT

- 231.26 Books of account to be kept.
 231.27 Sale price basis not less than highest market price; Secretary of the Interior may determine and declare market price.

- Sec.
 231.28 Audit of lessee's accounts and books semiannually or at other times; lessee to furnish audit free of cost.
- INSPECTION, ISSUANCE OF ORDERS AND ENFORCEMENT OF ORDERS
- 231.29 Lessees shall provide means for inspection of underground and surface conditions; surveying, estimating, and study.
- 231.30 Issuance of orders.
- 231.31 Service of notices, instructions, and orders.
- 231.32 Enforcement of orders; suspension of operations; temporary waiver of suspension order pending appeal and review.
- 231.33 Appeal; time allowed.

AUTHORITY: §§ 231.1 to 231.33 issued under sec. 32, 41 Stat. 450, secs. 1, 1, 3, 44 Stat. 301, as amended, 1057, 710, sec. 10, 61 Stat. 915; 30 U. S. C. 189, 271, 281, 293, 359. Interpret or apply secs. 5, 5, 44 Stat. 302, 1058, as amended; 30 U. S. C. 275, 285.

SOURCE: §§ 231.1 to 231.33 contained in Operating Regulations, June 2, 1927, except as otherwise noted.

ADMINISTRATION OF REGULATIONS AND DEFINITIONS

§ 231.1 *Authority, purpose, and scope of the regulations in this part.* (a) Pursuant to the authority vested in the Secretary of the Interior the regulations in this part have been issued to govern the methods of mining on the public domain for the discovery, mining, and treating of potash, oil shale, sodium, phosphate, sulphur, gold, silver, or quicksilver. The regulations in this part shall also apply to deposits of silica sand and other nonmetallic minerals within lands withdrawn by Executive Order No. 5105 of May 3, 1929, and to minerals in acquired lands (except coal, oil, and gas) under the regulations in 43 CFR Part 200. On and after July 1, 1944, the administration of the regulations in this part, save and except for those provisions dealing with inspections for the safety and welfare of miners engaged in operations covered by the regulations in this part shall be vested in the Geological Survey, Department of the Interior.

(b) Effective July 1, 1944, the function of making inspections for the safety and welfare of miners under the regulations in this part providing for such inspections shall be vested in the Bureau of Mines, Department of the Interior.

(c) The enforcement of the regulations in this part will remain the function of the Geological Survey.

[13 F. R. 9496, Dec. 31, 1948]

CROSS REFERENCE: For leases of silica sands and other non-metallic minerals in certain areas in Nevada, see 43 CFR, Part 199.

§ 231.2 *Definitions.* The following terms used in the regulations in this part shall have the meanings here given:

(a) *Mining supervisor (Chief, Mining Branch).* The agent appointed by and acting for the Secretary of the Interior to supervise all prospecting and mining operations under the Mineral Leasing Acts.

(b) *District mining supervisor, deputy mining supervisor, mining engineer.* Any person appointed by the Secretary of the Interior to supervise, under the direction of the mining supervisor, prospecting and mining operations under the regulations in this part.

(c) *Lessee.* Any person or persons, partnership, association, firm, corporation or municipality, or State to whom a mining lease or permit is issued under the Mineral Leasing Acts.

(d) *Leased lands, leased premises, or leased tract.* Any lands or deposits occupied under lease or permit, granted in accordance with the Mineral Leasing Acts, for the purpose of prospecting for or mining potash, oil shale, sodium, phosphate, sulphur, gold, silver, or quicksilver.

§ 231.3 *Powers and duties of mining supervisor.* It shall be the duty of the mining supervisor, individually or through his subordinates, and under the direction of the Director of the Geological Survey:

(a) *Make inspectional visits; supervise operations to prevent waste or damage; promote safety, health, and welfare of workmen; issue necessary orders or instructions.* To visit from time to time leased lands where operations for the discovery or mining or treating of potash, oil shale, sodium, phosphate, sulphur, gold, silver, or quicksilver are carried on or are to be conducted; to inspect and supervise such operations, including operations at accessory plants, for the purpose of preventing waste of mineral substances, or damage to formations or deposits containing them, and of

promoting the safety, health, and welfare of workmen in accordance with the provision of the acts; and to issue, in accordance with the provisions of the lease and the regulations in this part, such necessary orders or instructions not in conflict with the laws of the State in which the leased lands are situated as will effectually carry out the purposes aforementioned.

(b) *Make reports on condition of leased property and manner of operations; make recommendations for safeguarding lives and health of employees and protection of property.* To make reports to the Director of the Geological Survey and to the Secretary of the Interior as to the general condition of the leased property and the manner in which operations are being conducted and orders or instructions are being compiled with, and to submit from time to time information and recommendations for safeguarding and protecting the lives and health of the employees, the property, the minerals, and the mineral-bearing formations.

(c) *Prescribe manner and form of records, reports, and notices.* To prescribe, subject to the approval of the Secretary of the Interior, the manner and form in which all records of operations, reports, and notices shall be made.

(d) *Obtain and check records of production; report amount of production and value of accrued rentals and royalties.* To obtain and check the records of production of minerals from the leased lands and to report at the end of each quarter the amount of production and the value of accrued rentals and royalties chargeable to each lease.

§ 231.4 *General obligations of lessees.* Mining operations by the lessee shall conform to the terms of the act, the lease, and the regulations in this part and to the written instructions of the mining supervisor and his subordinates, and shall use all reasonable precautions, in accordance with the most approved methods, to prevent waste, damage to mineral-bearing formations, and injury to life or health, and shall provide for safety and welfare of the employees.

MAPS AND PLANS

§ 231.5 *Maps and plans required prior to beginning commercial operations; modification thereof; departure therefrom; operations in advance of approval thereof or not in conformity therewith.*

Prior to the beginning of actual commercial mining operations maps and plans showing the proposed mining methods and the plant layout shall be submitted to the district mining supervisor for approval. Such maps and plans shall be modified as required by the district mining supervisor, and when approved shall be put into execution. If subsequent operations require radical departure from the approved maps and plans, supplementary maps and plans shall be submitted with a statement of reasons for the changes. Operations conducted in advance of approval of such maps and plans by the district mining supervisor or not in conformity with approved maps and plans constitute violation of the regulations in this part.

§ 231.6 *Requirements for maps of underground workings and surface operations and equipment; accuracy to be attested before notary public; posting.* Maps of underground workings, unless otherwise ordered by the district mining supervisor, shall be drawn to a scale of 100 feet to the inch; maps of surface operations and equipment may be to a scale of not over 200 feet to the inch. All maps shall be appropriately marked with reference to Government landmarks or lines and elevations with reference to sea level. Where the beds or deposits dip at angles greater than 45° from the horizontal, vertical projections and cross sections shall be made accompanying plan views. Maps shall be based on accurate surveys made within 30 days following January 1 and July 1 of each year and as may be necessary at other times. Accurate copies of such maps on tracing cloth or prints shall be furnished the district mining supervisor when and as required. The accuracy of maps furnished shall be attested before a notary public. The maps shall be posted to date at least once each six months.

§ 231.7 *Other maps; what to be shown.* The lessee shall prepare such maps of the leased lands as in the judgment of the district mining supervisor are necessary to show the surface boundaries, improvements, and topography, and the geological conditions so far as determined from outcrops, drill holes, prospecting, or mining. All excavations in each separate bed or deposit shall be shown in such manner that the production of minerals for any given royalty period can be accurately ascertained.

PROSPECT BORE HOLES

§ 231.8 *Submission of core or test hole records; cores, samples, cuttings, mill products; cementing and casing of drill holes.* The lessee shall submit promptly to the district mining supervisor sworn copies of all core or test hole records made on the leased lands, the records to be in such form that the position and direction of the holes can be accurately located on a map. The records shall include a log of all strata penetrated and conditions encountered, such as water, quicksand, gas, or unusual conditions, and copies of analyses of all samples analyzed from strata penetrated shall be transmitted to the district mining supervisor as soon as obtained. The core from test holes shall be available for inspection at the convenience of the district or deputy mining supervisor, and he shall be privileged to cut such cores and receive samples of such parts as he may deem advisable, or on request of the district mining supervisor the lessee shall furnish such samples of strata, drill cuttings, and mill products as may be required. Drill holes for development or holes for prospecting shall be cemented and cased to the satisfaction of the district mining supervisor and in a manner not to endanger any present or future underground operation or any deposit of oil, gas, or other mineral substances.

WELFARE AND SAFETY

§ 231.9 *Sanitary, welfare, and safety arrangements.* The underground and surface sanitary, welfare, and safety arrangements shall be in accordance with the recommendations of the United States Public Health Service and United States Bureau of Mines.

CROSS REFERENCES: For United States Bureau of Mines, see Chapter I of this title. For United States Public Health Service, Department of the Treasury, see 42 CFR Chapter I.

§ 231.10 *Reports of accidents, inundations, or fires to be promptly mailed; fatal accidents and serious or threatening damages to be reported by telegraph or telephone.* Full reports of all accidents, inundations, or fires shall be promptly mailed to the district mining supervisor by the lessee or his representatives. Fatal accidents and serious or threatening damages to the mine, the leased lands, or deposits, shall be reported to the district mining supervisor by telegraph or telephone.

§ 231.11 *Protection of employees; mechanical equipment; dangerous walks or passages; moving parts of machinery or belts.* All employees while in the mine or accessory plants shall be afforded all possible protection to life and health. All mechanical equipment used for the transportation of men shall be of a safe design and character for the work it performs. At dangerous walks or passages adequate shelter holes shall be made, guard rails or fences shall be erected, and warning signs shall be posted. All moving parts of machinery or belts, when endangering employees or liable to result in injury, shall be adequately guarded.

MINING METHODS

§ 231.12 *Lessee shall observe good practice.* The lessee shall observe good practice in prospecting and mining, sinking wells, shafts, and winzes, driving drifts and tunnels, stoping, blasting, transporting ore materials, hoisting, the use of explosives, timbering, pumping, and other operations for the development and preservation of any operation, mine, or mine equipment on the lease.

§ 231.13 *Operations shall be conducted in a manner to yield ultimate maximum recovery; information recorded and copy furnished district mining supervisor.* Mining operations shall be conducted in a manner to yield the ultimate maximum recovery of the mineral deposits. All shafts, main exits, and passageways, as well as overlying beds or mineral deposits that at a future date may be of economic importance, shall be protected by adequate pillars in the deposit being worked. Information obtained regarding the mineral deposit being worked and other mineral deposits on the leased lands shall be fully recorded and a copy of the record furnished to the district mining supervisor.

§ 231.14 *Sufficient pillars shall be left.* Sufficient pillars shall be left in first mining to insure the ultimate maximum recovery when the time arrives for the removal of pillars. Boundary pillars shall in no case be less than 50 feet thick unless otherwise specified in writing by the mining supervisor. Boundary and other main pillars shall be mined only with the written consent or by order of the mining supervisor or his authorized subordinates.

§ 231.15 *Working places; traveling way.* All working places shall be visited

at least once during each shift by the mine foreman or his assistants, and there shall be provided adequate timber distributed throughout the mine for the usual daily uses. The roof and sides of every traveling way and each working place shall be made secure when necessary by timbering or adequate lining and arching in accord with good mining practice and the lessee shall not permit anyone to travel on or work in any traveling way or working place which is not secure, unless appointed for the purpose of exploring, inspecting, or repairing same.

§ 231.16 *Mining or prospecting minerals soluble in water; brines; minerals taken in solution.* In mining or prospecting deposits of potassium or other minerals soluble in water, all wells, shafts, prospect holes, and other openings shall be adequately protected with neat cement against the coursing or entrance of water; and the lessee shall, on orders of the district mining supervisor, back fill with rock or other suitable material to protect the roof from breakage when there is a danger of the entrance of water. On leased lands containing brines, due precaution shall be exercised to prevent the deposits becoming diluted or contaminated by the mixture of water or valueless solution; and, where the minerals are taken from the earth in solution, such extraction shall not be within 500 feet of the boundary line of the leased lands without the written permission of the Secretary of the Interior.

PROTECTION AGAINST MINE HAZARDS

§ 231.17 *Dust, fumes, and acids.* In the mining and milling or treating of the ores or mined products, the employees shall be adequately protected from injurious fumes, acids, dusts, and harmful or dangerous conditions. In mines where siliceous or other harmful dusts are formed, drilling machines shall be of the water-injection type and sprays shall be used to wet down the dust.

§ 231.18 *Ventilation.* Lessees shall provide and maintain for each underground operation on any lease a good and sufficient amount of ventilation for such men and animals as may be employed therein, and shall cause an adequate quantity of normal air to circulate through and into all the shafts, winzes, levels, and all working places of such mine. A working place, entry, or passageway shall not be deemed normally

in a fit condition for men to work or travel in if the air therein be found by chemical analysis to contain on a moisture-free basis more than 1¼ percent carbon dioxide or less than 19½ percent oxygen. The lessee, upon being notified of such finding, shall immediately undertake measures to improve the quality of the air of said working place or entry. Where natural ventilation does not furnish a positive current of air, ventilating fans shall be provided. Fans when installed shall have fireproof housing and surface fans shall be so arranged that the ventilating current can be quickly reversed.

§ 231.19 *Inflammable gas and dust.* Mines in which inflammable gas is found or explosive dust produced shall be subject to the coal-mining operating regulations covering these hazards.

CROSS REFERENCE: For coal-mining operating regulations, see Part 211 of this chapter.

§ 231.20 *Explosives.* The lessee shall store, thaw, transport, issue, and use explosives only in the most approved manner and with due regard for the safety and welfare of the employees and protection of property and in accord with instructions or notices issued by the district mining supervisor.

§ 231.21 *Electricity.* Electric circuits with potential of more than 600 volts shall be conducted in or through a mine only through insulated lead-covered armored cables, with the armor electrically continuous throughout and grounded, and may only be used for transmission or for application to transformers, motors, or other apparatus in which the whole of the high-voltage winding is stationary. Electric circuits of between 300 and 600 volts may be used only for stationary motors. All portable motors, such as locomotive mining machinery and portable pumps or portable fans, shall use current of less than 300 volts. All electric wires and appliances shall be installed, maintained, and used so as to insure safety to the employees and the mine and be in accord with the recommendations of the United States Bureau of Mines.

§ 231.22 *Fire protection.* All structures within 75 feet of any mine opening shall be so constructed and protected against fire that the men in the mine

shall not be endangered if fire should occur in a surface building. Inflammable material shall not be stored within 75 feet of a mine exit. All shafts shall be fire-proof. All underground offices, stations, shops, magazines, and stores shall be so constructed, equipped, and maintained as to reduce the fire hazard to a minimum. Sufficient fire-fighting apparatus shall be maintained in working condition at the mine exits and at convenient points in the mine workings for fire emergencies. An adequate water supply shall be held in storage tanks or reservoirs for fire emergencies and be available for immediate use through connecting pipe lines for either surface or underground fires.

§ 231.23 *Escape ways.* In all underground operations the lessee shall not without the written consent of the district mining supervisor employ more than 10 men underground on any one shift until a second exit or escape way of adequate dimensions has been made from the interior of the mine to the surface. At the surface such exits shall be not less than 100 feet apart if by drift nor less than 200 feet apart if by shafts. When necessary in the opinion of the district mining supervisor such escape ways shall be provided with ladders or stairs in addition to any mechanical means of ingress or egress as may exist or be required. Said openings shall not be covered by or connected with inflammable buildings or materials, but open timber framework may be permitted.

MILLING; WASTE FROM MINING OR MILLING

§ 231.24 *Milling shall be in accord with approved practices.* It shall be the duty of the lessee to use due diligence in the reduction, concentration, or separation of mineral substances by mechanical or chemical processes, by distillation, by evaporation, or other means so that the percentage of salts, concentrates, oil, or other mineral substances recovered shall be in accord with the most approved practices.

§ 231.25 *Disposal of waste from mining or milling.* The lessee shall make such provision for the disposal of the waste from wells, the waste rock from the mines, the material removed in hydraulic or stripping operations, the sludge from the mill, the brines from the plant, and other refuse that it will not become a nuisance or obstruction to any public

highway, railroad, right of way, or other avenue of transportation or travel, or to any private or public land or stream, or in any manner to occasion private or public damage.

PRODUCTION RECORDS AND AUDIT

§ 231.26 *Books of account to be kept.* The lessee shall maintain books in which will be kept a correct account of all ore and rock mined on the tract, of all ore put through the mill, of all mineral products produced, and of all ore and mineral products sold and to whom sold, the weight, assay value, moisture content, base price, dates, penalties, and price received, and the percentage of the mineral products recovered and lost shall be shown.

§ 231.27 *Sale price basis not less than highest market price; Secretary of the Interior may determine and declare market price.* The sale price basis for the determination of the rates and amount of royalty shall not be less than the highest and best obtainable market price of the ore and mineral products, at the usual and customary place of disposing of them at the time of sale, and the right is reserved to the Secretary of the Interior to determine and declare such market price, if it is deemed necessary by him to do so for the protection of the interests of the lessor.

§ 231.28 *Audit of lessee's accounts and books semiannually or at other times; lessee to furnish audit free of cost.* An audit of the lessee's accounts and books may be made semiannually or at such other times as may be directed by the Secretary of the Interior, by certified public accountants, approved by the Secretary, and at the expense of the lessee. The lessee shall furnish free of cost a copy of such semiannual or other audit to the Secretary of the Interior, through the duly authorized representative of the Department of the Interior, within 30 days after the completion of each auditing.

INSPECTION, ISSUANCE OF ORDERS AND ENFORCEMENT OF ORDERS

§ 231.29 *Lessees shall provide means for inspection of underground and surface conditions; surveying, estimating, and study.* The lessees shall provide means at all reasonable hours, either day or night, for the district mining supervisor, his subordinates and representatives, and for Federal mine surveyors au-

thorized in writing by the district mining supervisor for the purpose of inspection of underground and surface conditions, surveying, estimating amount of ore or mineral product mined, and to study the methods of mining that are or were followed.

§ 231.30 *Issuance of orders.* Before beginning commercial mining operations the lessee shall inform the district mining supervisor in writing of the designation and post-office address of the mining operation, and of the name and post-office address of the superintendent or other agent who will be in responsible charge of the mining and milling operations and the sanitation and welfare of the employees on the leased land, and who will act as the local representative of the lessee. The district mining supervisor shall also be informed of each change thereafter in the address of the mine office or in the name or address of the local representative.

§ 231.31 *Service of notices, instructions, and orders.* The lessee shall be considered to have received all notices, instructions, and orders that are mailed to or posted at the mine or mine office, or mailed or handed to the superintendent, the mine foreman, the mine clerk, or higher officials connected with the mine, for transmittal to the lessee or his local representative.

§ 231.32 *Enforcement of orders; suspension of operations; temporary waiver of suspension order pending appeal and review.* If the lessee fails to comply with the regulations in this part or any part thereof, or with any orders or instructions of the mining supervisor or his authorized subordinates, the district mining supervisor shall have authority to require him by written order to suspend any or all operations on the leased lands. This suspension shall remain in force until the lessee complies with the regulations or orders that have been violated or until such order of suspension has been revoked: *Provided*, That if the continuance of any such operation required to be suspended does not endanger life, threaten immediate, serious, and irreparable damage to the mine or the deposit being mined, or other valuable mineral deposits, the district mining supervisor, on petition in writing made by the lessee within 10 days from the issuance of the order of suspension, shall temporarily waive compliance with the order of suspension pending an appeal to

and review by the Secretary of the Interior.

§ 231.33 *Appeal; time allowed.* Any appeal must be filed in duplicate with the district mining supervisor for transmittal to the Secretary within 30 days from the issuance of the order of suspension.

Part 241—Acquisition and Leasing of Water Wells

Sec.

- 241.1 Secretary of the Interior may take over, purchase casing in, and condition wells for water production.
- 241.2 Wells drilled prior to or after act of June 16, 1934 under permits issued prior to said act; development of water in wells drilled by persons not in privity with permittees or lessees.
- 241.3 Provisions of act of June 16, 1934; where inapplicable.
- 241.4 Federal oil and gas supervisor to submit report before approving notice of intention to abandon any well not excluded in § 241.3.
- 241.5 Geological Survey to determine value of water.
- 241.6 Application for, and award of lease to, water well.
- 241.7 Funds available for plugging and abandonment, available for conditioning, maintenance and development of water supplies.

AUTHORITY: §§ 241.1 to 241.7 issued under sec. 32, 41 Stat. 450; 30 U. S. C. 189. Interpret or apply sec. 40, 48 Stat. 977; 30 U. S. C. 229a.

SOURCE: §§ 241.1 to 241.7 contained in Regulations, Oct. 23, 1934.

CROSS REFERENCE: For Bureau of Land Management regulations relating to water reserves, see 43 CFR Part 292.

§ 241.1 *Secretary of the Interior may take over, purchase casing in, and condition wells for water production.* Under the provisions of the act of June 16, 1934 (48 Stat. 977; 30 U. S. C. 229a), amending the act of February 25, 1920 (41 Stat. 441-445; 30 U. S. C. 221, 223-228), all oil and gas permits and leases issued after June 16, 1934, are subject to the authority of the Secretary of the Interior to take over, purchase necessary casing in, and condition for water production any well drilled which strikes water of value for any of the uses named in the act: *Provided*, That the taking over of such well will not restrict operations under the permit or lease.

§ 241.2 *Wells drilled prior to or after act of June 16, 1934 under permits issued*

prior to said act; development of water in wells drilled by persons not in privity with permittees or lessees. The Secretary of the Interior may also take over and condition wells heretofore or hereafter drilled under permits and leases previously issued, and may develop water in any wells plugged or abandoned or wells drilled prior to the issuance of permits or leases by persons not in privity with the permittees or lessees.

§ 241.3 *Provisions of act of June 16, 1934; where inapplicable.* The provisions of this act do not apply to wells drilled on lands entered or patented under any of the public land laws with reservation of the oil and gas deposits since any water developed in such lands does not belong to the United States.

§ 241.4 *Federal oil and gas supervisor to submit report before approving notice of intention to abandon any well not excluded in § 241.3.* Before approving any notice of intention to abandon any well on land not excluded in § 241.3, which well is known or believed to contain water of such quality and quantity as to be valuable and usable at a reasonable cost for agricultural, domestic, or other purposes, the Federal oil and gas supervisor having jurisdiction will submit a report to the Director of the Geological Survey, containing information as to the location of the well by legal subdivision of the public land survey, the depth to water, the yield, if determinable, the suitability of the water for irrigation, stock, domestic, or other beneficial use, the amount and reasonable value of casing to be purchased, the nature and estimated cost of repairs to condition the well as a source of water, the existing and prospective markets for the water, and any other pertinent factors bearing on a determination of the economic value of the water supply available. A similar report will be made by the supervisor as to other existing wells or plugged or abandoned wells coming within the purview of the act.

§ 241.5 *Geological Survey to determine value of water.* Upon receipt of this report the Geological Survey will determine the value of the water for any of the purposes stated in section 40 of the act. If the water is found to be valuable and usable at a reasonable cost for any of the purposes specified in the act, the land subdivision which contains the well will, if subject thereto, be held to be

withdrawn by Executive order of April 17, 1926,¹ and reserved for public use pursuant to section 10 of the act of December 29, 1916 (39 Stat. 862; 43 U. S. C. 300), as a water hole. If the water is found not to be valuable and usable at a reasonable cost for any of the purposes specified in the act, the oil and gas supervisor will be directed to authorize proper abandonment of the well.

§ 241.6 *Application for, and award of lease to, water well.* When the oil and gas supervisor recommends that a well be preserved as a source of water he will notify the register of the appropriate district land office of such recommendation and of the land subdivision specifically involved. Upon receipt of such notice the register will note the same on the tract books and will thereafter allow no filing or entry for the subdivision involved until otherwise directed by the Director, Bureau of Land Management. When a well found subject to the act has been duly conditioned for use under the direction of the oil and gas supervisor, when title to the necessary casing has been duly vested in the United States, and when decision to lease rather than to operate has been reached, the register will be directed to receive applications for lease of the requisite premises and water involved. Such applications, including preference claims asserted under section 40 (c) (48 Stat. 977; 30 U. S. C. 229a), will be submitted in regular course to the Bureau of Land Management where preference rights will be determined and an appropriate lease for the use of the water will be prepared for award by the Secretary of

¹Executive Order of Withdrawal, dated April 17, 1926, and designated as "Public Water Reserve No. 107" reads, as follows: "Under and pursuant to the provisions of the act of Congress approved June 25, 1910 (36 Stat. 847), entitled 'An Act to authorize the President of the United States to make withdrawals of public lands in certain cases', as amended by act of Congress approved August 24, 1912 (37 Stat. 497), it is hereby ordered that every smallest legal subdivision of the public land surveys which is vacant unappropriated unreserved public land and contains a spring or water hole, and all land within one-quarter of a mile of every spring or water hole located on un-surveyed public land be, and the same is hereby, withdrawn from settlement, location, sale or entry, and reserved for public use in accordance with the provisions of section 10 of the act of December 29, 1916 (39 Stat. 862), and in aid of pending legislation."

the Interior to such applicant as he shall determine to be equitably entitled thereto. The effective period of the lease, and the terms and conditions thereof, shall be determined by the Secretary of the Interior.

§ 241.7 *Funds available for plugging and abandonment, available for conditioning, maintenance and development of water supplies.* Funds available to the Geological Survey for the plugging and abandonment of wells shall be available for the purchase of casing and other necessary equipment contemplated by the act, for the conditioning and maintenance of water wells, and for the development of water supplies in abandoned wells found subject to the provisions of the act.

Part 250—Oil and Gas and Sulphur Operations in the Outer Continental Shelf

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MINERAL LEASES AFFECTED BY SECTION 6 OF OUTER CONTINENTAL SHELF LANDS ACT

- 250.100 Effect of regulations on provisions of lease.

AUTHORITY: §§ 250.1 to 250.100 issued under sec. 5, 67 Stat. 464; 43 U. S. C. 1334. Interpret or apply sec. 6, 67 Stat. 465; 43 U. S. C. 1335.

SOURCE: §§ 250.1 to 250.100 appear at 19 F. R. 2656, May 8, 1954, except as otherwise noted.

CROSS REFERENCE: For further regulations pertaining to the issuance and recognition of mineral leases covering submerged lands in the outer Continental Shelf, see 43 CFR Part 201.

GENERAL PROVISIONS

§ 250.1 *Purpose and authority.* The Outer Continental Shelf Lands Act enacted on August 7, 1953 (67 Stat. 462), referred to in this part as "the act," authorizes the Secretary of the Interior to prescribe rules and regulations applicable to operations conducted under a lease issued or maintained under the provisions of the act, and for the prevention of waste, the conservation of natural resources of the outer Continental Shelf, and the protection of correlative rights therein. The regulations in this part shall be administered by the Director of the Geological Survey.

Note: Compliance with the regulations of this part does not obviate the necessity of compliance with requirements and regulations of the Department of the Army and the Coast Guard with respect to prevention of obstruction to navigation, lights, and warning devices, and other matters relating to safety of life and property, as authorized by section 4 of the act.

§ 250.2 *Definitions.* The following terms as used in the regulations in this part shall have the meanings here given:

(a) *Secretary.* The Secretary of the Interior.

(b) *Director.* The Director of the Geological Survey, Washington, D. C., having administrative direction of the enforcement of the regulations in this part.

(c) *Supervisor.* A representative of the Secretary, under administrative direction of the Director, authorized and empowered to regulate operations and to perform other duties prescribed in the regulations in this part, or any subordinate of such representative acting under his direction.

(d) *Outer Continental Shelf.* All submerged lands (1) which lie seaward and outside of the area of lands beneath navigable waters as defined in the Submerged Lands Act (67 Stat. 29) and (2) of which the subsoll and seabed appertain to the United States and are subject to its jurisdiction and control.

(e) *Lease.* The contract or agreement under which the leasehold rights are held by the lessee, or the land covered by the contract or agreement, whichever is required by the context.

(f) *Lessee.* The party authorized by a lease, or an approved assignment thereof, to develop and produce the leased deposits in accordance with the regulations in this part, including all parties holding such authority by or through him.

(g) *Operator.* The individual, partnership, firm, or corporation having control or management of operations on the leased land or a portion thereof. The operator may be a lessee, designated agent of the lessee, or holder of rights under an approved operating agreement.

(h) *Waste of oil and gas.* Waste means and includes (1) physical waste as that term is generally understood in the oil and gas industry; (2) the inefficient, excessive, or improper use of, or the unnecessary dissipation of reservoir energy;

(3) the locating, spacing, drilling, equipping, operating, or producing of any oil or gas well or wells in a manner which causes or tends to cause reduction in the quantity of oil or gas ultimately recoverable from a pool under prudent and proper operations or which causes or tends to cause unnecessary or excessive surface loss or destruction of oil or gas; (4) the inefficient storage of oil; and (5) the production of oil or gas in excess of transportation or marketing facilities or in excess of reasonable market demand.

(i) *Directional drilling.* The deviation of a bore hole from the vertical or from its normal course in an intended predetermined direction or course with respect to the points of the compass. Directional drilling shall not include deviations made for the purpose of straightening a hole that has become crooked in a normal course of drilling or deviating a hole at random without regard to compass direction in an attempt to sidetrack a portion of the hole on account of mechanical difficulty in drilling.

JURISDICTION AND FUNCTIONS OF SUPERVISOR

§ 250.10 *Jurisdiction.* Drilling and production operations, handling and measurement of production, determination and collection of rental and royalty, and, in general, all operations subject to the regulations in this part are under the jurisdiction of the supervisor for any district as delineated by the Director.

§ 250.11 *General functions.* The supervisor is authorized to act upon the requests, applications, and notices made or given by an operator or lessee under the regulations in this part and to require compliance with lease terms, with the regulations in this part and all other applicable regulations, and with applicable law to the end that all operations shall conform to sound conservation practice and shall be conducted in such manner as to protect the natural resources of the outer Continental Shelf and result in their maximum economic recovery. After appropriate hearings, the supervisor may establish field rules to govern the development and method of production of a pool, field, or area. The supervisor may require satisfactory evidence that a lease is in good standing, that the lessee or operator is authorized to conduct operations, and that an acceptable bond has been filed before permitting operations on the leased land.

§ 250.12 Regulation of operations.

(a) The supervisor shall inspect and regulate operations under the regulations in this part and shall issue orders and rules necessary, in his judgment, to prevent damage, or waste of any natural resource, or injury to life or property.

(b) *Emergency suspensions.* The supervisor is authorized to require a lessee by written notice to suspend any operation or method of operation which endangers life or threatens immediate, serious, or irreparable damage to the leased deposits or other valuable mineral deposits.

§ 250.13 Temporary approvals.

Whenever the regulations in this part require a lessee to obtain approval of the supervisor, the lessee may make an oral or telegraphic request for such approval, and the supervisor may give such oral or telegraphic approval as may be warranted: *Provided*, That the transaction shall forthwith be confirmed in the manner otherwise required by the regulations in this part.

§ 250.14 Samples, tests, and surveys.

(a) When deemed necessary or advisable, the supervisor is authorized to require that adequate tests or surveys be made in an acceptable manner without cost to the lessor to determine the reservoir energy; the presence, quantity, and quality of oil, gas, sulphur, other mineral deposits, or water; the amount and direction of deviation of any well from the vertical; or the formation, casing, tubing, or other pressures.

(b) The supervisor may, at the time of approval of any notice to drill or redrill any well, stipulate reasonable requirements for the taking of formation samples or cores to determine the identity and character of any formation.

§ 250.15 Drilling and abandonment of wells. The supervisor shall demand drilling in accordance with the terms of the lease and of the regulations in this part; and shall require plugging and abandonment, in accordance with such plan as may be approved or prescribed by him, of any well no longer used or useful, and upon failure to secure compliance with such requirement, perform the work at the expense of the lessee, expending available public funds, and submit such report as may be needed to furnish a basis for appropriate action to obtain reimbursement.

§ 250.16 Well potentials and permissible flow. The supervisor is authorized to specify the time and method for determining the potential capacity of any well and to fix, after appropriate notice, the permissible production of any such well that may be produced when such action is necessary to prevent waste or to conform with such proration rules, schedules, or procedures as may be established by the Secretary.

§ 250.17 Well-spacing and well-casing. (a) The supervisor shall approve well locations and well-spacing and -casing programs determined to be necessary for the proper development of the lease, giving due consideration to the location of drilling platforms, the geological and reservoir characteristics of the field, and the number of wells that can be economically drilled.

(b) The supervisor may approve irregular spacing of wells and development plans providing for a predetermined number of wells to be drilled and abandoned when required for the proper exploration and development of sulphur deposits.

§ 250.18 Rights of use and easement.

(a) In addition to the rights and privileges granted to a lessee under any lease issued or maintained under the act, the supervisor may grant such lessee, subject to such reasonable conditions as said supervisor may prescribe, the right of use or an easement to construct and maintain platforms, fixed structures, and artificial islands, and to use the same for carrying on operations, including drilling, directional drilling, producing, treating, handling, and storing production, and housing personnel engaged in operations, not only in connection with the lease on which the platform, structure, or island, is situated, but for the conduct of operations on any other lease, State or Federal.

(b) The supervisor may grant to a holder of a Federal or State lease the right of use or an easement to construct and maintain platforms, fixed structures, and artificial islands on areas of the outer Continental Shelf, near or adjacent to the leased area, and to use same for drilling directional well or wells to be bottomed under the leased area, and for producing and reworking such well or wells, and for handling, treating, and storing the production therefrom. Such rights of use or easement if on an area

subject to any mineral lease issued or maintained under the act shall be granted only after the lessee under such lease has been notified and afforded an opportunity to voice objections thereto, and any such right shall be exercised only in such manner so as not to interfere unreasonably with operations of the lessee under such lease.

(c) Once a right of use or easement has been exercised by the erection of fixed platforms, structures, or islands, the right shall continue so long as such platforms, structures, or islands are maintained, even beyond the termination of any lease on which they may be situated, and the rights of all subsequent lessees shall be subject to such rights of use and easement by prior lessees. The foregoing right of use and easement shall include the right to lay gathering lines, flow lines, and other pipelines used in connection with any lease operations, for moving production to a central point for purposes of gathering, treating, or storing. The right of use and easement shall not apply to pipelines used for transporting oil, gas, or other production after the same has been treated and measured, such rights-of-way being provided for in regulations under section 5 (c) of the Outer Continental Shelf Lands Act.

§ 250.19 *Rentals, royalties, and other payments.* The supervisor shall determine pursuant to the lease and regulations the rental and the amount or value of production accruing to the lessor as royalty, the loss through waste or failure to drill and produce production wells on the lease, and the compensation due to the lessor as reimbursement for such loss.

§ 250.20 *Suspension of operations and production.* On receipt of an application for suspension of operations or production or for relief from any drilling or producing requirement under a lease, the supervisor shall grant such approval as he may deem warranted in the premises or reject such application, subject to the right of appeal as provided in § 250.81.

REQUIREMENTS FOR LESSEES

§ 250.30 *Lease terms, regulations, waste, damage, and safety.* The lessee shall comply with the terms of the lease, with the written orders of the supervisor, and, subject to the provisions of section

5 (a) of the act, with the regulations in this part and any amendments thereof. The lessee shall take all reasonable precautions to prevent damage or waste of any natural resource or injury to life or property or the aquatic life of the seas.

§ 250.31 *Designation of operator.* In all cases where operations are not conducted by the record owner but are to be conducted under authority of an unapproved operating agreement, assignment, or other arrangement, a "designation of operator" shall be submitted to the supervisor, in a manner and form approved by him, prior to commencement of operations. Such designation will be accepted as authority of operator or his local representative to fulfill the obligations of the lessee and to sign any papers or reports required under the regulations in this part. All changes of address and any termination of the authority of the operator shall be immediately reported, in writing, to the supervisor or his representative. In case of such termination or of controversy between the lessee and the designated operator, the operator, if in possession of the lease, will be required to protect the interests of the lessor.

§ 250.32 *Local agent.* When required by the supervisor, the lessee shall designate a representative empowered to receive notices and comply with orders of the supervisor issued pursuant to the regulations in this part.

§ 250.33 *Drilling and producing obligations.* (a) The lessee shall diligently drill and produce such wells as are necessary to protect the lessor from loss by reason of production on other properties, or in lieu thereof, with the consent of the supervisor, shall pay a sum determined by the supervisor as adequate to compensate the lessor for failure to drill and produce any such well. In the event that the lease is not being maintained in force by other production of oil or gas in paying quantities or by other approved drilling or reworking operations, such payments shall be considered as the equivalent of production in paying quantities for all purposes of the lease.

(b) The lessee shall promptly drill and produce such other wells as the supervisor may reasonably require in order that the lease may be properly and timely developed and produced in accordance with good operating practices.

§ 250.34 *Drilling and development programs.* (a) Prior to the beginning of any operations on the lease, including the construction of drilling or production platforms or other structures, the lessee shall submit to the supervisor for approval an acceptable plan for the performance of such work. Such plan shall include (1) a plan of the drilling or production platform or structures, showing the location and major features thereof, (2) the proposed well-casing program for the initial well, (3) the location of the initial well (including surface and projected bottom-hole location if the well is to be directionally drilled), (4) structural interpretations based on available geological and geophysical data, and (5) such other pertinent data as the supervisor may prescribe.

(b) After a discovery has been made on the lease, the lessee shall submit to the supervisor a plan of development for the lease or field including (1) the number and location of the proposed wells (including the projected bottom-hole location for directionally drilled wells) and the approximate time for drilling each, (2) amendments or additions to the structural interpretations, (3) plans for additional drilling or producing platforms or other structures, (4) the well-casing program for the field or area, and (5) such other data as the supervisor may prescribe. Such program must be approved by the supervisor and may be modified from time to time as conditions may warrant.

(c) In order to protect the interests of the lessee, geological and geophysical interpretations required by this section shall, upon request of the lessee, be classified as not available for public inspection until such time as the supervisor determines the release of such information is required and necessary for the proper development of the field or area.

§ 250.35 *Subsequent well operations.* After completion of all operations contemplated under any previously approved notice or plan, the lessee shall not begin to re-drill, repair, deepen, plug back, shoot, or plug and abandon any well, make water shutoff, alter the casing or liner, stimulate production by acid, gas, air, water injection, or any other method, change the method of recovering production, or use any formation or well for gas storage or water disposal without first notifying the supervisor of

his plan and intention and receiving written approval prior to commencing the contemplated work. This requirement shall not deter the lessee from taking any action in an emergency to prevent damage.

§ 250.36 *Well designations.* The lessee shall mark promptly each drilling platform or structure in a conspicuous place, showing his name or the name of the operator, the serial number of the lease, the identification of the wells, and shall take all necessary means and precautions to preserve these markings.

§ 250.37 *Well records.* (a) The lessee shall keep on the lease, or at his headquarters for the field, or otherwise conveniently available to the supervisor, accurate and complete records of the production, drilling, re-drilling, deepening, repairing, cementing, alterations to casing, plugging, abandoning, and all other well operations, including electrical or radioactive well logs and directional well surveys. The records shall show all the formations penetrated, the content and character of oil, gas, other mineral deposits, or water in each formation; the kind, weight, size, and landed depth of casing used in drilling each well on the leased lands; and any other information obtained in the course of well operations.

(b) The lessee shall, within 30 days after the completion of any well and within 30 days after the completion of any further operations on it, transmit to the supervisor copies of the records of such work on forms furnished by or acceptable to him.

(c) The lessee shall, within 30 days after the completion of electrical or radioactive well-logging operations or directional well surveys, transmit to the supervisor copies of such logs or charts. Such logs or charts may be either field copies of individual runs or composite logs of more than one run.

(d) The lessee shall also submit such other reports and records of operations as may be required and in the manner and form prescribed by the supervisor.

(e) Upon request and in the manner and form prescribed by the supervisor, the lessee shall furnish a copy of the daily drilling report, a plat showing the location, designation, and status of all wells on the leased lands, together with such other pertinent information as the supervisor may require.

(f) When deemed advisable by the supervisor, the lessee shall require each service company to furnish promptly to the supervisor legible, exact copies of reports on cementing, perforating, acidizing, or other similar services.

§ 250.38 *Samples, tests, and surveys.*

(a) The lessee, when required by the supervisor, shall make adequate tests or surveys in an acceptable manner, without cost to the lessor, to determine the reservoir energy; the presence, quantity, and quality of oil, gas, sulphur, other mineral deposits, or water; the amount and direction of deviation of any well from the vertical; or the formation, casing, tubing, or other pressures.

(b) The lessee shall take such formation samples or cores to determine the identity and character of any formation in accordance with reasonable requirements of the supervisor prescribed at the time of approval of the notice to drill or redrill any well.

§ 250.39 *Directional survey.* (a) An angular deviation and directional survey shall be made of the finished hole of each well directionally drilled.

(b) The supervisor, at the request of an offset lessee made prior to completion of a well, may require a lessee of an adjoining lease to make or furnish a directional survey of any hole, at the risk and expense of the offset lessee making such request. A copy of such directional survey shall be furnished to the supervisor and the offset lessee. If it is determined that such well is closer to the line of the offset lease than one-half ($\frac{1}{2}$) the required distance from such line fixed by an approved spacing program or by special field rules, the risk and expense of making such directional survey shall be borne by the offending lessee; and, unless and until the hole is promptly straightened to correct the offense, the supervisor may reduce the allowable production from the well to prevent its draining unduly the offset leased area. Neither the imposition of any penalty or of the costs of such survey upon the offending lessee nor the reduction of the allowable production from the well is intended to prejudice any other remedy which the affected parties may have.

§ 250.40 *Control of wells.* (a) The lessee shall take all reasonable precautions for keeping all wells under control at all times and shall provide at the time

any well is started the proper high-pressure fittings and equipment as the supervisor may prescribe or approve. A conductor string of casing must be cemented throughout its length, and all strings of casing must be securely cemented and anchored unless other procedure is authorized or prescribed by the supervisor.

(b) The lessee shall take all reasonable precautions to prevent any well from blowing open and shall take immediate steps and exercise due diligence to bring under control any such well. Storm chokes shall be installed in all wells capable of flowing oil and gas.

§ 250.41 *Emulsion and dehydration.*

(a) The lessee shall complete and maintain all oil wells in such mechanical condition and operate them in such manner as to prevent, so far as possible, the formation of emulsion and basic sediment.

(b) The lessee shall put in marketable condition, if commercially feasible, all products produced from the leased land and pay royalty thereon without recourse to the lessor for deductions on account of costs of treatment.

§ 250.42 *Pollution.* The lessee shall not pollute the waters of the high seas or damage the aquatic life of the sea or allow extraneous matter to enter and damage any mineral- or water-bearing formation. The lessee shall dispose of all useless liquid products of wells in a manner acceptable to the supervisor.

§ 250.43 *Well abandonment.* The lessee shall promptly plug and abandon any well on the leased land that is not used or useful, but no productive well shall be abandoned until its lack of capacity for further profitable production of oil, gas, or sulphur has been demonstrated to the satisfaction of the supervisor. Before abandoning a producible well, the lessee shall submit to the supervisor a statement of reasons for abandonment and his detailed plans for carrying on the necessary work. A producible well may be abandoned only after receipt of written approval by the supervisor. No well shall be plugged and abandoned until the manner and method of plugging shall be approved or prescribed by the supervisor. Equipment shall be removed, and premises at the well-site shall be properly conditioned immediately after plugging operations are completed on any well when directed by the supervisor. Drilling equipment

shall not be removed from any suspended drilling well without taking adequate measures to protect the natural resources.

§ 250.44 *Accidents and fires.* The lessee shall take all reasonable precautions to prevent accidents and fires, shall immediately notify the supervisor of any serious accident or fire on the leasehold, and shall submit a full report thereon within 10 days.

§ 250.45 *Workmanlike operations.* The lessee shall carry on all operations and maintain the property at all times in a safe and workmanlike manner, having due regard for the preservation and the conservation of the property and for the health and safety of employees. The lessee shall take reasonable steps to prevent accumulations of oil or other materials deemed to be fire hazards and shall promptly remove such hazardous accumulations as do occur.

§ 250.46 *Sales contracts.* (a) The lessee shall file with the supervisor not less than 30 days after the effective date thereof copies of all contracts for the disposal of lease products; provided that the supervisor may relieve the lessee of this requirement, in which event the contracts shall be made available for inspection by the supervisor upon his request. Nothing in any such contract or in any approval thereof by the supervisor as authorized in paragraph (b) of this section shall be construed or accepted as modifying any of the provisions of the lease, including, but not limited to, provisions relating to gas waste, taking royalty in kind, and the method of computing royalties due as based on a minimum valuation and in accordance with the regulations applicable to the lands covered by the contract.

(b) If request for approval of a contract is made by the seller, the contract may be approved by the supervisor subject to the conditions provided in paragraph (a) of this section and to such further conditions as may be prescribed by the supervisor.

(c) Lessee may submit to the Secretary, through the supervisor, for approval any long-term contract which the lessee has made or proposes to make for the sale of gas produced from a lease or leases. Should the Secretary approve such contract, for the purpose of computing royalties on gas sold and delivered

from the lease or leases under such contract, the value of the gas on the leased premises shall be the price paid therefor under such contract. Nothing in any such contract, or the approval thereof, shall be construed to limit the right of the United States to take its royalty in kind.

§ 250.47 *Division orders.* The lessee shall file with the supervisor not less than 30 days after the effective date thereof copies of division orders or other instruments granting to transportation agencies or purchasers authority to receive products from leased lands. The supervisor may, upon request, approve such orders or other instruments subject to such conditions as he shall prescribe.

§ 250.48 *Royalty and rental payments.* The lessee shall pay all rentals when due and shall pay in value or deliver in production all royalties in the amounts determined by the supervisor as due under the terms of the lease. Payments of rentals and royalties in value shall be by check or draft on a solvent bank, or by money order, drawn to the order of the United States Geological Survey.

[21 F. R. 4668, June 27, 1956]

MEASUREMENT OF PRODUCTION AND COMPUTATION OF ROYALTIES

§ 250.60 *Measurement of oil.* The lessee shall gage and measure all production in accordance with methods approved by the supervisor. The lessee shall provide tanks suitable for measuring accurately the crude oil produced from the lease (positive copies of 100 percent capacity tank tables to be furnished to the supervisor) or may arrange with the supervisor for other acceptable methods of measuring, storing, and recording production. The quantity and quality of all production shall be determined in accordance with the standard practices, procedures, and specifications generally used by the industry.

§ 250.61 *Measurement of gas.* The lessee shall measure all gas production in accordance with methods approved by the supervisor, and the measured volumes shall be adjusted to the standard pressure base of 10 ounces above the atmospheric pressure of 14.4 pounds per square inch, a standard temperature of 60° Fahrenheit, and for deviation from Boyle's law. If gas is being disposed of at a different pressure base, the supervisor may require that gas volumes be adjusted to conform to such base.

§ 250.62 *Determination of content of gas.* The content of gas delivered to an extraction plant treating gas from the lease shall be determined periodically by field tests, as required by the supervisor, to be made at the place and by the methods approved by him and under his supervision.

§ 250.63 *Quantity basis for substances extracted from gas.* (a) The primary quantity basis for computing monthly royalties on casing-head or natural gasoline, butane, propane, or other substances (hereinafter called substances in this section) extracted from gas is the monthly net output of the plant at which the substances are manufactured, "net output" being defined as the quantity of each substance that the plant produces for sale.

(b) If the net output of a plant is derived from the gas obtained from only one lease, the quantity of substances on which computations of royalty for the lease is based is the net output of the plant.

(c) If the net plant output of a substance is derived from gas obtained from several leases producing gas of uniform content of such substance, the proportion of net output of the substance allocable to each lease as a basis for computing royalty will be determined by dividing the amount of gas delivered to the plant from each lease by the total amount of gas delivered from all leases.

(d) If the net plant output of a substance is derived from gas obtained from several leases producing gas of diverse content of such substance, the proportion of net output of the substance allocable to each lease as a basis for computing royalty will be determined by multiplying the amount of gas delivered to the plant from the lease by the substance content of the gas and dividing the arithmetical product thus obtained by the sum of the similar arithmetical products separately obtained for all leases from which gas is delivered to the plant.

§ 250.64 *Value basis for computing royalties.* The value of production, for the purpose of computing royalty, shall be the estimated reasonable value of the product as determined by the supervisor, due consideration being given to the highest price paid for a part or for a majority of production of like quality in the same field or area, to the price received by the lessee, to posted prices,

and to other relevant matters. Under no circumstances shall the value of production of any of said substances for the purposes of computing royalty be deemed to be less than the gross proceeds accruing to the lessee from the sale thereof or less than the value computed on such reasonable unit value as shall have been determined by the Secretary. In the absence of good reason to the contrary, value computed on the basis of the highest price paid or offered at the time of production in a fair and open market for the major portion of like-quality products produced and sold from the field or area where the leased lands are situated will be considered to be a reasonable value.

§ 250.65 *Royalty on oil.* (a) The royalty on crude oil shall be the percentage of the value or amount of the crude oil produced from the leased lands established by law, regulation, or the term of the lease. No deduction may be made for actual or theoretical transportation losses.

(b) Royalty shall be based on production removed from the lease except that, when conditions so warrant, the supervisor may require such royalty to be based on actual monthly production. Evidence of all shipments shall be filed with the supervisor within five days (or such longer period as the supervisor may approve) after the oil has been run by pipeline or by other means of transportation. Such evidence shall be signed by representatives of the lessee and of the purchaser or the transporter who have witnessed the measurements reported, and the determinations of gravity, temperature, and the percentage of impurities contained in the oil shall be shown.

§ 250.66 *Royalty on unprocessed gas.* If gas, either gas-well gas or casing-head gas, is sold without processing for the recovery of constituent products, the royalty thereon shall be the percentage established by the terms of the lease of the value or amount of the gas produced.

§ 250.67 *Royalty on processed gas.* (a) If gas-well gas is processed for the recovery of constituent products, a royalty as provided in the lease will accrue on the value of all residue gas, and on all natural gasoline, butane, propane, or other substances extracted therefrom.

(b) If casing-head gas is processed for the recovery of constituent products, a

royalty as provided in the lease will accrue as follows:

(1) On the full amount of the residue gas remaining after processing.

(2) Unless otherwise provided in the lease, on the value of 50 percent (or the net proceeds received by the lessee if greater than 50 percent) of all natural gasoline, butane, propane, or other substances extracted from the casing-head gas.

(c) In determining the value of natural gasoline, the volume of such gasoline may be corrected when deemed necessary by the supervisor to such standard and by such method as may be approved by the supervisor, in order that volumetric differences between natural gasolines of various specifications may be equitably adjusted.

(d) No allowance shall be made for boosting residue gas or other expenses incidental to marketing.

(e) The lessee, with the approval of the supervisor, may establish a gross value per unit of one thousand cubic feet of gas on the lease or at the wellhead for the purposes of computing royalty for gas-well gas or casing-head gas processed for the recovery of constituent products.

§ 250.68 *Commingling production.* Subject to such conditions as he may prescribe for measurement and allocation of production, the supervisor may authorize the lessee to move production from the lease to a central point for purposes of treating, measuring, and storing, and in moving such production, the lessee may commingle the production from different wells, leases, pools, and fields, and with production of other operators. The central point may be on shore or at any other convenient place selected by lessee.

§ 250.69 *Measurement of sulphur.* The measurement of sulphur for the purpose of computing royalty shall be on such basis and shall conform to such standards as the supervisor may approve.

PROCEDURE IN CASE OF DEFAULT BY LESSEE

§ 250.80 *Default.* Whenever the owner of a lease fails to comply with the provisions of the regulations in this part, the supervisor is authorized to give 30-day notice of such default by registered letter to the lessee at his record post office address as provided in section

5 (b) (1) of the act and to recommend to the Secretary, through the Director, lease cancellation pursuant to section 5 (b) (1) and (2) of the act, appropriate action under the penalty provisions of section 5 (a) (2) of the act, or the exercise of such other legal or equitable remedy as the lessor may have.

§ 250.81 *Appeals.* (a) An appeal from any order issued under authority of the regulations in this part may be filed as set forth in this section. Compliance with any such order shall not be suspended by reason of an appeal having been taken unless such suspension is authorized in writing by the Director or the Secretary (dependent upon the officer with whom the appeal is pending) and then only upon a determination that such suspension will not be detrimental to the lessor or upon the submission and acceptance of a bond deemed adequate to indemnify the lessor from loss or damage.

(b) An appeal to the Director may be taken from any order of the supervisor by filing such appeal with the latter officer within 20 days after service of the order. The appeal shall incorporate or be accompanied by such written showing and argument on the facts and law as the appellant may deem adequate to justify reversal or modification of the order. All statements of fact must be made under oath.

(c) The supervisor shall transmit the appeal and accompanying papers to the Director with a full report and recommendations in the premises, and that official shall review the record and render such a decision in the case as he deems proper.

(d) An appeal from any decision of the Director may be taken to the Secretary within 30 days after service of the Director's decision. The appeal shall be accompanied by such written showing and argument on the facts and law as appellant may deem adequate to justify reversal or modification of the decision. Any statements of fact not submitted to the Director must be made under oath.

(e) Oral argument in any case pending before the supervisor, the Director or the Secretary will be allowed on motion in the discretion of such officer and at a time to be fixed by him.

§ 250.82 *Judicial review.* Nothing contained in this part shall be construed to prevent any interested party from

seeking judicial review as authorized by law.

**REPORTS TO BE MADE BY ALL LESSEES
(INCLUDING OPERATORS)**

§ 250.90 *General requirements.* Information required to be submitted in accordance with the regulations in this part shall be furnished in the manner and form prescribed in the regulations in this part or as directed by the supervisor. Copies of forms can be obtained from the supervisor and must be filled out completely and filed punctually with that official.

§ 250.91 *Sundry notices and reports on wells.* Form 9-150 covers all notices of intention and all subsequent reports pertaining to individual wells except those for which special blanks are provided. The forms may be used for any of the purposes listed thereon, or a special heading may be inserted in the blank to adapt it for use for similar purposes. Any written notice of intention to do work which has not been approved and for which approval is required or to change plans previously approved must be filed in triplicate, unless otherwise directed, and must reach the supervisor and receive his approval before the work is begun. The lessee is responsible for receipt of the notice by the supervisor in ample time for proper consideration and action. The following paragraphs illustrate some of the uses to which Form 9-150 may be put and indicate the requirements with respect to each use.

(a) *Notice of intention to drill.* (1) The notice of intention to drill a well must be filed in triplicate on Form 9-150 with the supervisor and approval received before the work is begun. This notice, in addition to the requirements contained in § 250.34, must give the surface location and projected bottom-hole location in feet from the lease boundaries; elevation of the derrick floor; proposed depth to which the well will be drilled; the bottom-hole location; estimated depths to the top of important markers; estimated depths at which water, oil, gas, and mineral deposits are expected; the proposed casing program, including the size and weight of casing, the depth at which each string is to be set, and the amount of cement and mud to be used. Information also shall be furnished relative to the proposed plan for drilling other proposed wells from the same platform, coring at specified depths,

and plans for electrical logging, together with any other information which may be required by the supervisor.

(2) Each copy of the application shall be accompanied by a plat drawn on a scale of not less than 2,000 feet to the inch, showing surface and subsurface location of the well to be drilled and all wells theretofore drilled.

(b) *Notice of intention to change the condition of a well.* Before repairing (other than work incidental to ordinary well operation), acidizing or stimulating production by other methods, deepening, perforating, plugging back, sidetracking, squeezing with mud or cement, or commencing any operations that will alter the condition of a completed well or productive horizon other than previously reported, a detailed written statement of the plan of work must be filed in triplicate with the supervisor on Form 9-150 and approval obtained before the work is started. This requirement shall not deter any operator from taking immediate action in an emergency to prevent damage.

(c) *Subsequent report of changing the condition of a well.* Within 30 days after the completion of any work described in paragraph (b) of this section, a detailed report of the work done and the results obtained shall be filed in duplicate with the supervisor. Such report shall show the amount of production of oil, gas, and water before and after the work was completed and shall also include a complete statement of the work accomplished and the methods employed, including all dates. Reports of work done by service companies, unless previously furnished the supervisor, shall be submitted with subsequent reports.

(d) *Notice of intention to abandon well.* Before beginning abandonment work on any well, whether a drilling well, a depleted producing well, or a dry hole, notice of intention to abandon shall be filed in triplicate with the supervisor, and approval obtained before the work is started. The notice, as to a producible well, must show the reason for abandonment and the amount and date of last production, and as to any well must give a detailed statement of the proposed work, including such information as kind, location, and length of plugs (by depths), and plans for mud-ding, cementing, shooting, testing, re-

moving casing, and other pertinent information.

(e) *Subsequent report of abandonment.* After a well is abandoned or plugged, a subsequent record of work done must be filed with the supervisor. This report shall be filed separately within 30 days after the work is done. The report shall give a detailed account of the manner in which the abandonment or plugging work was carried out, including the nature and quantities of materials used in plugging and the location and extent (by depths) of the plugs of different materials; records of any tests or measurements made and of the amount, size, and location (by depths) of casing left in the well; and a detailed statement of the volume of mud fluid used and the pressure attained in mud-ding. If an attempt was made to part any casing, a complete report of the methods used and results obtained must be included.

§ 250.92 *Log and history of well.* The lessee shall furnish in duplicate, on Form 9-151, to the supervisor, not later than 30 days after the completion of each well, a complete and accurate log and history, in chronologic order, of all operations conducted on the well. If a log is compiled for geologic information from cores or formation samples, duplicate copies of such log shall be filed in addition to the regular log. Duplicate copies of all electric logs, temperature surveys, or direction surveys shall be furnished. The lessee shall require the drillers to record pertinent information obtained in drilling the well.

§ 250.93 *Monthly report of operations.* A separate report of operations for each lease must be made on Form 9-152 for each calendar month, beginning with the month in which drilling operations are initiated, and must be filed in duplicate with the supervisor on or before the 20th day of the succeeding month, unless an extension of time for the filing of such report is granted by the supervisor. The report on this form shall disclose accurately all operations conducted on each well during each month, the status of operations on the last day of the month, and a general summary of the status of operations on the leased lands, and the report must be submitted each month until the lease is terminated or until omission of the report is authorized by the supervisor. It is particularly necessary that the re-

port shall show for each calendar month:

(a) Each well listed separately by number and its location shown if possible.

(b) The number of days each well produced, whether oil or gas, and the number of days each input well was in operation.

(c) The quantity of oil, gas, and water produced; the total amount of gasoline and other lease products recovered; and other required information. When oil and gas, or oil, gas, and gasoline, or other hydrocarbons are concurrently produced from the same lease, separate reports on this form should be submitted for oil and gas and gasoline, unless otherwise authorized or directed by the supervisor.

(d) The depth of each active or suspended well; the name, character, and depth of each formation drilled during the month; the date each such depth was reached; the date and reason for every shutdown; the names and depths of important formation changes and contents of formations; the amount and size of any casing run since last report; the dates and results of any tests such as production, water shutoff, or gasoline content; and any other noteworthy information on operations not specifically provided for in the form.

(e) If no runs or sales were made during the calendar month, the report must so state.

§ 250.94 *Statement of oil and gas runs and royalties.* When directed by the supervisor, a monthly report shall be made by the lessee in duplicate, on Form 9-153, showing each run of oil; all sales of gas, gasoline, and other lease products; and the royalty accruing therefrom to the lessor.

§ 250.95 *Special forms or reports.* When special forms or reports other than those referred to in the regulations in this part may be necessary, instructions for the filing of such forms or reports will be given by the supervisor.

§ 250.96 *Waiver on filing reports.* The supervisor may waive the requirement for the filing of reports, records, or notices required by §§ 250.90 through 250.95.

MINERAL LEASES AFFECTED BY SECTION 6 OF OUTER CONTINENTAL SHELF LANDS ACT

§ 250.100 *Effect of regulations on provisions of lease.* (a) As contem-

plated by section 6 (b) of the act, the regulations in this part will supersede the provisions of any lease which is determined to meet the requirements of section 6 (a) of the act, to the extent that they cover the same subject matter, with the following exceptions: The provisions of a lease with respect to the area covered by the lease, the minerals covered by the lease, the rentals payable under the lease, the royalties payable under the lease (subject to the provisions of sections 6 (a) (8) and 6 (a) (9) of the act), and the term of the lease (subject to the provisions of section 6 (a) (10) of the act and, as to sulphur, subject to the provisions of section 6 (b) (2, of the act) shall continue in effect and, in the event of any conflict or inconsistency, shall take precedence over the regulations in this part.

(b) A lease that meets the requirements of section 6 (a) of the act shall also be subject to the mineral leasing regulations applicable to the outer Continental Shelf,¹ as well as the regulations relating to geophysical and geological exploratory operations and to pipeline rights-of-way in the outer Continental Shelf, to the extent that those regulations are not contrary to or inconsistent with the provisions of the lease relating to the area covered, the minerals covered, the rentals payable, the royalties payable, and the terms of the lease.

NOTE: The record keeping or reporting requirements of this part have been approved by the Bureau of the Budget in accordance with the Federal Reports Act of 1942.

¹ See 43 CFR Part 201.

CHAPTER III—OFFICE OF MINERALS EXPLORATION, DEPARTMENT OF THE INTERIOR

Part 301—Regulations for Obtaining Federal Assistance in Financing Explorations for Mineral Reserves, Excluding Organic Fuels, in United States, Its Territories and Possessions

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301.15 Title to and disposition of property.

AUTHORITY: §§ 301.1 to 301.15, issued under sec. 2, 72 Stat. 700; 30 U. S. C. 642.

SOURCE: §§ 301.1 to 301.15 appear at 23 F. R. 9918, Dec. 23, 1958. Corrections noted at 24 F. R. 55, Jan. 3, 1959; 24 F. R. 270, Jan. 10, 1959; 24 F. R. 423, Jan. 17, 1959; 24 F. R. 731, Feb. 3, 1959.

GENERAL PROVISIONS

§ 301.1 *Purpose.* The regulations in this part govern the obtaining of Federal financial assistance in conducting exploration for mineral reserves, exclud-

ing organic fuels, in the United States, its territories or possessions.

§ 301.2 *Definitions.* As used in this part:

(a) "Exploration" means the search, including related development work, for new or unexplored mineral deposits within a specified area or parcel of ground where geologic conditions favor their occurrence. Exploration using recognized and sound procedures, including standard geophysical and geochemical methods, may be conducted from the surface or underground to obtain pertinent geological and mineralogical information. The work shall not go beyond a reasonable delineation and sampling of a mineral deposit, and shall not be conducted primarily for mining or preparation for mining.

(b) "Operator" means an individual, partnership, corporation, or other legal entity that is party to an exploration contract with the Government.

(c) "Secretary" means the Secretary of the Interior, or his authorized representative.

(d) "Government" and "Federal" mean the United States of America.

(e) "Commercial sources" means banking institutions or other private sources of credit.

§ 301.3 *Eligible minerals or mineral products.* The following are eligible for financial assistance:

Antimony.
Asbestos (strategic).
Bauxite.
Beryl.
Cadmium.
Chromite.
Cobalt.
Columbium.

Copper.
 Corundum.
 Diamond (industrial).
 Fluorspar.
 Graphite (crucible flake).
 Kyanite (strategic).
 Lead.
 Manganese.
 Mercury.
 Mica (strategic).
 Molybdenum.
 Monazite.
 Nickel.
 Platinum group metals.
 Quartz Crystal (piezoelectric).
 Rare Earths.
 Rutile—Bookite.
 Selenium.
 Talc (block steatite).
 Tantalum.
 Thorium.
 Tin.
 Uranium.
 Zinc.

§ 301.4 *Operator's property rights.* The operator must have and preserve the right to possession of the land (as owner, lessee, or otherwise) for a term at least sufficient to complete the exploration work. (See § 301.11 (f), regarding repayment.) The operator shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances necessary to the purposes of the exploration.

APPLICATIONS

§ 301.5 *Form and filing.* An application for Federal financial assistance must be submitted in quadruplicate on forms which may be obtained from and filed with either:

The Office of Minerals Exploration, Department of the Interior, Washington 25, D. C.

or, the Office of Minerals Exploration Executive Officers. The regions which they serve and their Post Office addresses are as follows:

Region I: Idaho, Montana, Oregon, Washington, and Alaska—OME, South 157 Howard Street, Spokane 4, Washington. Applicants for Alaskan projects may file applications with the United States Bureau of Mines, P. O. Box 2688, Juneau, Alaska, for forwarding to the Executive Officer, Region I.

Region II: California and Nevada—OME, 1605 Evans Avenue, Reno, Nevada.

Region III: Arizona, Colorado, Nebraska, New Mexico, North Dakota, South Dakota, Utah, and Wyoming—OME, 224 New Customhouse Building, Denver 2, Colorado.

Region IV: Arkansas, Kansas, Louisiana, Mississippi, Missouri, Oklahoma, and Texas—OME, Room 303, Post Office Building, P. O. Box 431, Joplin, Missouri.

Region V: Alabama, Connecticut, Delaware, Florida, Georgia, Illinois, Indiana, Iowa, Kentucky, Maine, Maryland, Massachusetts, Michigan, Minnesota, New Hampshire, New Jersey, New York, North Carolina, Ohio, Pennsylvania, Rhode Island, South Carolina, Tennessee, Vermont, Virginia, West Virginia, and Wisconsin—OME, Room 2B, Post Office Building, Knoxville 2, Tennessee.

§ 301.6 *Information required.* (a) Each application shall fully describe the proposed exploration, and shall include all detailed data called for by the application form. The Secretary may require the filing of additional information, including financial statements, reports, maps or charts, and exhibits, and such physical onsite examination as he deems necessary.

(b) The application must include evidence that funds for the exploration work are unavailable on reasonable terms from commercial sources. The evidence shall include information as to the names of banks (including applicant's bank of account) or other private sources of credit to which applications were made for loans, the amounts and terms requested, and the reasons why loans were not obtained.

§ 301.7 *Criteria.* The following factors will be considered and weighed in passing upon applications:

(a) The geologic probability of a significant discovery being made.

(b) The estimated cost of the exploration in relation to the size and grade of the potential deposit.

(c) The plan and method of conducting the exploration.

(d) The accessibility of the project area.

(e) The background and operating experience of the applicant.

(f) The applicant's title or right to possession of the property.

(g) The unavailability of funds from commercial sources on reasonable terms.

(h) Whether the applicant would normally undertake the exploration at his sole expense under current conditions or circumstances.

§ 301.8 *Approval.* If the application is approved, the Government may enter into an exploration contract with the applicant upon terms and conditions which the Secretary deems necessary and appropriate as set forth in the contract form furnished by the Government.

EXPLORATION CONTRACTS

§ 301.9 *Government participation.* The Government will contribute not more than fifty (50) percent of the total allowable costs of the exploration specified by the terms of the contract.

§ 301.10 *Allowable costs.* (a) The Government, to the extent provided in the exploration contract, will contribute to:

(1) The necessary, reasonable and direct actual costs of performing the exploration, including the costs of: labor, supervision, and consultants; operating materials, supplies and equipment; initial rehabilitation or repair of existing buildings, installations, fixtures, and operating equipment; construction of buildings, fixed improvements, and installations; repairs and maintenance of operating equipment; analytical work, accounting, payroll and sales taxes, and employees' liability insurance; payments by the operator to independent contractors; and such other necessary, reasonable, and direct actual costs as may be approved by the Government in the course of work; and

(2) The fixed unit costs agreed upon by the operator and the Government in terms of units of work to be performed (per foot of drifting, per foot of drilling, etc.) in lieu of actual costs.

(b) The Government will not contribute to costs incurred before the date of the contract, or to costs of or incident to:

(1) Acquiring, using, or possessing land and any existing improvements, facilities, buildings, installations, and appurtenances, or the depreciation and depletion thereof;

(2) General overhead, corporate management, interest and taxes (other than payroll and sales taxes);

(3) Insurance (other than employees' liability insurance); and

(4) Damages to persons or property (other than authorized repair to or replacement of equipment or other property used in the work).

§ 301.11 *Repayment by the operator.*

(a) If the Secretary considers that, as a result of the exploration, mineral or metal production from the area covered by the contract may be possible, he shall so certify in writing to the operator within the time specified in the contract.

(b) When the Secretary determines not to certify, he shall promptly so notify the operator provided the operator has completed all obligations under the contract.

(c) The operator shall pay the Government a royalty on all minerals or metals produced from the land described in the contract:

(1) Irrespective of any certification of possible production—from the date of the contract to the date of notice that certification will not be made, or until the total amount contributed by the Government with interest is fully repaid, whichever occurs first; or

(2) Irrespective of any certification of possible production—if the Secretary, deeming it necessary and in the public interest, enters into an agreement to provide for royalty payments.

(3) If a certification of possible production is issued—for a period of ten years (or other period fixed by the contract not exceeding 25 years) from the date of the contract, or until the total amount contributed by the Government, with interest, is fully repaid, whichever occurs first.

(d) The Government's royalty shall be 5 percent of the operator's "gross proceeds" (including any bonuses, premiums, allowances, or other benefits) from the production sold, in the form sold (ore, concentrate, metal, or equivalent) at the point of delivery (the f. o. b. point); except, that charges of the buyer (not the operator) arising in the regular course of his business, and shown on the buyer's settlement sheets as deductions (such as treatment processes performed by the buyer, sampling and assaying to determine the value of the production sold, and freight payable by the buyer to a carrier (not the operator)) shall be allowed as deductions in arriving at the "gross proceeds" as that term is used in this section. No costs of the operator are deductible in arriving at the "gross proceeds" as that term is used in this section. The term "treatment processes", as used in this paragraph means those processes (such as milling, concentrating, smelting, refining, or equivalent) applied to the crude ore or other production after it is extracted from the ground to put it into a commercially marketable form, excluding fabricating or manufacturing.

(e) If any production (ore, concentrate, metal or equivalent) remains unsold or is not used by the operator in integrated manufacturing or fabricating operations (for instance, if it is stockpiled) after the lapse of six months from the date it is extracted from the ground, the Government, at its option, may require the computation and payment of its royalty on the value of such production in the form (ore, concentrate, metal, or equivalent) it is in at the time the Government elects to exercise its option. If any production is used by the operator in integrated manufacturing or fabricating operations, the Government's royalty on such production shall be computed on the "value" thereof in the form in which and at the time when it is used. "Value" as used in this section means what is or would be gross income from mining operations for percentage depletion purposes in Federal income tax determination, or the market value, whichever is greater.

(f) (1) To secure the payment of the Government's royalty, the contract shall provide for a lien upon the operator's interest in the land, upon any production from the land and upon any interests in the land other than the operator's interest. However, the Secretary may accept the undertaking of a surety company or third person in lieu of a lien upon interests in the land other than the operator's interest. In circumstances where the Secretary deems it to be in the public interest, the requirement for a lien or other undertaking concerning interests in land, other than the lien upon the operator's interest, may be omitted from the contract.

(2) If the operator is not the producer (for example, if the operator transfers or does not retain his interest in production or in the land), the operator shall remain liable for the payment of the Government's royalty.

(g) If, in any particular case, the Secretary finds that it would be more economical or practicable to compute the Government's royalty upon some basis other than "gross proceeds" or "value", as those terms are used in this section, or upon the production in some form other than that in which it is sold, held, or used in integrated operations, he may agree with the operator, either in the original exploration contract or by an amendment thereof, upon some other basis of computation.

(h) Nothing in this part shall be construed as imposing any obligation on the operator to engage in any mining or production operations.

(i) The Secretary may modify and adjust the terms and conditions of any contract to reduce the amount and terms of any royalty payment when he shall determine that such action is necessary and in the public interest.

§ 301.12 *Interest on amount of Government participation.* (a) Simple interest, computed annually, shall accrue from the date Federal funds are made available until the period specified for royalty payment expires or until the amount of Federal funds contributed, including interest, is fully repaid by royalty on production.

(b) The rate of interest shall be fixed by the Secretary at not less than the rate the Department of the Interior would be required to pay if it borrowed from the Treasury, plus a two percent interest charge in lieu of the actual cost to the Government of administering the contract.

(c) Paragraphs (a) and (b) of this section shall not be construed to increase the rate of royalty or to extend the period for which the royalty is payable as set forth in § 301.11.

§ 301.13 *Limitation on the amount of Government participation.* No single contract shall authorize Government participation in excess of \$250,000.

§ 301.14 *Government not obligated to buy.* Nothing in this part or in any contract entered into pursuant to this part shall be construed as imposing any obligation on the Government to purchase any materials mined or produced from the land which is the subject of such contract.

§ 301.15 *Title to and disposition of property.* All facilities, buildings, fixtures, equipment, or other items, or groups of items (such as pipe, rail, steel, etc.), costing more than \$50.00 each, paid for or purchased with funds contributed jointly by the operator and the Government, although title may be taken in the name of the operator, shall belong to the operator and the Government jointly, in proportion to their respective contribution and the exploration contract shall make suitable provisions for their disposal for the joint account of the operator and the Government.

CHAPTER IV—FEDERAL COAL MINE SAFETY BOARD OF REVIEW

Part 401—Rules of Procedure

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AUTHORITY: §§ 401.1 to 401.38 issued under sec. 205, 66 Stat. 697; 30 U. S. C. 475.

SOURCE: §§ 401.1 to 401.38 appear at 18 F. R. 3017, May 26, 1953, except as otherwise noted.

DEFINITIONS

§ 401.1 *Definitions.* As used in this part:

(a) The terms "Board", "Bureau", "Director", "duly authorized representative of the Bureau", "mine", "operator", shall have the meanings set forth in section 201 (a) of the Federal Coal Mine Safety Act (66 Stat. 692).

(b) (1) The term "act" means the Federal Coal Mine Safety Act.

(2) The term "closing order" means an order issued under sections 203 (a), 203 (c) or section 206 of the act, which requires an operator to cause persons to be withdrawn from, and to be debarred from entering an area of a mine.

(3) The term "classification order" means an order issued under section 203 (d) or section 206 of the act which requires the operator of a mine to comply with the provisions of section 209 of the act which pertains to gassy mines, in the operation of such mine.

(4) The term "applicant" means an operator who has applied to the Board for annulment or revision of a closing order or of a classification order or other action within the power of the Board.

(5) The term "respondent" means the Director of the United States Bureau of Mines in any proceeding before the Board for annulment or revision of a closing order, or of a classification order, or other action within the power of the Board.

INITIAL PROCEEDINGS

§ 401.2 *Who may initiate proceedings.*

(a) An operator notified of a closing order or of a classification order made pursuant to section 203 of the act may apply directly to the Board for annulment or revision of such order without first seeking annulment or revision by appealing to the Director under section 206 of the act.

(b) An operator notified of a closing order or of a classification order made by the Director pursuant to section 206 of the act may apply to the Board for annulment or revision of such order.

§ 401.3 *Where to file.* Each application shall be filed with the Secretary of the Board, at the principal office of the Board in Room 676, Lafayette Building, 811 Vermont Avenue NW., Washington 25, D. C.

§ 401.4 *Form of application.*¹ (a) No special form of application is required to initiate an appeal under the act. However, each application shall include the following information:

- (1) Name and address of operator.
- (2) Name and address of mine.
- (3) The order complained of. (This must be a complete copy of the order complained of.)
- (4) The relief desired.
- (5) Other facts sufficient to advise the Board of the nature of the proceeding.

(b) The application shall be signed by the operator, or by any person author-

¹Forms which meet the requirements of section 401.4 may be obtained by operators or operators' associations from the Secretary of the Board, Room 676, Lafayette Building, 811 Vermont Avenue NW., Washington 25, D. C., or from the field offices of the Accident Prevention and Health Division, Bureau of Mines.

ized to represent the operator under § 401.8.

§ 401.5 *Time for filing.* (a) Application for review of a closing order may be filed at any time while such order is in effect.

(b) Application for review of a classification order shall be filed not later than 20 days after receipt of notice of such order.

§ 401.6 *Computation of time.* Except as otherwise provided by law, in computing any period of time prescribed or allowed by this part, by any rule, regulation, or order of the Board, or by any applicable statute, the day of the act, event, or default from or after which the designated period of time begins to run shall not be included, but the last day of the period so computed shall be included, unless it is a Saturday, Sunday, or a legal holiday in the District of Columbia, in which event the period shall run until the end of the next day which is not a Saturday, Sunday, or a holiday. A part-day holiday shall be considered as other days and not as a holiday.

§ 401.7 *Service on Director; manner and proof.* (a) (1) The applicant shall send a copy of the application by registered mail to the Director at Washington, D. C.

(2) A copy of any request for temporary relief shall also be sent by registered mail to the Director at Washington, D. C.

(b) Proof of service must be made before the application or any request for temporary relief will be considered by the Board. A statement by the applicant or his attorney clearly stating the time, date, and place of mailing the copy will be accepted as prima facie proof of service.

§ 401.8 *Applicants; attorneys.* (a) Any person may file and prosecute his own application for review, or the application of a firm, partnership, corporation or association of which he is a member or an official and which he is authorized to represent.

(b) An applicant may be represented by an official of a coal mine operators' association of which he is a member and which official has been authorized to represent him.

(c) Any applicant may be represented by an attorney at law in good standing admitted to practice before the Supreme

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Court of the United States, or the highest court of any State or Territory of the United States or the Court of Appeals, or the District Court of the United States for the District of Columbia.

(d) Each attorney representing an applicant shall enter his appearance with the Board prior to participating in any proceeding before the Board, which appearance shall be made a part of the record.

(e) Any person appearing before or transacting business with the Board in a representative capacity may be required to file a power of attorney with the Board showing his authority to act in such capacity.

(f) The Board may disqualify, and deny, temporarily or permanently, the privilege of appearing or practicing before it in any way to any person who is found by the Board after hearing in the matter:

(1) Not to possess the requisite qualifications to represent others; or

(2) To be lacking in character or integrity or to have engaged in unethical or improper professional conduct.

(g) Contemptuous conduct at any hearing before the Board shall be ground for exclusion from said hearing and for summary suspension without a hearing for the duration of the hearing.

HEARING, EVIDENCE, TESTIMONY

§ 401.9 *Hearing; notice; place.* (a) Immediately upon the filing of an application the Board shall fix the time and place for a prompt hearing thereof. The Secretary of the Board shall notify the parties of the place and time of the hearing.

(b) Hearings may be held at the principal office of the Board in Washington, D. C., or at any other place designated by the Board.

(c) Upon its own motion, or upon proper cause shown by either party, the Board may advance or postpone the date of the hearing.

§ 401.10 *Testimony.* (a) Except as may be provided in other paragraphs of this section all witnesses at a hearing shall testify under oath or affirmation administered by a member of the Board and shall be subject to cross-examination.

(b) Any witness may, in the discretion of the Board, be examined sepa-

ately and apart from all other witnesses except those who may be parties to the procedure.

(c) Whenever the Board deems that the interest of the public or of the parties may be promoted or that delay or an expense may be minimized, it may order testimony of any or all witnesses to be taken by deposition in accordance with §§ 401.25 to 401.31.

(d) With consent of the Board and of all parties to the proceeding, the testimony of any witness or witnesses may be submitted in the form of an affidavit of such witness or witnesses.

(e) With the consent of the Board the parties may stipulate what a particular witness would testify to if called, or may stipulate as to any or all facts in the case of any party.

§ 401.11 *Burden of proof.* (a) The burden of proof is on the respondent when he claims that danger or a violation of section 209, as set out in the order under review, existed at the time of the filing of the application, or that methane has been ignited or found in such mine as set out in the order under review. Following the presentation of respondent's evidence the applicant may present the evidence, and thereupon respondent may present evidence to rebut the applicant's evidence.

(b) In all other cases the Board shall designate the order of presentation of evidence.

§ 401.12 *Rules of evidence.* In any proceeding before the Board relevant and material evidence shall be admissible, but there shall be excluded such evidence as is unduly repetitious or cumulative, or such evidence as is not of the kind which would affect reasonable and fair-minded men in the conduct of their daily affairs.

§ 401.13 *Objections.* If a party objects to the admission or rejection of any evidence or to the limitation of the scope of any examination or cross-examination he shall state briefly the grounds of such objection whereupon an automatic exception will follow if the objection is overruled by the Board.

§ 401.14 *Oral argument.* At the conclusion of the presentation of evidence the parties will be allowed one-half hour each for oral argument and fifteen minutes each for rebuttal, unless extended by the Board.

§ 401.15 *Briefs.* Parties to a hearing will be permitted to file briefs within time limits which will be set by the Board depending upon the facts in each individual case. Briefs shall be submitted in typewritten form. Five copies of each brief or reply brief shall be filed with the Board.

§ 401.16 *Request for findings of fact and conclusions of law.* Either party may submit concise proposed findings of fact, supported by specific references to and analysis of the record, if desired, and conclusions of law, supported by citation of authorities. The Board may, in its discretion, adopt the proposed findings and conclusions in whole or in part, or enter an order without reference to such proposed findings and conclusions.

§ 401.17 *Temporary relief.* (a) Pending a hearing as provided in § 401.9 the applicant may request the Board for temporary relief from the order complained of in the application.

(b) The request shall state fully and completely the temporary relief desired and the reasons why applicant believes he is entitled to such relief.

(c) Immediately upon filing of an application for temporary relief, the Board shall fix a time and place for hearing. The Secretary of the Board shall notify the parties of the time and place of hearing.

(d) At the conclusion of the testimony the parties may, in the discretion of the Board, be permitted to present oral arguments.

(e) As soon after the conclusion of the hearings as may be practicable the Board will deny or grant such temporary relief as it may deem just and proper.

§ 401.18 *Copies of the testimony.* Hearings of the Board shall be recorded stenographically by a reporter for the Board. Copies of transcripts of hearings may be purchased from the Board's reporter at rates approved by the Board.

§ 401.19 *Inspection of the testimony.* After testimony is filed with the Secretary of the Board, it may be inspected in the office of the Board by any party to the case, but it cannot be withdrawn for the purpose of copying. It may be copied by someone specially designated or approved by the Board for that purpose, under proper restrictions and safeguards.

§ 401.20 *Additional time for taking testimony.* If either party shall be unable to procure the testimony of a witness or witnesses within the time limited and said time has expired or is about to expire, and desires additional time for such purpose, he must file a motion, accompanied by a statement under oath setting forth specifically the cause of such inability, the name or names of the witness or witnesses, the facts expected to be proved by such witness or witnesses, the steps which have been taken to procure such testimony, and the dates on which efforts have been made to procure it. The Board in its discretion may grant or deny said motion.

§ 401.21 *Official records and printed publications.* Official records and any special matter contained in a printed publication, if competent evidence and pertinent to the issue, may be introduced in evidence by filing with the Board a notice to that effect, before the closing of the time for taking the evidence of the party, specifying the record or the printed publication, the page or pages thereof to be used, indicating generally the relevancy, and accompanied by the record or authenticated copy, or the printed publication or a copy. The notice and copies of the record or publication must be served on the other party.

SUBPENAS

§ 401.22 *Issuance of subpoenas.* (a) Any member of the Board may, on the written application of a party or the Board's own motion, forthwith issue subpoenas requiring the attendance and testimony of witnesses and the production of relevant papers, books and documents in their possession and under their control. If the application is made on the record while the hearing is in progress, it may be accepted in lieu of a written request. Each request for a subpoena shall indicate the person to be subpoenaed and shall be supported by a showing of the general relevance and materiality of the evidence sought. An application for a subpoena to compel a witness to produce documentary evidence shall be verified and shall specify with particularity the books, papers and documents desired and the facts expected to be proved thereby.

(b) If service of subpoena is made by United States marshal or his deputy, such service shall be evidenced by his return thereon. If made by another

person, such person shall make affidavit thereof, describing the manner in which service is made, and shall return such affidavit on or with the original subpoena. In case of failure to make service, the reasons for the failure shall be stated on the original subpoena. The original subpoena, bearing or accompanied by the authorized return, affidavit or statement, shall be returned forthwith to the Secretary of the Board or, if so directed on the subpoena, to the presiding officer before whom the person named in the subpoena is required to appear.

§ 401.23 *Official notice of facts.* Official notice may be taken of such matters as might be judicially noticed by the courts of the United States or of any other matter of technical or scientific fact of established character peculiarly within the general knowledge of the Board as an expert body: *Provided*, That any party shall, on timely request, be afforded an opportunity to show the contrary.

§ 401.24 *Witness fees and mileage; payment.* Witnesses summoned before the Board shall be paid the same fees and mileage that are paid witnesses in the courts of the United States, and witnesses whose depositions are taken, and the persons taking such depositions, shall be entitled to the same fees as are paid for like services in the courts of the United States. Witness fees and mileage shall be paid by the party at whose instance the witnesses appear, and the person taking the deposition shall be paid by the party at whose instance the deposition is taken.

DEPOSITIONS

§ 401.25 *Notice of examination of witnesses.* (a) Depositions may be taken after the party has filed with the Board a petition to take a deposition setting forth the grounds for same and the information in compliance with paragraphs (b) and (c) of this section, if the petition to take depositions has been approved by the Board.

(b) Before the depositions of witnesses shall be taken by a party, due notice in writing shall be given to the opposing party, as provided in paragraph (c) of this section, of the time when and place where the depositions will be taken, of the cause or matter in which they are to be used, and of the names and residences of the witnesses to be examined together with the name and address of the officer

before whom the testimony is to be taken. The opposing party shall have full opportunity, either in person or by attorney, to cross-examine the witnesses. If the opposing party shall attend the examination of witnesses not named in the notice, and shall either cross-examine such witnesses or fail to object to their examination, he shall be deemed to have waived his right to object to such examination for want of notice. Neither party shall take testimony in more than one place at the same time, nor so nearly at the same time that reasonable opportunity for travel from one place of examination to the other cannot be had.

(c) The notice for taking testimony must be served (unless otherwise stipulated in an instrument in writing filed in the case) upon the attorney of record, if there be one, or, if there be no attorney of record, upon the adverse party. Reasonable time must be given therein for such adverse party to reach the place of examination. Such notice shall, with sworn proof of the fact, time, and mode of service thereof, be attached to the deposition or depositions, whether the opposing party shall have cross-examined or not.

§ 401.26 *Persons before whom depositions may be taken.* (a) Within the United States, or within a territory or insular possession of the United States, depositions shall be taken before an officer authorized to administer oaths by the laws of the United States or of the place where the examination is held.

(b) No such officer who is a relative or employee of either of the parties, or of their attorneys or agents, or interested, directly or indirectly, in the matter in controversy, either as counsel, attorney, agent or otherwise, shall be competent to take depositions, unless with the written consent of both parties.

§ 401.27 *Examination of witnesses.* (a) Each witness before testifying shall be duly sworn according to law by the officer before whom his deposition is to be taken.

(b) The testimony shall be taken in answer to interrogatories, with the questions and answers recorded in their regular order by the officer, or by some other person (who shall be subject to the provisions of § 401.26 (b)) in the presence of the officer except when his presence is waived on the record by agreement in writing of the parties. The testimony

shall be taken stenographically and transcribed, unless the parties present agree otherwise.

(c) In the absence of all opposing parties and their attorneys or agents, testimony may be taken in longhand, typewriting, or stenographically.

(d) All objections made at the time of the examination to the qualifications of the officer taking the deposition, or to the manner of taking it, or to the evidence presented, or to the conduct of any party, and any other objection to the proceedings, shall be noted by the officer upon the deposition. The officer shall not have the power to rule upon any objections, but he shall note the objections upon the record.

(e) When the testimony has been transcribed, the deposition shall be carefully read over by the witness, or by the officer to him, and shall then be signed by the witness in the presence of the officer unless the reading and the signature be waived on the record by agreement of all parties. If the deposition is not signed because the witness is ill, deceased, cannot be found, or refuses to sign, such fact shall be included in the certificate of the officer.

§ 401.28 *Certification and filing by officer.* (a) The officer shall annex to the deposition his certificate showing:

(1) Due administration of the oath by the officer to the witness before the commencement of his testimony.

(2) The name of the person before whom the testimony was taken down, and whether, if not taken down by the officer, it was taken down in his presence.

(3) The presence or absence of the adverse party.

(4) The place, day, and hour of commencing and taking the deposition.

(5) That the deposition was read by or to the witness before he signed the same, and that he signed the same in the presence of the officer.

(6) The fact that the officer was not disqualified as specified in § 401.26 (b).

(b) If any of the requirements specified in paragraph (a) of this section are waived, the certificate shall so state. The officer shall sign the certificate and affix thereto his seal of office, if he have such seal. Unless waived on the record by agreement, he shall then, without delay, securely seal in an envelope all the evidence, notices, and paper exhibits, inscribe upon the envelope a certificate

giving the number and title of the case, the name of each witness, and the date of sealing, and deliver the envelope, in person or by registered mail, to the Secretary of the Board. If the weight or bulk of an exhibit shall exclude it from the envelope it shall, unless waived on the record by agreement of all parties, be authenticated by the officer and transmitted in a separate package, marked and forwarded to the Secretary of the Board by suitable means.

§ 401.29 *Form of deposition.* The pages of each deposition must be numbered consecutively, and the name of the witness plainly and conspicuously written at the top of each page. The testimony may be written on legal-size or letter-size paper, with a wide margin on the left-hand side of the page, and with the writing on one side only of the sheet. The questions propounded to each witness must be consecutively numbered and each question must be followed by its answer.

§ 401.30 *Depositions must be filed.* All depositions which are taken must be duly filed promptly with the Secretary of the Board. On failure to file within 5 days after completion of the testimony the Board in its discretion will not further hear or consider the contestant with whom the failure lies; and the Board may, in its discretion, receive and consider a copy of the withheld deposition, attested by such evidence as is procurable or disregard the deposition completely.

§ 401.31 *Effect of errors and irregularities in depositions.* Notice will not be taken of merely formal or technical objections which shall not appear to have wrought a substantial injury to the party raising them; and in case of such injury it must be made to appear that, as soon as the party became aware of the ground of objection, he gave notice thereof.

(a) *As to notice.* All errors and irregularities in the notice for taking a deposition are waived unless objection is promptly made and served in writing upon the party giving the notice.

(b) *As to disqualification of officer.* Objection to taking a deposition because of disqualification of the officer before whom it is to be taken is waived unless made before the taking of the deposition begins or as soon thereafter as the disqualification becomes known or could be discovered with reasonable diligence.

(c) *As to taking of deposition.* (1) Objections to the competency of a witness or to the competency, relevancy, or materiality of testimony are not waived by failure to make them before or during the taking of the deposition, unless the ground of the objection is one which might have been obviated or removed if presented at that time.

(2) Errors and irregularities occurring at the oral examination in the manner of taking the deposition, in the form of the questions or answers, in the oath or affirmation, or in the conduct of the parties, and errors of any kind which might be obviated, removed, or cured if promptly presented, are waived unless reasonable objection thereto is made at the taking of the deposition.

(d) *As to completion and return of deposition.* Errors and irregularities in the manner in which the testimony is transcribed or the deposition is prepared, signed, certified, sealed, indorsed, transmitted, filed, or otherwise dealt with by the officer are waived unless a motion to suppress the deposition or some part thereof is made with reasonable promptness after such defect is, or with due diligence might have been, ascertained.

TERMINATION OF PROCEEDINGS

§ 401.32 *Prior to finding.* (a) At any stage of the proceeding prior to the making of a finding by the Board, upon the submission, by either the applicant or the Director, of a copy of an order issued by the Director annulling or revising the order which the applicant is seeking review by the Board, an order dismissing the application may be entered by the Board in its discretion without further proceedings.

(b) When an application for annulment or revision of an order of a Federal inspector is filed by an operator of a mine located in a State with an approved State plan, the Board may, without further proceedings, issue an order annulling or revising the order of the Federal inspector upon the filing with the Board by the respondent of a statement that (1) an inspection by a duly authorized representative of the Bureau has shown that the violation on which the order was based has been abated, and (2) the respondent joins with the applicant in requesting annulment or revision of the order.

[8 F. R. 3017, May 26, 1953, as amended at 18 F. R. 7655, Dec. 2, 1953]

§ 401.33 *After hearing.* Unless terminated as provided in § 401.32, at the conclusion of the hearing or as soon thereafter as is practicable the Board will make an order affirming, revising, or annulling the order under review.

§ 401.34 *Finding and order; form and content.* Each finding and order shall be in writing, shall show the date on which it is made, and shall bear the signatures of the members of the Board who concur therein. A true copy of the findings and order in each case shall be sent to all parties or to their attorneys of record and shall be published by the Board in such manner as it deems advisable. Each finding and order shall be entered upon the official record of the Board together with any written opinion prepared by any member in support of, or dissenting from such finding or order.

APPEAL TO THE UNITED STATES COURTS OF APPEALS

§ 401.35 *Appeal to the Court.* (a) Any party dissatisfied with a final order issued by the Board may appeal to the United States Court of Appeals for the circuit in which the mine affected is located.

(b) The appeal is initiated by the filing in the appropriate appellate court of a notice of appeal within thirty days from the date of the making of the order.

(c) A copy of such notice of appeal must be sent forthwith to the other party and to the Board.

§ 401.36 *Record on appeal.* (a) Upon receipt of the copy of the notice of appeal, the Secretary of the Board will prepare and file in the designated appellate court, a certified complete transcript of the record of the proceedings before the Board.

(b) The party making the appeal must pay the costs of the complete transcript of the record before it is filed with the court.

GENERAL

§ 401.37 *Amendments or additions; effective date.* All amendments or additions to this part will be published in the FEDERAL REGISTER and, unless otherwise specified, shall become effective as of the date of adoption by the Board.

§ 401.38 *Hearings and records.* Hearings of the Board and the official records pertaining to proceedings under section 207 of the act shall be open to the public.

Title 31—Money and Finance: Treasury

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NOTE: Other regulations issued by the Department of the Treasury appear in Title 12, Chapter I; Title 19, Chapter I; Title 21, Chapter II; Title 26, Chapter I; Title 27, Chapter I; Title 33, Chapter I; Title 46, Chapter I.

Subtitle A—Office of the Secretary of the Treasury

Part

- 1 Central office procedures.
- 3 Claims regulations.
- 10 Practice of attorneys and agents before the Treasury Department.

CROSS REFERENCE: General Accounting Office: See 4 CFR Chapter I.

Part 1—Central Office Procedures

Subpart A—Disclosure of Official Information and Testimony in Court

Sec.

- 1.1 Treasury records or other official documents not to be withdrawn.
- 1.2 Rules governing access to final opinions or orders, to rules and to official records.
- 1.3 Testimony or the production of documents in court.
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Subpart B—Payments Under Judgments and Private Relief Acts

- 1.10 Judgments against the United States.
- 1.11 Payment of sums appropriated in private relief acts.

AUTHORITY: §§ 1.1 to 1.11 issued under R. S. 161, as amended, sec. 3, 60 Stat. 238; 5 U. S. C. 22, 1002.

SOURCE: §§ 1.1 to 1.11 appear at 13 F. R. 9323, Dec. 31, 1948, except as otherwise noted.

SUBPART A—DISCLOSURE OF OFFICIAL INFORMATION AND TESTIMONY IN COURT

§ 1.1 *Treasury records or other official documents not to be withdrawn.* No record, claim, account, document, or other official instrument in writing, or any exhibit attached, or pertaining thereto, shall be withdrawn from the

files of the Department by, or furnished to, any person not an officer or employee of the Department.

§ 1.2 *Rules governing access to final opinions or orders, to rules and to official records—(a) Availability of final opinions or orders and rules.* Except as hereinafter stated, all final opinions or orders in the adjudication of cases and all rules (other than those relating solely to the internal management of the Treasury Department) issued by the Office of the Secretary of the Treasury (including the Offices of the Under Secretary, the Assistant Secretaries, the Fiscal Assistant Secretary, the Assistants and Special Assistants to the Secretary, and the Administrative Assistant Secretary) are made available to public inspection at the Treasury Department, Washington 25, D. C. This provision shall not apply, however, to final opinions or orders which are not cited as precedents and which contain information held confidential for one or more of the good causes set forth in paragraph (e) of this section. In view of the nature of their functions, the Office of the General Counsel, the Bureau of Engraving and Printing, the Office of International Finance (except the Division of Foreign Assets Control) the Division of Personnel, the Office of the Technical

Staff, the Division of Tax Research, the Office of Administrative Services, the United States Savings Bonds Division, the Office of the Tax Legislative Counsel, and the Office of the Chief Coordinator, Treasury Enforcement Agencies, do not issue any final opinions or orders in the adjudication of cases, nor do they issue any rules (other than those relating solely to the internal management of the Treasury Department.)

(b) *Requests for final opinions or orders and rules.* Requests to examine the final opinions or orders and rules hereby made available for public inspection shall be addressed to the Administrative Assistant to the Secretary, Treasury Department, Washington 25, D. C. Copies of documents made available for public inspection may, in proper cases, be furnished on request.

(c) *Availability of official records.* Except as to official records relating solely to the internal management of the Treasury Department and except as to official records held confidential for one or more of the good causes set forth in paragraph (e) of this section, all matters of official record in the files of the Office of the Secretary of the Treasury (including the Offices of the Under Secretary, the Assistant Secretaries, the Fiscal Assistant Secretary, the Assistants and Special Assistants to the Secretary, and the Administrative Assistant to the Secretary), the Office of the General Counsel, the Bureau of Engraving and Printing, the Office of International Finance, the Division of Personnel, the Office of the Technical Staff, the Division of Tax Research, the Office of Administrative Services, the United States Savings Bonds Division, the Office of the Tax Legislative Counsel, and the Office of the Chief Coordinator, Treasury Enforcement Agencies, are made available to persons properly and directly concerned.

(d) *Classification of official records.* The official records made available by paragraph (c) of this section to persons properly and directly concerned may be classified as pertaining to the collection of taxes and the administration of the internal revenue laws, the collection of customs duties and the enforcement of the customs laws, national banks, public debt, the coinage and printing of money, the procurement of Government supplies, finance, the Coast Guard, the disbursement of Government funds, savings bonds, gold, silver, banking, and other

monetary matters, both domestic and international, and all other functions of the Treasury Department. In view of the many functions of the bureaus, divisions, and offices in question and in view of the numerous types of official records which are kept in connection with the performance of these functions, it is not practicable to list herein all types of official records in the files of these offices.

(e) *Confidential official records.* For one or more of the following good causes, certain information in the official records of the bureaus, divisions, and offices enumerated in paragraph (c) of this section is held confidential, and is not available to the public: (1) The information has been submitted in confidence to the Treasury Department; (2) the information relates to a financial matter or some other type of transaction between the Government and an individual or corporation, the disclosure of which would be prejudicial to the individual or corporation involved (such as by aiding a competitor) without furthering the public interest; (3) for security reasons, such as protection against counterfeiting; (4) the information pertains to negotiations with foreign countries, which information, because of its nature or because of an agreement between this Government and the foreign countries concerned, is required to be held confidential; (5) the material is made confidential by law, such as tax returns; or (6) the disclosure of the information would clearly be inimical to the public interest.

(f) *Application for information.* All requests for information contained in the official records of the bureaus, divisions, and offices enumerated in paragraph (c) of this section shall be addressed to the Administrative Assistant to the Secretary, Treasury Department, Washington 25, D. C. The request shall clearly state the information desired and must set forth the interest of the applicant in the subject matter and the purpose for which the information is desired. If the applicant is an agent or attorney acting for another, he will attach to the application evidence of his authority to act for his principal. If such evidence is satisfactory, such agent or attorney will be given access to any record to which his principal would be given access.

(g) *Determination of application for information.* The determination as to whether the information requested is

available for disclosure in any particular case will be made by the Administrative Assistant to the Secretary (or the Secretary of the Treasury, the Under Secretary, an Assistant Secretary, the Fiscal Assistant Secretary, or the General Counsel). As a general rule, the request for information will be determined on the basis of the nature of the interest of the person making the request and the character of the information desired. If in a particular case the Administrative Assistant to the Secretary (or the Secretary of the Treasury, the Under Secretary, an Assistant Secretary, the Fiscal Assistant Secretary, or the General Counsel) determines that a request for information must be refused, prompt notice of the refusal will be given to the applicant, together with a simple statement of the grounds for such refusal.

(h) *Manner in which information is available.* Whenever the Administrative Assistant to the Secretary (or the Secretary of the Treasury, the Under Secretary, an Assistant Secretary, the Fiscal Assistant Secretary, or the General Counsel) determines that a matter of official record is available for disclosure in a particular case, a copy of said official record will be furnished the party requesting the same, or the officer passing upon the request may, in his discretion, allow a personal inspection of the official record in question at the place where the document is normally kept. A reasonable fee may, in the discretion of the Administrative Assistant to the Secretary (or the Secretary of the Treasury, the Under Secretary, an Assistant to the Secretary, the Fiscal Assistant Secretary, or the General Counsel), be charged for furnishing copies of official records or other documents.

[13 F. R. 9328, Dec. 31, 1948, as amended at 16 F. R. 767, Jan. 27, 1951]

§ 1.3 *Testimony or the production of documents in court.* (a) Treasury Department officers and employees are prohibited from testifying in court or otherwise with respect to information obtained as a result of their official capacities, and are prohibited from furnishing official documents in compliance with subpoenas duces tecum, without the prior approval of the Secretary, the Under Secretary, an Assistant Secretary, the Administrative Assistant to the Secretary, or the head of the bureau, office, or division of the Department in which such officer or employee is employed. In cases

where the giving of testimony is desired, an affidavit by the litigant or his attorney, setting forth the interest of the litigant and the information with respect to which the testimony of such officer or employee is desired, must be submitted before permission to testify will be granted. Permission to testify will, in all cases, be limited to the information set forth in the affidavit, or to such portions thereof as may be deemed proper.

(b) Where approval to testify or to furnish documents in compliance with a subpoena is not given, the person to whom it is directed shall if possible appear in court and respectfully state his inability to comply in full with the subpoena, relying for his action upon this section.

(c) This section shall not apply to any case in which a bureau, division, or office of the Department has inconsistent regulations.

§ 1.4 *Regulations not applicable to official requests.* Sections 1.1 to 1.3 shall not be applicable to official requests of other governmental agencies or officers thereof acting in their official capacities, unless it appears that compliance therewith would be in violation of law, or inimical to the public interest. Cases of doubt should be referred for decision to the Secretary, the Under Secretary, an Assistant Secretary, or the Administrative Assistant to the Secretary.

§ 1.5 *Waiver of regulations.* The provisions of §§ 1.1 to 1.3 may be waived in proper cases by the Secretary, the Under Secretary, or an Assistant Secretary.

SUBPART B—PAYMENTS UNDER JUDGMENTS AND PRIVATE RELIEF ACTS

§ 1.10 *Judgments against the United States.* (a) Persons securing money judgments against the United States, in excess of \$100,000 in any one case, in the Court of Claims are required, in order to secure payment, to file original transcripts of such judgments with the Secretary of the Treasury for certification to the Congress for appropriation. Following receipt of an application on the part of the claimant for payment of the amount appropriated by the Congress, the General Accounting Office transmits a certificate of settlement to the Treasury Department. Payment is then made to the claimant by check drawn in the Treasury Department by the Division of Disbursement. A similar procedure applies with respect to such judgments

obtained in the Federal district courts, except that papers pertaining to such judgments are filed with the Secretary of the Treasury by the Department of Justice instead of by the claimant.

(b) A procedure similar to that outlined in paragraph (a) of this section is followed with respect to judgments not in excess of \$100,000 in any one case except that the necessary documents are filed with the General Accounting Office and no action is taken by the Treasury Department prior to the receipt of a certificate of settlement from the General Accounting Office. After receipt of a certificate of settlement a check payable from a permanent appropriation established for the payment of such judgments is drawn in the Treasury Department by the Division of Disbursement and mailed to the claimant in accordance with the terms of the certificate of settlement.

[23 F. R. 10184, Dec. 24, 1958]

§ 1.11 *Payment of sums appropriated in private relief acts.* Persons entitled to payment of sums appropriated in private relief acts should make application for payment to the General Accounting Office. Prior to the receipt of a certificate of settlement from the General Accounting Office, the Treasury takes no action with respect to such payments. After receipt of the certificate of settlement, a check is drawn in the Treasury Department by the Division of Disbursement and mailed to the beneficiary in accordance with the terms of the certificate of settlement.

[23 F. R. 10184, Dec. 24, 1958]

Part 3—Claims Regulations

Subpart A—General Provisions

- Sec. 3.1 Definitions.
- 3.2 Action by claimant.
- 3.3 Approval of claim.
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- 3.21 Allowable claims.
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Subpart C—Coast Guard Claims

- Sec. 3.40 General.
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Subpart D—Small Claims Act

- 3.60 General.
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Subpart E—Admiralty and Maritime Claims (Coast Guard)

- 3.70 General.
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- 3.74 Limitations of settlement.
- 3.75 Payment of claims.
- 3.76 Claims on behalf of the United States.

AUTHORITY: §§ 3.1 to 3.76 issued under R. S. 161, as amended, sec. 663, 63 Stat. 545; 5 U. S. C. 22, 14 U. S. C. 633. Interpret or apply sec. 2, 42 Stat. 1066, sec. 2672, 62 Stat. 983, as amended, secs 645-647, 63 Stat. 547-549, as amended; 28 U. S. C. 2672, 14 U. S. C. 645-647.

SUBPART A—GENERAL PROVISIONS

§ 3.1 *Definitions.* (a) The word "Secretary" as used in this part refers to the Secretary of the Treasury or his designee.

(b) The word "Department" as used in this part refers to the Treasury Department, its bureaus, divisions, and offices.

(c) The word "General Counsel" as used in this part refers to the General Counsel of the Treasury Department.

(d) The phrase "in time of war" as used in this part includes the period between December 7, 1941, and the date the war is declared to be at an end by resolution of the Congress or by proclamation of the President.

(e) Coast Guard aircraft, when waterborne, shall be considered as vessels for the purposes of this part.

(f) The word "employee" includes officers or employees of the Treasury Department, civilian and military personnel of the Coast Guard, and persons acting on behalf of the Department in an official capacity, temporarily or permanently in

the service of the Department, whether with or without compensation.

(g) The phrase "acting within the scope of his office or employment" in the case of a member of the military personnel of the Coast Guard means acting in line of duty.

[12 F. R. 3113, May 13, 1947]

§ 3.2 *Action by claimant*—(a) *Claims for damage, loss or destruction of property, personal injury or death.* Claims for damage to, or loss or destruction of, property or personal injury or death may be presented by the owner of the property or the injured person or his duly authorized agent or legal representative. The claim, if filed by an agent or legal representative, must show the title or capacity of the person presenting the claim and must be accompanied by evidence of the appointment of such person as agent, executor, administrator, guardian, or other fiduciary.

(b) *Form of claim.* Claims should be submitted in duplicate on Standard Form No. 95. If such forms are not used, claims should be submitted by presenting in duplicate a statement in writing setting forth the claimant's name and address, the amount of the claim, the detailed facts and circumstances surrounding the accident or incident, indicating the date and place, the property and persons involved, the nature and extent of the damage, loss, destruction, or injury. The claimant may, if he desires, file a brief with his claim setting forth the law or other arguments in support of his claim. In cases involving several claims arising from a single accident or incident, individual claims shall be filed.

(c) *Place of filing claim.* Claims should be submitted directly or through the local field headquarters to the head of the bureau, division or office of the Department out of whose activities the accident arose or incident occurred, if known; or if not known, to the General Counsel, Treasury Department, Washington 25, D. C.

(d) *Evidence to be submitted by claimant*—(1) *General.* The amount claimed for damage to, or loss or destruction of, property or for personal injury or death should be substantiated by competent evidence. All statements or estimates required to be submitted by the following subparagraphs should, if possible, be by disinterested competent witnesses, pref-

erably reputable dealers or persons familiar with the type of property damaged. Such statements and estimates should be certified as just and correct and if payment has been made, itemized receipts evidencing such payment should be included.

(2) *Damage to personal property.* In support of claims for damage to personal property which has been or can be economically repaired, the claimant should submit an itemized receipt if payment has been made or an itemized estimate of the cost of repairs. If the property is not economically repairable a statement as to depreciation in value should be included, or if the property is lost or destroyed, the value of the property at the time of loss or destruction should be stated.

(3) *Personal injury.* In support of claims for personal injury or death, the claimant should submit a written report by the attending physician, showing the nature and extent of injury, the nature and extent of treatment, the degree of permanent disability, if any, the prognosis, and the period of hospitalization or incapacitation, attaching itemized bills for medical, hospital, or burial expenses actually incurred.

(4) *Damage to real property.* In support of claims for damage to land, trees, buildings, fences and other improvements, and similar property, the claimant should submit an itemized signed statement or estimate of the cost of repairs. If the property is not economically repairable, a statement as to its value both before and after the accident should be included. If the damages to improvements can be readily and fairly valued apart from the damage to the land, the damage to such improvements should be stated separately from the damage to the land.

(5) *Damage to crops.* In support of claims for damage to crops, the claimant should submit an itemized signed statement showing the number of acres, or other unit measure, of the crops damaged, the normal yield per unit, the gross amount which would have been realized from such normal yield and an estimate of the costs of cultivating, harvesting and marketing such crops. If the crop is one which need not be planted each year, the diminution in value of the land beyond the damage to the current year's crop should also be stated.

(6) *Damage to registered or insured mail.* In the case of claims for damage to, or loss or destruction of, registered or insured mail, the claimant should submit, where possible, the registration or insurance receipt, or an attested copy thereof, showing the amount of fee and postage paid.

(7) *Marine casualty damage.* In support of claims for damage to, or destruction of, marine property which has been or can be repaired or replaced, the claimant must submit an itemized statement or estimate of the cost of repairs or replacement, supported by an appraisal or survey report of disinterested, competent persons familiar with the subject matter.

If the property is so severely damaged that it is not susceptible of being repaired, its value before and after the time of the accident must be stated and established by competent evidence. Whenever a claim includes a charge for detention or loss of earnings during repairs of damage to a vessel, the claimant must support such item with a statement as to:

(i) The date when the vessel was disabled.

(ii) The name and location of the repair yard.

(iii) The date when repairs were commenced.

(iv) The date when repairs were completed.

(v) Whether or not while undergoing collision repairs, any other work for the owner's account was performed and, if so, the cost and character thereof and the time required for performance.

(vi) The date on which the vessel was returned to service after completion of repairs.

(vii) Place where the vessel was put into service after completion of repairs.

(viii) An explanation of any delay between the date repairs were completed and the date the vessel was returned to service.

(ix) Whether or not during the course of undergoing collision repairs the vessel could have been employed, and an explanation submitted showing the identity of the person who offered to give such employment; the terms of the offer; time of prospective service and rate of compensation.

(x) If the vessel was under charter at the time of collision or was otherwise

employed, the claimant should state each of the details set forth in subdivision (ix) of this subparagraph, and as well submit a statement of operating expenses which were, or would have been, incurred to earn such hire, specifically stating wages and bonuses which would have been paid during the period of employment (including the master's), the value of fuel which would have been consumed during the period of employment, the value of consumable stores which would have been used during the period of employment, port charges which would have been incurred during the period of employment and which would have included such items as harbor fees, wharfage, dockage, sheddage, stevedoring, towage, pilotage, inspection, tollage, lockage, anchorage and moorage, grain elevation, storage, and customs fees. All such statements or estimates should be supported by statements or reports of disinterested, competent witnesses, preferably marine surveyors, familiar with the type of property damaged or destroyed.

(8) *Signatures.* The claim and all other papers requiring the signature of the claimant should be signed by the claimant personally or by a duly authorized agent or legal representative. Section 287 of the Criminal Code (18 U. S. C. 287) imposes a fine of not more than \$10,000 or imprisonment for not more than five years, or both, for presenting false, fictitious, or fraudulent claims against the Government. Section 1001 of the Criminal Code (18 U. S. C. 1001) imposes a fine of not more than \$10,000 or imprisonment for not more than five years, or both, for making false, fictitious or fraudulent statements or representation in connection with any matter under the jurisdiction of the Government.

[12 F. R. 3113, May 13, 1947, as amended at 13 F. R. 3675, July 1, 1948; 19 F. R. 767, Feb. 10, 1954]

§ 3.3 *Approval of claim.* (a) Claims not exceeding \$1,000, submitted under the Federal Tort Claims Act and the Small Claims Act, are approved or disapproved by the head of the bureau, division or office out of whose activities the accident or incident arose, or his designee, upon the recommendation of the Chief Counsel or other legal officer in immediate charge of the legal affairs of the bureau, division or office.

(b) Claims not exceeding \$1,000, submitted under the Coast Guard Claims Act, are approved or disapproved by the Commandant, United States Coast Guard, or his designee.

(c) Claims not exceeding \$3,000, submitted under the Damages by Coast Guard Vessels Act, are approved or disapproved by the Commandant, United States Coast Guard, or his designee. Claims under said act exceeding \$3,000, but not exceeding \$25,000, are approved or disapproved by the Secretary. Claims under said act exceeding \$25,000 are approved or disapproved by the Secretary and are certified to Congress for payment.

[19 F. R. 767, Feb. 10, 1954]

§ 3.4 *Acceptance of settlement by claimant.* The acceptance by the claimant of the settlement shall be final and conclusive on the claimant, and shall constitute a complete release by the claimant of any claim against the Government and against the employee of the Government whose act or omission gave rise to the claim, by reason of the same subject matter.

[12 F. R. 3114, May 13, 1947]

§ 3.5 *Coast Guard investigations.* Coast Guard courts of inquiry and investigations may be convened in accordance with the Uniform Code of Military Justice, the Manual for Courts-Martial, U. S., 1951, and the Coast Guard Supplement to said Manual, to inquire into the facts and circumstances of accidents and incidents growing out of Coast Guard activities.

[19 F. R. 767, Feb. 10, 1954]

SUBPART B—FEDERAL TORT CLAIMS ACT

§ 3.20 *General.* The so-called Federal Tort Claims Act (28 U. S. C. 2672) conferred upon the head of each Federal agency, or his designee, acting on behalf of the United States authority to ascertain, adjust, and settle certain claims against the United States for money only, accruing on and after January 1, 1945.

[19 F. R. 767, Feb. 10, 1954]

§ 3.21 *Allowable claims.* Claims are payable by the Department under the Federal Tort Claims Act and this subpart on account of damage to, or loss of, property or on account of personal injury or death, where the total amount of the claim does not exceed \$1,000, caused by the negligent or wrongful act

or omission of any employee of the Department, while acting within the scope of his office or employment, under circumstances where the United States, if a private person, would be liable to the claimant for such damage, loss, injury or death, in accordance with the law of the place where the act or omission occurred. [12 F. R. 3114, May 13, 1947]

§ 3.22 *Exclusions.* As provided in 28 U. S. C. 2680, claims not payable under the Federal Tort Claims Act and this subpart include:

(a) Any claim based upon an act or omission of an employee of the Government, exercising due care, in the execution of a statute or regulation, whether or not such statute or regulation be valid, or based upon the exercise or performance or the failure to exercise or perform a discretionary function or duty on the part of a Federal agency or an employee of the Government, whether or not the discretion involved be abused.

(b) Any claim arising out of the loss, miscarriage, or negligent transmission of letters or postal matter. See § 3.41 (a) (3).

(c) Claims for which a remedy is provided by the act of March 9, 1920 (41 Stat. 525; 46 U. S. C., secs. 741-752), or the act of March 3, 1925 (43 Stat. 112; 46 U. S. C., secs. 781-790), relating to claims or suits in admiralty against the United States.

(d) Any claim arising in respect of the assessment or collection of any tax or customs duty, or the detention of any goods or merchandise by any officer of customs or excise or any other law-enforcement officer.

(e) Any claim arising out of an act or omission of any employee of the Government in administering the provisions of the Trading With the Enemy Act, as amended.

(f) Any claim arising out of assault, battery, false imprisonment, false arrest, malicious prosecution, abuse of process, libel, slander, misrepresentation, deceit, or interference with contract rights.

(g) Any claim for damages caused by the fiscal operations of the Treasury or by the regulation of the monetary system.

(h) Any claim arising out of the combatant activities of the military or naval forces, or the Coast Guard, during time of war.

(i) Any claim arising in a foreign country.

[12 F. R. 3114, May 13, 1947, as amended at 19 F. R. 767, Feb. 10, 1954; 23 F. R. 7701, Oct. 4, 1958]

§ 3.23 *Application to claims not previously adjusted.* The provisions of this subpart shall apply to all claims otherwise within its scope, not heretofore adjusted, including claims formerly payable under provisions of law and regulations now superseded, arising out of accidents or incidents occurring on or after January 1, 1945. Claims arising out of accidents or incidents occurring prior to January 1, 1945 and claims not cognizable under this subpart may be considered under the provisions of the Act of December 28, 1922 (42 Stat. 1066) or, in the case of the Coast Guard, under the provisions of 14 U. S. C. 645 or 14 U. S. C. 646. See Subparts C, D and E of this part.

[12 F. R. 3114, May 13, 1947, as amended at 19 F. R. 767, Feb. 10, 1954]

§ 3.24 *Statute of limitations.* Claims under this subpart must be presented in writing to the Department within two years after the claim accrued.

[19 F. R. 767, Feb. 10, 1954]

§ 3.25 *Payment of claim.* Upon the approval of a claim cognizable under this subpart, the Treasury Department will draw a check in payment of the claim and mail it to the claimant, subject to the Congress having made appropriations available for that purpose.

[12 F. R. 3115, May 13, 1947]

§ 3.26 *Withdrawal of claim from Department.* A claimant may, in accordance with the provisions of 28 U. S. C. 2675 (b), withdraw his claim from consideration by the Department upon fifteen days' notice in writing to the head of the bureau, office or division concerned, or if not known, to the General Counsel.

[12 F. R. 3115, May 13, 1947, as amended at 19 F. R. 767, Feb. 10, 1954]

§ 3.27 *Attorneys' fees.* In accordance with 28 U. S. C. 2678, reasonable attorneys' fees may be paid under this subpart out of, but not in addition to, the amount of the award or settlement. If the award or settlement is \$500 or less, reasonable attorneys' fees, but not in excess of \$50, may be allowed. If the award is \$500 or more, reasonable attorneys' fees, but not in excess of ten percent of the amount of the award or settlement, may be allowed. Any attor-

ney who charges, demands, receives, or collects for services rendered in connection with any claim any amount in excess of that allowed by this section shall be subject to a fine of not more than \$2,000 or imprisonment of not more than one year, or both. The authority to allow attorneys' fees as set forth in this section may be exercised only upon the written request of both the claimant and his attorney.

[19 F. R. 767, Feb. 10, 1954]

§ 3.28 *Contributory negligence, subrogation, and pain and suffering.* Questions of contributory negligence, subrogation, the allowance of damages for pain and suffering and other questions of law, will be determined by the law of the place where the accident occurred. However, whether an officer or employee of the United States was "acting within the scope of his office or employment" within the meaning of the Federal Tort Claims Act, involves a question of statutory construction as to which local decisions are not binding.

[12 F. R. 3115, May 13, 1947, as amended at 19 F. R. 767, Feb. 10, 1954]

SUBPART C—COAST GUARD CLAIMS

Source: §§ 3.40 to 3.52 appear at 12 F. R. 3115, May 13, 1947, except as otherwise noted.

§ 3.40 *General.* The so-called Coast Guard Claims Act (63 Stat. 547; 14 U. S. C. 645) authorized the Secretary of the Treasury to consider, ascertain, adjust, determine, settle and pay certain claims for damage caused by military personnel or civilian employees of the Coast Guard, arising on or after May 27, 1941, not exceeding \$1,000.

[19 F. R. 768, Feb. 10, 1954]

§ 3.41 *Allowable claims.* (a) The following claims are cognizable under the so-called Coast Guard Claims Act (63 Stat. 547; 14 U. S. C. 645) and this subpart:

(1) Claims arising on or after May 27, 1941, for damage to or loss or destruction of real or personal property, or for reasonable medical, hospital, or burial expenses, actually incurred on account of personal injury or death caused by the wrongful act or omission of military personnel or civilian employees of the Coast Guard while acting within the scope of their employment, except claims arising on or after January 1, 1945, which are cognizable under the Federal Tort Claims Act.

(2) Claims arising on or after May 27, 1941, for damage to or loss of real or personal property, or for reasonable medical, hospital, or burial expenses, actually incurred on account of personal injury or death although not shown to have been caused by any particular act or omission of military personnel or civilian employees of the Coast Guard while acting within the scope of their employment if otherwise incident to non-combat activities of the Coast Guard.

(3) Claims arising on or after May 27, 1941, for damage to, or loss or destruction of, registered or insured mail while in the possession of Coast Guard authorities, even though resulting from criminal acts;

(4) Claims arising on or after May 27, 1941, for damage to, loss or destruction of, personal property bailed to the Government;

(5) Claims arising on or after May 27, 1941, for damage to real property incident to the use and occupancy thereof under a lease, express or implied.

[12 F. R. 3115, May 13, 1947, as amended at 19 F. R. 768, Feb. 10, 1954; 21 F. R. 4048, June 13, 1956]

§ 3.42 *Exclusions.* (a) The following claims are not cognizable under the so-called Coast Guard Claims Act (63 Stat. 547; 14 U. S. C. 645) and this subpart:

(1) Any claim for damage, loss, destruction, injury, or death which was proximately caused, in whole or in part, by any negligence or wrongful act on the part of the claimant, his agent, or his employee.

(2) Any claim for damages on account of personal injury or death, other than for reasonable medical, hospital, and burial expenses actually incurred as a result thereof.

(3) Any claim for reimbursement for medical or hospital services furnished at the expense of the United States or, in the case of burial, for such portion of the expense thereof as may be otherwise paid by the United States.

(4) Any claim for personal injury or death of military personnel or civilian employees of the Coast Guard if such injury or death occurs incident to their service.

(5) Any claim of either military or civilian personnel of the Coast Guard for damages to, or loss, destruction, capture, or abandonment of, personal prop-

erty which occurred as an incident to their service and which are administered under the so-called Coast Guard Personnel Claims Act (63 Stat. 534; 14 U. S. C. 490) and the Coast Guard Comptroller Manual.

(6) Any claim arising on or after January 1, 1945, the cause of which has been determined to be the negligent or wrongful act or omission of an employee of the Government (as defined in § 3.1 (f)) while acting within the scope of his office or employment and which is in all other respects within the cognizance of the Federal Tort Claims Act.

(7) Any foreign claim for damage, injury or death caused by the Coast Guard or personnel of the Coast Guard arising at any time while the Coast Guard shall be operating as a part of the Navy and which are administered under the act of January 2, 1942, 55 Stat. 880, as amended by the act of April 22, 1943, 57 Stat. 66 (31 U. S. C. 224d-1).

(8) Any admiralty claims for damages caused by a Coast Guard vessel arising at any time while the Coast Guard shall be operating as a part of the Navy and which are administered under the act of July 3, 1944, 58 Stat. 726 (46 U. S. C. 797) and the act of December 5, 1945, 59 Stat. 596 (34 U. S. C. 600a-b).

(9) Any claim for damages to or loss or destruction of property founded in contract, express or implied, with the exception of claims arising from the bailment of personal property to the Government and from the use and occupancy of real property as set forth in §§ 3.47 and 3.48.

(10) Any claim for the rent of real or personal property.

[19 F. R. 768, Feb. 10, 1954, as amended at 21 F. R. 4048, June 13, 1956]

§ 3.43 *Contributory negligence.* Except with respect to cases within the admiralty and maritime jurisdiction, negligence or wrongful act of the claimant, or his agent or employee acting within the scope of his employment, in whole or in part the proximate cause of the accident or incident, bars a claim under this subpart. The doctrine of comparative negligence will not be applied. The law of the jurisdiction in which the accident or incident occurred will normally be followed in determining whether contributory negligence is present.

§ 3.44 Statute of limitations. Claims under this subpart must be presented in writing within one year after the occurrence of the accident or incident out of which the claim arises, except that if the accident or incident occurs in time of war, or if war intervenes within one year after its occurrence, a claim may, if good cause for the delay is shown, be presented within one year after the war is terminated. The provision permitting a showing of good cause for delay shall be liberally construed, and any reasonable doubt as to the existence of good cause for delay shall be resolved in favor of the claimant.

[19 F. R. 768, Feb. 10, 1954]

§ 3.45 Payment of claims—(a) Claims under \$1,000. Upon approval of claims not in excess of \$1,000 cognizable under this subpart, the Treasury Department draws a check in payment thereof and mails it to the claimant, subject to the Congress having made appropriations available for that purpose.

(b) Claims over \$1,000. Upon the approval of claims in excess of \$1,000 they are forwarded to the Budget Division of the Department. Pursuant to call by the Bureau of the Budget, the Budget Division transmits the claim to that Bureau for inclusion in a deficiency appropriation bill. After the enactment of the bill by the Congress, it will be the duty of the claimant to contact the General Accounting Office, which will require the claimant to execute a claim. After receipt of the certificate of settlement issued by the General Accounting Office, the Treasury Department draws a check and mails it to the claimant.

§ 3.46 Registered and insured mail. As provided in § 3.41 (a) (3), claims for damage to, or destruction of, registered or insured mail while in the possession of the military authorities are within the scope of this subpart, if caused by military personnel or civilian employees of the Coast Guard even though resulting from criminal acts, or if otherwise incident to activities of the Coast Guard. Claims for damage, loss or destruction occurring prior to delivery by the Post Office Department (for distribution to the addressee) to authorized military personnel or civilian employees, are not payable under the provisions of this subpart, nor are claims for damage, loss or destruction occurring due to the fault of or while in the hands of bonded personnel; nor are claims arising after re-

sumption of possession by the Post Office Department (e. g., for the purpose of forwarding to the addressee at a different address) and prior to redelivery to authorized military personnel or civilian employees of the Coast Guard charged with distribution to the addressee. "Minimum fee" insured mail carrying no insurance number and not requiring hand-to-hand receipts is not within the scope of this subpart.

§ 3.47 Bailed personal property. As provided in § 3.41 (a) (4), claims for damage to, or loss or destruction of, personal property loaned, rented, or otherwise bailed to the Government under an agreement, express or implied, are payable under the provisions of this subpart even though legally enforceable against the Government as contract claims. By express agreement a bailor may assume the risk of damage, loss or destruction, or otherwise modify the liability of the bailee. Claims payable under this section may, if deemed in the best interests of the Government, be processed as contract claims through the General Accounting Office. Claims for rent of personal property are not payable under the regulations in this part.

§ 3.48 Use and occupancy of real property. As provided in § 3.41 (a) (5), claims for damage to real property, incident to the use and occupancy thereof by the Government under a lease, express or implied, or otherwise, are payable under the provisions of this subpart, even though legally enforceable against the Government as contract claims. Claims payable under this section may, if deemed in the best interests of the Government be processed as contract claims through the General Accounting Office. As provided in § 3.42 (a) (5), claims for rent of real property are not payable under this subpart.

§ 3.49 Contract claims. Claims for damage to, or loss or destruction of, property founded in contract, express or implied, except those under §§ 3.47 and 3.48 are normally not payable under the provisions of this subpart. Any claim which is apparently within the provisions of the so-called Coast Guard Claims Act (63 Stat. 547; 14 U. S. C. 645), but appears to be founded in contract, express or implied, will be forwarded with related files and recommendations by or through the Commander of the cognizant Coast Guard district or activity to the Com-

mandant for appropriate administrative action.

[12 F. R. 3115, May 13, 1947, as amended at 19 F. R. 768, Feb. 10, 1954]

§ 3.50 *Other non-combat activities.* As provided in § 3.41 (a) (2) claims for damage to or loss or destruction of, property, or for personal injury or death, although not shown to have been caused by any particular act or omission of military personnel or civilian employees of the Coast Guard while acting within the scope of their employment, are payable under the provisions of this subpart if otherwise incident to non-combat activities of the Coast Guard. In general, claims within the above category are those arising out of authorized activities which are peculiarly Coast Guard activities having little parallel in civilian pursuits and out of situations which historically have been considered as furnishing a proper basis for the payment of claims, such as claims for damage or injury arising out of, and which are natural or probable results or incidents of maneuvers and special exercises, practice firing, operation of aircraft, use of instrumentalities having latent mechanical defects not traceable to negligent acts or omissions, explosions of ammunition, movement of vehicles designed especially for military use, and use and occupancy of real estate.

[12 F. R. 3115, May 13, 1947, as amended at 21 F. R. 4048, June 13, 1956]

§ 3.51 *Foreign claims.* Claims for damage to, or loss or destruction of, property, or for personal injury or death, arising out of accidents or incidents occurring in foreign countries when the Coast Guard was not operating as a part of the Navy, are within the provisions of this subpart.

§ 3.52 *Appeals.* Any claimant may appeal to the Secretary of the Treasury for a review of the adjustment or determination of his claim cognizable under this subpart. Such appeal shall be made in writing and shall be addressed to the Secretary of the Treasury, Washington 25, D. C.

SUBPART D—SMALL CLAIMS ACT

SOURCE: §§ 3.60 to 3.63 appear at 12 F. R. 3116, May 12, 1947, except as otherwise noted.

§ 3.60 *General.* The act of December 28, 1922, 42 Stat. 1060, the so-called Small Claims Act, authorized the head of each department and establishment to

consider, ascertain, adjust, and determine claims of \$1,000 or less for damage to, or loss of, privately owned property caused by the negligence of any officer or employee of the Government acting within the scope of his employment. The Federal Tort Claims Act superseded the Small Claims Act with respect to claims that are allowable under the former act. Therefore, claims that are not allowable under the Federal Tort Claims Act, for example, claims arising abroad, are allowable under the Small Claims Act.

[23 F. R. 7702, Oct. 4, 1958]

§ 3.61 *Exclusions.* The following claims are not cognizable under the Small Claims Act and this subpart:

(a) Claims which are cognizable under the Federal Tort Claims Act.

(b) Claims arising out of the activities of the Coast Guard.

§ 3.62 *Statute of limitations.* No claim will be considered by the Department under this subpart unless presented to it within one year from the date of the accrual of said claim.

§ 3.63 *Payment of claim.* Claims cognizable under this subpart, upon approval are forwarded to the Budget Division of the Department. Pursuant to call by the Bureau of the Budget, the Budget Division transmits the claim to that Bureau for inclusion in a deficiency appropriation bill. After the enactment of the bill by the Congress, it will be the duty of the claimant to contact the General Accounting Office, which will require the claimant to execute a claim. After receipt of the certificate of settlement issued by the General Accounting Office, the Treasury Department draws a check and mails it to the claimant.

SUBPART E—ADMIRALTY AND MARITIME CLAIMS (COAST GUARD)

SOURCE: §§ 3.70 to 3.76 appear at 19 F. R. 768, Feb. 10, 1954.

§ 3.70 *General.* The so-called Damages by Coast Guard Vessels Act (14 U. S. C. 646), authorizes the Secretary to consider, ascertain, adjust, determine, compromise, settle and pay certain claims caused by vessels in the Coast Guard service.

§ 3.71 *Allowable claims.* Claims not in excess of \$25,000 are payable by this Department under the Damages by Coast Guard Vessels Act and this subpart for damages caused by vessels in the

Coast Guard service, and for compensation for towage and salvage services, including contract salvage, rendered to such vessels. Claims in excess of \$25,000 may be considered by the Department but must be certified to the Congress for payment.

§ 3.72 *Exclusions.* No claim in excess of \$3,000, which accrued prior to September 8, 1939, shall be considered under the act or this subpart.

§ 3.73 *Act not exclusive.* The authority granted under the Damages by Coast Guard Vessels Act to determine, compromise, settle and pay claims is supplementary to, and not in lieu of, other provisions of law authorizing the determination, compromise and settlement of claims.

§ 3.74 *Limitations of settlement.* Claims under this subpart must be presented in writing and their settlement authorized and accepted by the claimant within two years after the date of the origin of the cause of action. The filing of a claim, or its consideration by the Department or correspondence or negotiation does not waive or extend the two-year limitation. Where damages have not been liquidated, settlements on the issue of liability can be effected during the two-year period, leaving the question of the extent of damage for later determination.

§ 3.75 *Payment of claims—(a) Claims under \$25,000.* Upon approval of claims not in excess of \$25,000 cognizable under this subpart, the Treasury Department draws a check in payment thereof and mails it to the claimant.

(b) *Claims over \$25,000.* Upon approval of claims in excess of \$25,000, they are forwarded to the Budget Section of the Bureau of Accounts. Pursuant to call by the Bureau of the Budget, a letter will be prepared for the signature of the budget officer transmitting the claim to that Bureau for inclusion in a deficiency appropriation bill. After the enactment of the bill by the Congress, it will be the duty of the claimant to contact the General Accounting Office, which will require the claimant to execute a claim. After receipt of the certificate of settlement issued by the General Accounting Office, the Bureau of Accounts will draw a check and mail it to the claimant.

§ 3.76 *Claims on behalf of the United States—(a) General.* The act of August 4, 1949 (63 Stat. 549; 14 U. S. C. 647) authorizes the Secretary to determine, compromise and settle claims on behalf of the United States for damages cognizable in admiralty in a District Court of the United States and all claims for damage caused by a vessel or floating object to property of the United States under the jurisdiction of the Coast Guard or property for which the Coast Guard may have assumed, by contract or otherwise, any obligation to respond for damage thereto, where the matter is not in litigation. The Secretary is further authorized to receive in payment of any such claim the amount due the United States pursuant to such determination, compromise or settlement and to execute on behalf of the United States and to deliver in exchange for such payment, a full release of such claim.

(b) *Claims not exceeding \$3,000.* The Secretary has delegated to the Commandant, Assistant Commandant and Chief Counsel of the Coast Guard authority to determine, compromise and settle claims under 14 U. S. C. 647 where the amount of such determination, compromise or settlement does not exceed \$3,000, and to receive in payment of such claims the amounts due the United States, and to execute on behalf of the United States and to deliver in exchange for such payments, full releases of such claims.

(c) *Claims exceeding \$3,000, but not exceeding \$25,000.* Authority to determine, compromise and settle claims under 14 U. S. C. 647, where the amount of such determination, compromise or settlement exceeds \$3,000, but does not exceed \$25,000, is vested in the Secretary.

(d) *Section not exclusive.* The authority granted under 14 U. S. C. 647 to determine, compromise and settle claims is supplementary to, and not in lieu of, all other provisions of law authorizing the determination, compromise and settlement of claims for damage to property described in 14 U. S. C. 647.

(e) *Excluded claims.* No settlement or compromise where there is involved a payment in the net amount of more than \$25,000 is authorized under 14 U. S. C. 647.

(f) *Settlement conclusive.* Upon the acceptance of the amount due the United States pursuant to determination, compromise or settlement under 14 U. S. C.

647, such determination, compromise or settlement becomes final and conclusive for all purposes.

(g) *Disposition of payments.* All payments received under 14 U. S. C. 647 shall be covered into the Treasury of the United States as miscellaneous receipts.

Part 10—Practice of Attorneys and Agents Before the Treasury Department

Sec.
10.0 Scope of part.

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- 10.93 Saving clause.
- 10.94 Special orders.

AUTHORITY: § 10.0 to 10.94 issued under R. S. 161, as amended, sec. 3, 23 Stat. 258, secs. 2-12, 60 Stat. 237-244; 5 U. S. C. 22, 1001-1011, Reorganization Plan No. 26 of 1950, 15 F. R. 4935, 3 CFR, 1950 Supp. Statutes interpreted or applied are cited to text in parentheses.

SOURCE: §§ 10.0 to 10.94 contained in Department Circular 230, 23 F. R. 9261, Nov. 29, 1958.

§ 10.0 *Scope of part.* This part contains rules governing the recognition of attorneys, agents and other persons representing clients before the Internal Revenue Service. Customhouse brokers are licensed by the Commissioner of Customs under other regulations. See 19 CFR Part 31. Subpart A of this part sets forth rules relating to authority to practice before the Internal Revenue Service. Subpart B prescribes the duties and restrictions relating to enrolled practitioners. Subpart C contains rules relating to disciplinary proceedings. Subpart D contains general provisions, including provisions relating to availability of official records.

SUBPART A—RULES GOVERNING AUTHORITY TO PRACTICE

§ 10.1 *Director of Practice*—(a) *Establishment of office.* There is established in the Internal Revenue Service the office of Director of Practice. The Director of Practice shall be appointed by the Secretary of the Treasury and shall be under the direction and supervision of the Secretary of the Treasury.

(b) *Duties.* The Director of Practice shall receive and act upon applications for enrollment to practice as attorneys or agents before the Internal Revenue Service; institute and provide for the conduct of disciplinary proceedings relating to enrolled attorneys and agents; make inquiries with respect to matters under his jurisdiction; and perform such other duties as are necessary or appropriate to carry out the provisions of this part or as are prescribed by the Secretary of the Treasury. Decisions of the Director of Practice in individual cases relating to enrollment, disbarment, or disciplinary measures shall not be subject to change by the Commissioner of Internal Revenue.

(c) *Acting Director.* The Secretary of the Treasury will designate an officer or employee of the Treasury Department to act as Director of Practice in the event of the absence of the Director or of a vacancy in that office.

§ 10.2 *Regulation of practice*—(a) *In general.* Except as provided by § 10.7 or other sections of this part no person shall be recognized or permitted to practice before the Internal Revenue Service unless he is enrolled as an attorney or agent pursuant to this part. An enrollment card issued pursuant to the regulations superseded by this part will be recognized to evidence enrollment to practice pursuant to the regulations in this part and subject to the limitations specified by that card.

(b) *Definition of practice.* Practice before the Internal Revenue Service comprehends all matters connected with presentations to the Internal Revenue Service or any of its officers or employees relating to a client's rights, privileges or liabilities under laws or regulations administered by the Internal Revenue Service. Such presentations include the preparation and filing of necessary documents, correspondence with and communications to the Internal Revenue Service, and the representation of a client at conferences, hearings, and meetings. Neither the preparation of tax returns nor the furnishing of information at the request of the Internal Revenue Service or any of its officers or employees is considered practice before the Service, and enrollment is not necessary for either of such activities.

§ 10.3 *Eligibility for enrollment*—(a) *In general.* Persons applying for enroll-

ment to practice before the Internal Revenue Service must show to the satisfaction of the Director of Practice that they are of good character and in good repute, possessed of the necessary qualifications to enable them to render valuable service to clients, and otherwise competent to advise and assist clients in the presentation of their interests to the Internal Revenue Service. Applicants for enrollment have the burden of establishing that they possess a good character and reputation, an adequate education, knowledge and understanding of the laws and regulations relating to tax matters and other subjects administered by the Internal Revenue Service, and a knowledge of the rules governing practice before the Internal Revenue Service.

(b) *Character and reputation.* Good character and good reputation are not identical requirements. The former is determined by the applicant's actual qualities; the latter depends upon the opinion entertained of the applicant by those who have had the opportunity of knowing him in the community in which he resides or in which he practices his profession. It follows that evidence of any act or omission which tends to establish lack of integrity or untrustworthiness or other qualities reprehensible in a professional man, is material as bearing upon the character of the applicant, notwithstanding there is clear proof that his reputation is good.

(c) *Citizens; natural persons.* Enrollment to practice may be granted only to natural persons who are citizens of the United States and who are over the age of 21 years.

(d) *Attorneys and certified public accountants.* If found to possess the qualifications provided for in this part, the Director of Practice may grant enrollment to practice before the Internal Revenue Service to persons of the following classes:

(1) Any attorney at law who is a member in good standing of the bar of the highest court of a State, Territory, or possession of the United States, or of the courts of the District of Columbia, and who is lawfully engaged in the active practice of his profession;

(2) Any certified public accountant who has duly qualified to practice as a certified public accountant in a State, Territory, possession of the United

States, or in the District of Columbia, and who is lawfully engaged in the active practice of his profession.

(e) *Persons not attorneys or certified public accountants.* With respect to applicants other than attorneys or certified public accountants, the Director of Practice, in his discretion, may grant special enrollment to practice if the applicant demonstrates special competence by written examination or as provided in paragraph (f) of this section. Persons interested in obtaining special enrollment pursuant to this paragraph should apply to the Director of Practice for information as to requirements.

(f) *Special enrollment for former Internal Revenue Service employees.* Former employees of the Internal Revenue Service may be granted special enrollment by the Director of Practice under paragraph (e) of this section, in cases where their service and technical experience in the Internal Revenue Service has qualified them for such enrollment, as follows:

(1) Application for special enrollment on account of former employment in the Internal Revenue Service shall be made to the Director of Practice. Each applicant will be supplied a form by the Director, which shall indicate the information required respecting the applicant's qualifications. In addition to the applicant's name, address, citizenship, age, educational experience, etc., such information shall specifically include a detailed account of the applicant's employment in the Internal Revenue Service, which account shall show (i) positions held, (ii) date of each appointment and termination thereof, (iii) nature of services rendered in each position, with particular reference to the degree of technical experience involved, and (iv) name of supervisor in such positions, together with such other information regarding the experience and training of the applicant as may be relevant.

(2) Upon receipt of each such application, it shall be transmitted to the appropriate officer of the Internal Revenue Service with the request that a detailed report of the nature and rating of the applicant's services in the Internal Revenue Service, accompanied by the recommendation of the superior officer in the particular unit or division of the Internal Revenue Service that such employment does or does not qualify the applicant technically and otherwise for the desired

authorization, be furnished to the Director of Practice. (Such report shall be requested in addition to the usual reports requested in cases of application for enrollment.)

(3) In examining the qualifications of an applicant for special enrollment on account of employment in the Internal Revenue Service, the Director of Practice will be governed by the following policies:

(i) Special enrollment on account of such employment may be of the same scope as enrollment granted pursuant to paragraph (d) (2) of this section or the scope may be limited to permit the presentation of matters only of the particular class or only before the particular unit or division of the Internal Revenue Service for which his former employment in the Internal Revenue Service has qualified the applicant.

(ii) In the case of employees separated from employment in the Internal Revenue Service, application for special enrollment on account of such employment must be made within 3 years after the termination thereof.

(iii) It shall be requisite for special enrollment on account of such employment for practice before the Internal Revenue Service that the applicant shall have had a minimum of 7 years continuous employment in the Internal Revenue Service during at least 5 years of which service he shall have been regularly engaged in applying and interpreting the provisions of the Internal Revenue Code and the regulations thereunder relating to income, estate, gift, employment, or excise taxes.

(iv) For the purposes of subdivision (iii) of this subparagraph, an aggregate of 10 or more years of employment, at least three of which occurred within the 5 years preceding the date of application, shall be deemed the equivalent of 7 years continuous employment.

§ 10.4 *Ineligibility for enrollment—*

(a) *In general.* No person shall be eligible for enrollment to practice before the Internal Revenue Service if he fails in any particular to show to the satisfaction of the Director of Practice that he is possessed of the qualities contemplated by section 3 of the act of July 7, 1884, 23 Stat. 258 (5 U. S. C. 261) and the regulations contained in this part, or if such practice by him would be inconsistent with any of the laws of the United States.

(b) *Particular grounds.* Among the causes sufficient to justify denial of an application for enrollment are failure to show good character or reputation; any conduct or practices which would constitute a violation of any of the provisions of this part if the applicant were enrolled; any conduct which would be a ground for disbarment or suspension from practice pursuant to this part; and any conduct which would be deemed grossly improper in commercial transactions by accepted standards.

(c) *Government officers and employees; judges.* Officers and employees of the United States or of the District of Columbia, Members of Congress or a Delegate or Resident Commissioner thereto, and judges of the Tax Court or any courts of record, unless such judges are permitted by law to practice their profession, shall be ineligible for enrollment. Officers and employees of any State, or subdivision thereof, whose duties require them to pass upon, investigate, or deal with tax matters of such State or subdivision, shall be ineligible for enrollment, provided such employment may disclose facts or information applicable to Federal tax matters.

(d) *Full-time employees of corporations and others.* Except for employees of individuals or partnerships engaged in the practice of law or accounting, persons employed by individuals, partnerships, corporations or other organizations on a full-time basis, and who do not maintain offices apart from their employment, with services available to the general public, shall not be eligible for enrollment.

(e) *Violation by Internal Revenue Service employee of tenure agreement.* Application for enrollment may be denied in any case in which it appears that the applicant without reasonable cause has terminated his employment with the Internal Revenue Service in violation of an obligation assumed as a condition of employment to remain in the service of the Internal Revenue Service for a specified period or for a reasonable time.

(f) *Oath of allegiance.* No person shall be enrolled to practice if he is unable for any reason to take the oath of allegiance, and to support the Constitution of the United States, as required of persons prosecuting claims against the United States by section 3478 of the Revised Statutes (31 U. S. C. 204).

§ 10.5 *Application for enrollment—*
 (a) *Form; fee.* An applicant for enrollment shall file with the Director of Practice an application on Form 23, properly executed under oath or affirmation. Such application shall be accompanied by a check or money order in the amount of \$25.00, payable to the Treasurer of the United States, which amount shall constitute a fee which shall be charged to each applicant for enrollment. The fee shall be retained by the United States whether or not the applicant is granted enrollment. Attorneys at law shall apply for enrollment as attorneys, and all other applicants shall apply for enrollment as agents, except that an applicant who is qualified to enroll either as an attorney at law or as an agent may elect whether to apply as attorney or agent.

(b) *Additional information; examination.* The Director of Practice, as a condition to consideration of an application for enrollment, may require the applicant to file additional information and to submit to any written or oral examination under oath or otherwise. Upon request of the Director of Practice an applicant shall endeavor to stipulate with an officer or employee of the Internal Revenue Service facts pertaining to the application to the fullest extent to which either complete or qualified agreement can be reached. The Director shall grant a hearing on an application at the applicant's written request.

(c) *Temporary recognition.* Upon receipt of a properly executed application, the Director of Practice may grant the applicant temporary recognition to practice pending investigation of the applicant and a determination as to whether enrollment to practice should be granted. Such temporary recognition shall not be granted if the application is not regular on its face; if the information stated therein, if true, is not sufficient to warrant enrollment to practice; or if there is any information before the Director of Practice which indicates that the statements in the application are untrue or that the applicant is not of good character or reputation. Issuance of temporary recognition shall not constitute enrollment to practice or a finding of eligibility for enrollment, and the temporary recognition may be withdrawn at any time by the Director of Practice.

(d) *Appeal from denial of application.* Decisions of the Director of Practice denying enrollment to practice before the

Internal Revenue Service may be appealed to the Secretary of the Treasury.

(Sec. 501, 65 Stat. 290; 5 U. S. C. 140)

§ 10.6 *Enrollment*—(a) *Roster*. The Director of Practice shall maintain rosters of all attorneys and agents who are enrolled to practice, of all attorneys and agents who have been disbarred or suspended from practice before the Internal Revenue Service, and of persons whose applications for enrollment have been denied.

(b) *Enrollment cards*. The Director of Practice shall issue an enrollment card to each attorney or agent who is enrolled to practice before the Internal Revenue Service. Unless advised to the contrary by the Director of Practice, any officer or employee of the Internal Revenue Service may consider the holder of an unexpired enrollment card to be duly authorized to practice before the Internal Revenue Service.

(c) *Period of enrollment card*. Every enrollment card shall by its terms become void five years after the date of its issuance. A holder of a void card is not entitled to practice before the Internal Revenue Service.

(d) *Application for renewal*. Application for renewal of enrollment card may be made at any time during a twenty-four month period commencing twelve months before and ending twelve months after the expiration of an enrollment card. Such application shall be filed on Form 23A at such place or places as may be designated by the Director of Practice and there shall be annexed thereto the enrollment card last outstanding. Copies of Form 23A may be obtained from the Director of Practice and at the offices of District Directors of Internal Revenue. Each application shall be accompanied by a check or money order in the amount of \$5.00, payable to the Treasurer of the United States, which amount shall constitute a fee which shall be charged each person who applies for issuance of a new enrollment card pursuant to the provisions of this paragraph.

(e) *Expiration of enrollment*. Unless application for a new enrollment card is filed with the Director of Practice within twelve months after the expiration date of an enrollment card, the enrollment of the holder of the card shall automatically terminate, his name shall be stricken from the roster of enrollees, and he shall

not be authorized to practice before the Internal Revenue Service except by filing a new application for enrollment, as provided by § 10.5, and obtaining authority to practice from the Director of Practice.

(Sec. 501, 65 Stat. 290; 5 U. S. C. 140)

§ 10.7 *Practice without enrollment*—(a) *In general*. Individuals may appear on their own behalf, and individuals who are qualified, of good character and reputation, and are not under disbarment or suspension from practice before the Internal Revenue Service or from practice of their profession by any other authority, may be permitted to appear without enrollment, provided they present satisfactory identification, in the following classes of cases:

(1) An individual may represent another individual who is his regular full-time employer, may represent a partnership of which he is a member or a regular full-time employee, or may represent without compensation a member of his immediate family.

(2) Corporations (including a parent, subsidiary or affiliated corporation), trusts, estates, associations, or organized groups may be represented by a bona fide officer or regular full-time employee.

(3) Trusts, receiverships, guardianships, or estates may be represented by their trustees, receivers, guardians, administrators or executors or their regular full-time employees.

(4) Any governmental unit, agency, or authority may be represented by an officer or regular employee in the course of his official duties.

(5) Unenrolled persons may participate in rule making as provided by section 4 of the Administrative Procedure Act, 60 Stat. 238 (5 U. S. C. 1003).

(6) Enrollment is not required for representation outside of the United States before personnel of the International Operations Division of the Internal Revenue Service.

(b) *Special appearance*. The Director of Practice, subject to such conditions as he deems appropriate, may authorize any person to represent another without enrollment for the purpose of a particular matter.

§ 10.8 *Customhouse brokers*. Nothing contained in the regulations in this part shall be deemed to affect or limit the right of a customhouse broker, licensed as such by the Commissioner

of Customs in accordance with the regulations prescribed therefor, in any customs district in which he is so licensed, at the office of the District Director of Internal Revenue or before the National Office of the Internal Revenue Service, to act as a representative in respect to any matters relating specifically to the importation or exportation of merchandise under the customs or internal revenue laws, for any person for whom he has acted as a custom-house broker.

SUBPART B—DUTIES AND RESTRICTIONS RELATING TO ENROLLED ATTORNEYS AND AGENTS

§ 10.20 *Loss of status.* Loss of status to practice as an attorney, as a certified public accountant, or as a public accountant shall constitute good cause for disbarment.

§ 10.21 *Ethics*—(a) *Professional ethics.* Enrolled attorneys shall conduct themselves and their practice before the Internal Revenue Service in accordance with recognized ethical standards applicable to attorneys generally. Enrolled agents who are certified public accountants or public accountants shall conduct themselves and their practice before the Internal Revenue Service in accordance with recognized ethical standards applicable to certified public accountants or public accountants generally.

(b) *Observance of regulations.* Enrolled attorneys and agents shall conduct themselves and their practice before the Internal Revenue Service in such manner as not to commit any act of disreputable conduct referred to in § 10.51 or to violate any other provisions of this part.

§ 10.22 *Information to be furnished—*

(a) *To the Internal Revenue Service generally.* No enrolled attorney or agent shall neglect or refuse to submit records or information in any matter before the Internal Revenue Service, upon proper and lawful request by a duly authorized officer or employee of the Internal Revenue Service, unless the information or testimony is privileged or such attorney or agent has reasonable grounds to believe and does believe that the said demand is of doubtful legality; and no such attorney or agent shall interfere, or attempt to interfere, with any proper and lawful efforts by the Internal Revenue Service or its officers or employees to

obtain information relative to any matter before the Internal Revenue Service.

(b) *To Director of Practice.* It shall be the duty of an enrolled attorney or agent, when requested by the Director of Practice, to provide the Director with any information he may have concerning violation of the regulations in this part by any person, and to testify thereto in any proceeding instituted under this part for the disbarment or suspension of an enrolled attorney or agent, unless such information is privileged.

§ 10.23 *Knowledge of client's omission.* Each enrolled attorney or agent who knows that a client has not complied with the law, or has made an error in or omission from any return, document, affidavit, or other paper which the client is required by law to execute in connection with any matter administered by the Internal Revenue Service, shall advise the client promptly of the fact of such noncompliance, error, or omission.

§ 10.24 *Diligence as to accuracy*—(a) *In general.* Each enrolled attorney or agent shall exercise due diligence in preparing or assisting in the preparation of, approving, and filing returns, documents, affidavits, and other papers relating to Internal Revenue Service matters.

(b) *Representations to service.* Each enrolled attorney or agent shall exercise due diligence to determine the correctness of representations made by him to the Internal Revenue Service.

(c) *Representations to clients.* Each enrolled attorney or agent shall exercise due diligence to determine the correctness of representations made by him to clients with reference to any matter administered by the Internal Revenue Service.

§ 10.25 *Moneys received from or for a client.* Each enrolled attorney or agent shall promptly pay over to the United States when due all sums received for the payment of any tax, duty, or other debt or obligation owing to the United States, and shall promptly account to a client for funds received for him from the United States, or received from a client in excess of the charges properly payable in respect of the client's business.

§ 10.26 *Endorsement of client's checks.* No enrolled attorney or agent shall, without authority of his client, accept or endorse any Government draft, check,

or warrant drawn to the order of such client.

§ 10.27 *Prompt disposition of pending matters.* No enrolled attorney or agent shall unreasonably delay the prompt disposition of any matter before the Internal Revenue Service.

§ 10.28 *Assistance from unenrolled persons.* No enrolled attorney or agent shall in any Internal Revenue Service matter knowingly and directly or indirectly:

(a) Employ or accept assistance from any unenrolled person who is disbarred from practice before the Internal Revenue Service or any other department or agency of the Federal Government or before any court of record; who is under suspension from practice before any such department, agency, or court; who has been deprived of his certificate as a certified public accountant or public accountant; or who to the knowledge of the enrolled attorney or agent solicits business, obtains clients, or otherwise conducts his practice in a manner forbidden under the regulations in this part to enrolled persons; or

(b) Accept employment as associate, correspondent, or sub-agent from, or share fees with, any such person, or any person who is not an attorney, a certified public accountant, or a public accountant. Nothing in this section shall be construed to authorize the acceptance of employment or the sharing of fees contrary to recognized ethical standards which are to be followed pursuant to § 10.21.

§ 10.29 *Employees of accounting corporations.* No enrolled attorney or agent shall be connected with an accounting corporation either as officer, employee, or stockholder.

§ 10.30 *Certain partnerships prohibited.* No enrolled attorney or agent shall maintain a partnership for the practice of law, accountancy, or other related professional service with a person who is under disbarment from practice before the Internal Revenue Service or any other department or agency of the Federal Government, or with an unenrolled person who is neither an attorney legally practicing law nor a certified public accountant or a public accountant legally practicing accounting. Nothing in this section shall be construed to authorize the maintenance of a partner-

ship contrary to recognized ethical standards which are to be followed pursuant to § 10.21.

§ 10.31 *Employees of agricultural cooperative associations.* Nothing contained in the regulations in this part shall prevent an enrolled person from being employed by agricultural cooperative associations (which are on a non-profit basis and not subject to Federal income taxes) to represent before the Service the groups or units constituting membership of such associations: *Provided*, That individuals may not be so represented.

§ 10.32 *Practice by former Government employees—(a) In general.* No former officer or employee of the United States, whether or not enrolled to practice before the Internal Revenue Service, shall represent anyone in any matter administered by the Internal Revenue Service if the representation would violate any of the laws of the United States, including the laws which under certain circumstances prohibit former officers and employees of the United States from acting as representatives of others in matters to which the United States is a party or in which it is interested. See section 190 of the Revised Statutes (5 U. S. C. 99) and 18 U. S. C., Chapter 15.

(b) *Personal consideration.* No former officer or employee of the United States, whether or not enrolled to practice before the Internal Revenue Service, shall represent anyone in any matter administered by the Internal Revenue Service to which he gave personal consideration or as to the facts of which he gained knowledge during and by reason of his Government service.

§ 10.33 *Practice by former Internal Revenue Service employees—(a) Matters pending while employed.* No former officer or employee of the Internal Revenue Service shall, within two years after the termination of his Internal Revenue Service employment, practice or in any manner act as attorney or agent or as the employee of an attorney or agent in any matter which was pending in the Internal Revenue Service during the period of his employment therein, unless he shall first obtain the written consent of the Director of Practice. This consent will not be granted unless it appears that the applicant, as an officer or employee of the Internal Revenue Service, did not

give personal consideration to the matter or gain knowledge of the facts of it during and by reason of his employment in the Internal Revenue Service.

(b) *Application for consent.* An applicant for the consent provided for in paragraph (a) of this section shall file a declaration to the effect that he gave no personal consideration to the matter and that he obtained no knowledge of the facts involved in the matter during and by reason of his employment by the Internal Revenue Service, that he is not and will not knowingly be associated with any former officer or employee who gained knowledge of the matter during and by reason of employment by the Internal Revenue Service, and that his employment is not prohibited by law or by the regulations of the Internal Revenue Service. The application shall be denied by the Director of Practice if the statements contained therein are disproved by an examination of files, records or circumstances pertaining to the matter. Applications for consent should be transmitted to the Director of Practice on Form 901 and should state the applicant's former connection with the Internal Revenue Service and identify the matter in which he desires to act. The applicant shall be advised as to his privilege to appear in the matter, and he shall file the notice of advice in the Internal Revenue Service's record of the matter concerning which he has applied for permission to appear or act as attorney or agent.

(c) *Pending matter.* For the purpose of this section, a matter shall not be deemed pending in the Internal Revenue Service merely by virtue of the filing of a tax return, but it shall be considered as pending from the time an examination was commenced by interviewing, corresponding with, or examining the books and records of, a taxpayer, or from the time a taxpayer made a representation or inquiry to the Internal Revenue Service which is related to the matter. Pursuant to section 190 of the Revised Statutes (5 U. S. C. 99), a pending matter includes any claim against the United States pending in any department of the Government.

§ 10.34 *Assistance from or to former employees.* In connection with any matter involving practice before the Internal Revenue Service, no enrolled attorney or agent shall knowingly assist, accept assistance from, or share fees with,

any person who gave personal consideration to the matter or gained knowledge of facts involved in it during and by reason of his Government service.

§ 10.35 *Enrollees as notaries.* No enrolled attorney or agent as notary public shall take acknowledgments, administer oaths, certify papers, or perform any official act in connection with matters in which he is employed as counsel, attorney, or agent, or in which he may be in any way interested before the Internal Revenue Service. Under the provisions of this section an enrolled person who is a notary public is prohibited from taking any acknowledgment, oath, or certification as a notary public in connection with any tax return, protest, or other document which he has prepared or in the preparation of which he has assisted. (26 Op. Atty. Gen. 236.)

§ 10.36 *Attempting to obtain information.* No enrolled person shall procure, or attempt to procure, directly or indirectly, from Government records or other Government sources information of any kind which is not made available by proper authority.

§ 10.37 *Fees—(a) In general.* An enrolled attorney or agent shall not charge a manifestly unreasonable fee for representation of a client in any matter before the Internal Revenue Service. The reasonableness of a fee is within limits a matter of judgment and depends upon all the facts and circumstances of the case, including its complexity and difficulty, the time and effort required, the amount involved, and the professional standing and experience of the enrolled attorney or agent.

(b) *Contingent fees.* An enrolled attorney or agent shall not enter into a wholly contingent fee agreement with a client for representation in any matter before the Internal Revenue Service unless the client is financially unable to pay a reasonable fee on any other terms. Partially contingent fee agreements are permissible where provision is made for the payment of a minimum, substantial in relation to the possible maximum fee, which minimum fee is to be paid and retained irrespective of the outcome of the proceeding.

§ 10.38 *Solicitation and advertising—(a) Solicitation.* No enrolled attorney or agent shall, in any manner whatsoever not warranted by personal relations, directly or indirectly solicit employment

in matters related to the Internal Revenue Service.

(b) *Advertising special relationships.* No enrolled attorney or agent shall use, directly or indirectly, signs, printing or other written matter indicating some past or present connection with, or relationship to, the Internal Revenue Service, nor shall he represent in any manner that he possesses influence or a special relationship with officers or employees of the Internal Revenue Service.

(c) *Letterheads and announcements.* The following shall not be presumed to constitute a violation of this paragraph:

(1) Letterheads, professional cards, and the customary professional insertions in telephone, and city directories, or in newspapers, trade or professional journals, or other publications admitted to second-class mailing privileges, provided they set forth only the name and address of the attorney or agent, or the name of the firm of which he is a member or with which he is associated, and a notation of the nature of his practice, to wit, whether he practices as an attorney, certified public accountant, or public accountant (there is no objection to the use of the words "Enrolled to practice before the Internal Revenue Service"); and the customary professional insertions in professional directories provided they set forth only the above information and customary biographical and professional data;

(2) The distribution by former officers or employees of the Government of cards briefly stating the fact of their former official status and announcing their new status or association, provided the cards are addressed only to personal or business acquaintances and provided such cards are distributed only once, within a reasonable time after severance of official connection with the Government, and within 30 days after the creation of the new status or the formation of the new association.

§ 10.39 *Rights and duties of agents.* An agent enrolled before the Internal Revenue Service shall have the same rights, powers, and privileges and be subject to the same duties as an enrolled attorney: *Provided*, That an enrolled agent shall not have the privilege of drafting or preparing any written instrument by which title to real or personal property may be conveyed or transferred for the purpose of affecting

Federal taxes, nor shall such enrolled agent advise a client as to the legal sufficiency of such an instrument or its legal effect upon the Federal taxes of such client: *And provided further*, That nothing in the regulations in this part shall be construed as authorizing persons not members of the bar to practice law.

NOTE: An interpretation by the Secretary of the Treasury of § 10.39 (31 CFR, 1949 ed., 10.2 (f)), among other sections, appeared at 21 F. R. 833, Feb. 7, 1956.

SUBPART C—RULES APPLICABLE TO DISCIPLINARY PROCEEDINGS

§ 10.50 *Authority to disbar or suspend.* Pursuant to section 3 of the act of July 7, 1884, 23 Stat. 258 (5 U. S. C. 261), the Secretary of the Treasury, after due notice and opportunity for hearing, may suspend or disbar from further practice before the Internal Revenue Service any enrolled attorney or agent shown to be incompetent, disreputable or who refuses to comply with the rules and regulations in this part, or who shall, with intent to defraud, in any manner willfully and knowingly deceive, mislead, or threaten any claimant or prospective claimant, by word, circular, letter, or by advertisement.

§ 10.51 *Disreputable conduct—(a) Nature.* Disreputable conduct, for which any enrolled attorney or agent may be disbarred or suspended from practice before the Internal Revenue Service, includes any conduct violative of the ordinary standards of professional obligation and honor.

(b) *Forms.* Among other forms of disreputable conduct, the following are deemed to constitute such conduct:

(1) Conviction of any criminal offense prescribed by the internal revenue laws or conviction of any crime involving moral turpitude;

(2) Making false answers in an application for enrollment or for renewal of an enrollment card with knowledge that such answers are false;

(3) Preparing or filing for himself or another a false Federal tax return or other statement on which Federal taxes may be based, knowing the same to be false;

(4) Willful failure to make a Federal tax return in violation of provisions of the internal revenue laws and the regulations issued thereunder;

(5) Suggesting to a client or a prospective client an illegal plan for evading Federal taxes or the payment thereof, knowing the same to be illegal;

(6) Giving false testimony in any proceeding before the Internal Revenue Service or before any tribunal authorized to pass upon Federal tax matters, knowing the same to be false;

(7) Filing any false or fraudulently altered document or affidavit in any case or other proceeding before the Internal Revenue Service, or procuring the filing thereof, knowing the same to be false or fraudulently altered;

(8) Using, with intent to deceive, false or misleading representations to procure employment in any case or proceeding before the Internal Revenue Service;

(9) Knowingly giving false or misleading information relative to a matter pending before the Internal Revenue Service to any officer or employee of the Internal Revenue Service;

(10) Preparing a false financial statement for a corporation, partnership, association, or individual, or certifying the correctness of such false statement, knowing the same to be false;

(11) Imparting to a client false information relative to the progress of a case or other proceeding before the Internal Revenue Service, knowing the same to be false;

(12) False representations by an enrolled agent that he is an attorney or a certified public accountant;

(13) Preparing or assisting in the preparation of, or filing, a false claim against the United States, knowing the same to be false;

(14) Approving, for filing, a false Federal tax return prepared by some other person, or advising or aiding in the preparation of such a false tax return, knowing the same to be false;

(15) Misappropriation of, or failure properly and promptly to remit, funds received from a client for the purpose of payment of taxes or other obligations due the United States, or misappropriation of funds or other property belonging to a client;

(16) Improper retention of a fee for which no services have been rendered;

(17) Obtaining or attempting to obtain money or other thing of value from a client or other person by false representations, knowing the same to be false;

(18) Obtaining or attempting to obtain money or other thing of value from a client or other person by duress or undue influence;

(19) Concealing or attempting to conceal assets of himself or another in order to evade or assist in evading Federal taxes or the payment thereof;

(20) Representing to a client or prospective client that the attorney or agent can improperly obtain special consideration or action from the Internal Revenue Service or an officer or employee thereof, or that he has access to unusual sources of information within the Internal Revenue Service;

(21) Soliciting or procuring the false testimony of any person in any proceeding before the Internal Revenue Service;

(22) Directly or indirectly attempting to influence, or offering or agreeing to attempt to influence, the official action of any officer or employee of the Internal Revenue Service by the use of threats, false accusations, duress, or coercion, by the offer of any special inducement or promise of advantage, or by the bestowing of any gift, favor or thing of value;

(23) Failure of an enrolled attorney to conduct himself and his practice before the Internal Revenue Service in accordance with recognized ethical standards applicable to attorneys generally;

(24) Failure of an enrolled agent to conduct himself and his practice before the Internal Revenue Service in accordance with recognized ethical standards;

(25) Disbarment or suspension from practice as an attorney, certified public accountant, or public accountant by any duly constituted authority of any State, Territory, possession of the United States, the District of Columbia, or by any department or agency of the Federal Government;

(26) In connection with practice before the Internal Revenue Service, using intemperate and abusive language, making false accusations or statements knowing them to be false, or circulating or publishing malicious and libelous matter;

(27) Knowingly aiding or abetting another by any means to defraud or attempt to defraud the United States, as by affirmatively assisting or participating in any way in the concealment of or failure to report income, receipts, or

other property subject to taxation by the United States;

(28) Solicitation of practice in any unethical or unprofessional manner;

(29) Representing, as an agent or associate, an attorney, accountant, or other person known by the enrollee to solicit practice in any unethical or unprofessional manner;

(30) Knowingly aiding and abetting another person to practice his profession during a period of disbarment of such other person.

§ 10.52 *Violation of regulations.* Any enrolled attorney or agent may be disbarred or suspended from practice before the Internal Revenue Service for willful violation of any of the regulations contained in this part.

§ 10.53 *Authority to reprimand.* The Director of Practice is authorized to reprimand any enrolled attorney or agent for conduct which is not the subject of a complaint and hearing before an Examiner. The Examiner may reprimand any enrolled attorney or agent in cases heard by him upon a complaint filed by the Director of Practice.

§ 10.54 *Receipt of information concerning enrolled attorneys and agents.* If an officer or employee of the Internal Revenue Service has reason to believe that an enrolled attorney or agent has violated any provision of the laws or regulations governing practice before the Internal Revenue Service, or if any such officer or employee receives information to that effect concerning any enrolled attorney or agent, he shall promptly make a written report thereof, which report or a copy thereof shall be forwarded to the Director of Practice. If any other person has information of such violations, he may make a report thereof to the Director of Practice or to any officer or employee of the Internal Revenue Service.

§ 10.55 *Institution of proceeding.* Whenever the Director of Practice has reason to believe that any enrolled attorney or agent has violated any provision of the laws or regulations governing practice before the Internal Revenue Service, he may institute a proceeding for disbarment or suspension of the enrolled attorney or agent. The proceeding shall be instituted by a complaint which names the respondent and is signed by the Director of Practice and

filed in his office. Except in cases of willfulness, or where time, the nature of the proceeding, or the public interest does not permit, a proceeding will not be instituted under this section until facts or conduct which may warrant such action have been called to the attention of the proposed respondent in writing and he has been accorded opportunity to demonstrate or achieve compliance with all lawful requirements.

§ 10.56 *Conferences—(a) In general.* The Director of Practice may confer with an enrolled attorney or agent concerning allegations of misconduct irrespective of whether a proceeding for disbarment or suspension has been instituted against him. If such conference results in a stipulation in connection with a proceeding in which the attorney or agent is the respondent, the stipulation may be entered in the record at the instance of either party to the proceeding.

(b) *Resignation or voluntary suspension.* An enrolled attorney or agent, in order to avoid the institution or conclusion of a disbarment or suspension proceeding, may offer his resignation or consent to suspension from practice before the Internal Revenue Service. The Director of Practice, in his discretion, may accept the offered resignation and may suspend an attorney or agent in accordance with his consent.

§ 10.57 *Contents of complaint—(a) Charges.* A complaint shall give a plain and concise description of the allegations which constitute the basis for the proceeding. A complaint shall be deemed sufficient if it fairly informs the respondent of the charges against him so that he is able to prepare his defense.

(b) *Demand for answer.* In the complaint, or in a separate paper attached to the complaint, notification shall be given of the place and time within which the respondent shall file his answer, which time shall be not less than fifteen days from the date of service of the complaint, and notice shall be given that a decision by default will be rendered against the respondent in the event he fails to file his answer as required.

§ 10.58 *Service of complaint and other papers—(a) Complaint.* The complaint or a copy thereof may be served upon the respondent by registered mail, or first-class mail as hereinafter provided; by delivering it to the respondent or his attorney or agent of

record either in person or by leaving it at the office or place of business of the respondent, attorney or agent; or in any other manner which has been agreed to by the respondent. Where the service is by registered mail, the return post office receipt duly signed by or on behalf of the respondent shall be proof of service. If the registered matter is not claimed or accepted by the respondent and is returned undelivered, complete service may be made upon the respondent by mailing the complaint to him by first-class mail, addressed to him at the address under which he is enrolled or at the last address known to the Director of Practice. If service is made upon the respondent or his attorney or agent of record in person or by leaving the complaint at the office or place of business of the respondent, attorney or agent, the verified return by the person making service, setting forth the manner of service, shall be proof of such service.

(b) *Service of papers other than complaint.* Any paper other than the complaint may be served upon an enrolled attorney or agent as provided in paragraph (a) of this section or by mailing the paper by first-class mail to the respondent at the address under which he is enrolled or at the last address known to the Director of Practice, or by mailing the paper by first-class mail to the respondent's attorney or agent of record. Such mailing shall constitute complete service. Notices may be served upon the respondent or his attorney or agent of record by telegraph.

(c) *Filing of papers.* Whenever the filing of a paper is required or permitted in connection with a disbarment or suspension proceeding, and the place of filing is not specified by this subpart or by rule or order of the Examiner, the paper shall be filed with the Director of Practice, Treasury Department, Internal Revenue Building, Washington, D. C. All papers shall be filed in duplicate.

§ 10.59 *Answer*—(a) *Filing.* The respondent's answer shall be filed in writing within the time specified in the complaint or notice of institution of the proceeding, unless on application the time is extended by the Director of Practice or the Examiner. The answer shall be filed in duplicate with the Director of Practice.

(b) *Contents.* The answer shall contain a statement of facts which constitute the grounds of defense, and it shall specifically admit or deny each allegation set forth in the complaint, except that the respondent shall not deny a material allegation in the complaint which he knows to be true, or state that he is without sufficient information to form a belief when in fact he possesses such information. The respondent may also state affirmatively special matters of defense.

(c) *Failure to deny or answer allegations in the complaint.* Every allegation in the complaint which is not denied in the answer shall be deemed to be admitted and may be considered as proved, and no further evidence in respect of such allegation need be adduced at a hearing. Failure to file an answer within the time prescribed in the notice to the respondent, except as the time for answer is extended by the Director of Practice or the Examiner, shall constitute an admission of the allegations of the complaint and a waiver of hearing, and the Examiner may make his decision by default without a hearing or further procedure.

§ 10.60 *Supplemental charges.* If it appears that the respondent in his answer, falsely or in bad faith, denies a material allegation of fact in the complaint or states that the respondent has no knowledge sufficient to form a belief, when he in fact possesses such information, or if it appears that the respondent has knowingly introduced false testimony during proceedings for his disbarment or suspension, the Director of Practice may thereupon file supplemental charges against the respondent. Such supplemental charges may be tried with other charges in the case, provided the respondent is given due notice thereof and is afforded an opportunity to prepare a defense thereto.

§ 10.61 *Reply to answer.* No reply to the respondent's answer shall be required, and new matter in the answer shall be deemed to be denied, but the Director of Practice may file a reply in his discretion or at the request of the Examiner.

§ 10.62 *Proof; variance; amendment of pleadings.* In the case of a variance between the allegations in a pleading and the evidence adduced in support of the pleading, the Examiner may order

or authorize amendment of the pleading to conform to the evidence: *Provided*, That the party who would otherwise be prejudiced by the amendment is given reasonable opportunity to meet the allegations of the pleading as amended; and the Examiner shall make findings on any issue presented by the pleadings as so amended.

§ 10.63 *Motions and requests.* Motions and requests may be filed with the Director of Practice or with the Examiner.

§ 10.64 *Representation.* A respondent or proposed respondent may appear in person or he may be represented by counsel or other representative who need not be enrolled to practice before the Internal Revenue Service. The Director may be represented by an attorney or other employee of the Internal Revenue Service.

§ 10.65 *Examiner—(a) Appointment.* An Examiner, appointed as provided by section 11 of the Administrative Procedure Act, 60 Stat. 244 (5 U. S. C. 1010), shall conduct proceedings upon complaints for the disbarment or suspension of enrolled attorneys or agents.

(b) *Powers of Examiner.* Among other powers, the Examiner shall have authority, in connection with any disbarment or suspension proceeding assigned or referred to him, to do the following:

- (1) Administer oaths and affirmations;
- (2) Make rulings upon motions and requests, which rulings may not be appealed from prior to the close of a hearing except, at the discretion of the Examiner, in extraordinary circumstances;
- (3) Determine the time and place of hearing and regulate its course and conduct;
- (4) Adopt rules of procedure and modify the same from time to time as occasion requires for the orderly disposition of proceedings;
- (5) Rule upon offers of proof, receive relevant evidence, and examine witnesses;
- (6) Take or authorize the taking of depositions;
- (7) Receive and consider oral or written argument on facts or law;
- (8) Hold or provide for the holding of conferences for the settlement or simplification of the issues by consent of the parties;

(9) Perform such acts and take such measures as are necessary or appropriate to the efficient conduct of any proceeding; and

(10) Make initial decisions.

§ 10.66 *Hearings—(a) In general.* The Examiner shall preside at the hearing on a complaint for the disbarment or suspension of an enrolled attorney or agent. Hearings shall be stenographically recorded and transcribed and the testimony of witnesses shall be taken under oath or affirmation. Hearings will be conducted pursuant to section 7 of the Administrative Procedure Act, 60 Stat. 241 (5 U. S. C. 1006).

(b) *Failure to appear.* If either party to the proceeding fails to appear at the hearing, after due notice thereof has been sent to him, he shall be deemed to have waived the right to a hearing and the Examiner may make his decision against the absent party by default.

§ 10.67 *Evidence—(a) In general.* The rules of evidence prevailing in courts of law and equity are not controlling in hearings on complaints for the disbarment or suspension of enrolled attorneys and agents. However, the Examiner shall exclude evidence which is irrelevant, immaterial, or unduly repetitious, and he may exclude evidence which is not of the kind which would affect reasonable and fair-minded men in the conduct of their daily affairs.

(b) *Depositions.* The deposition of any witness taken pursuant to § 10.68 may be admitted.

(c) *Proof of documents.* Official documents, records and papers of the Internal Revenue Service shall be admissible in evidence without the production of an officer or employee to authenticate them. Any such documents, records and papers may be evidenced by a copy attested or identified by an officer or employee of the Internal Revenue Service.

(d) *Exhibits.* If any document, record or other paper is introduced in evidence as an exhibit, the Examiner may authorize the withdrawal of the exhibit subject to any conditions which he deems proper.

(e) *Objections.* Objections to evidence shall be in short form, stating the grounds of objection relied upon, and the record shall not include argument thereon, except as ordered by the Examiner. Rulings on such objections shall be

a part of the record. No exception to the ruling is necessary to preserve the rights of the parties.

§ 10.68 *Depositions.* Depositions for use at a hearing may, with the written approval of the Examiner, be taken by either the Director of Practice or the respondent or their duly authorized representatives. Depositions may be taken upon oral or written interrogatories, upon not less than ten days' written notice to the other party before any officer duly authorized to administer an oath for general purposes or before an officer or employee of the Internal Revenue Service who is authorized to administer an oath in internal revenue matters. Such notice shall state the names of the witnesses and the time and place where the depositions are to be taken. The requirement of ten days' notice may be waived by the parties in writing, and depositions may then be taken from the persons and at the times and places mutually agreed to by the parties. When a deposition is taken upon written interrogatories, any cross-examination shall be upon written interrogatories. Copies of such written interrogatories shall be served upon the other party with the notice, and copies of any written cross-interrogatories shall be mailed or delivered to the opposing party at least five days before the date of taking the depositions, unless the parties mutually agree otherwise. A party upon whose behalf a deposition is taken must file it with the Examiner and serve one copy upon the opposing party. Expenses in the reporting of depositions shall be borne by the party at whose instance the deposition is taken.

§ 10.69 *Transcript.* In cases where the hearing is stenographically reported by a government contract reporter, copies of the transcript may be obtained from the reporter at rates not to exceed the maximum rates fixed by contract between the government and the reporter. Where the hearing is stenographically reported by a regular employee of the Internal Revenue Service, a copy thereof will be supplied to the respondent either without charge or upon the payment of a reasonable fee. Neither of the parties shall have the right to receive any copies of exhibits introduced at the hearing or at the taking of depositions, but they shall have the right to examine all exhibits.

§ 10.70 *Proposed findings and conclusions.* Except in cases where the respondent has failed to answer the complaint or where a party has failed to appear at the hearing, the Examiner, prior to making his decision, shall afford the parties a reasonable opportunity to submit proposed findings and conclusions and supporting reasons therefor.

§ 10.71 *Decision of the Examiner.* As soon as practicable after the conclusion of a hearing and the receipt of any proposed findings and conclusions timely submitted by the parties, the Examiner shall make the initial decision in the case. The decision shall include (a) a statement of findings and conclusions, as well as the reasons or basis therefor, upon all the material issues of fact, law, or discretion presented on the record, and (b) an order of disbarment, suspension, or reprimand or an order of dismissal of the complaint. The Examiner shall file the decision with the Director of Practice and shall transmit a copy thereof to the respondent or his attorney of record. In the absence of an appeal to the Secretary of the Treasury, or review of the decision upon motion of the Secretary, the decision of the Examiner shall without further proceedings become the decision of the Secretary of the Treasury thirty days from the date of the Examiner's decision.

§ 10.72 *Appeal to the Secretary.* Within 30 days from the date of the Examiner's decision, either party may appeal to the Secretary of the Treasury. The appeal shall be filed with the Director of Practice in duplicate and shall include exceptions to the decision of the Examiner and supporting reasons for such exceptions. If an appeal is filed by the Director of Practice, he shall transmit a copy thereof to the respondent. Within 15 days after receipt of an appeal or copy thereof, the other party may file a reply brief in duplicate with the Director of Practice. If the reply brief is filed by the Director, he shall transmit a copy of it to the respondent. Upon the filing of an appeal and a reply brief, if any, the Director of Practice shall transmit the entire record to the Secretary of the Treasury.

§ 10.73 *Decision of the Secretary.* On appeal from or review of the initial decision of the Examiner, the Secretary of the Treasury will make the agency decision. In making his decision the Secretary of the Treasury will review the

record or such portions thereof as may be cited by the parties to permit limiting of the issues. A copy of the Secretary's decision shall be transmitted to the respondent by the Director of Practice.

§ 10.74 *Effect of disbarment or suspension; surrender of card.* In case the final order against the respondent is for disbarment, the respondent shall not thereafter be permitted to practice before the Internal Revenue Service unless and until authorized to do so by the Director of Practice upon application by the person disbarred. In case the final order against the respondent is for suspension, the respondent shall not thereafter be permitted to practice before the Internal Revenue Service during the period of suspension. If disbarred or suspended from practice, the respondent shall surrender his enrollment card to the Director of Practice for cancellation, in the case of disbarment, or for retention during the period of suspension.

§ 10.75 *Notice of disbarment or suspension.* Upon the issuance of a final order disbarring or suspending an enrolled attorney or agent, the Director of Practice shall give notice thereof to appropriate officers and employees of the Internal Revenue Service and to interested departments and agencies of the Federal Government. Notice in such manner as the Director of Practice may determine may be given to the proper authorities of the State by which the disbarred or suspended person was licensed to practice as an attorney or accountant.

SUBPART D—GENERAL PROVISIONS

§ 10.90 *Official records*—(a) *Availability.* There are made available to public inspection at the office of the Director of Practice the roster of all persons enrolled to practice and the roster of all persons disbarred or suspended from practice.

(b) *Direct interest.* Matters of official record pertaining to the enrollment of persons to practice are available at the office of the Director of Practice to persons properly and directly concerned.

(c) *Confidential records.* There are held confidential the official records of the investigation of applicants for enrollment, of proceedings to suspend or disbar, and of the grounds for suspension or disbarment. Publication is capable of injuring enrollees and former enrollees without furthering the public interest.

Much of the information is elicited without the aid of the subpoena power on the assurance that the sources will be protected. Much of the information contained in these official records is subject to the secrecy statutes pertaining to tax returns.

(Sec. 3, 60 Stat. 238, 5 U. S. C. 1002)

§ 10.91 *Information, requests, and submittals.* The public may secure information from, or make submittals or requests to, the Director of Practice, Treasury Department, Internal Revenue Building, Washington, D. C. Requests for information contained in official records of the office of the Director of Practice should be addressed to the Director in writing, should clearly state the information desired, and should set forth the interest of the applicant in the subject matter and the purpose for which the information is desired. If the applicant is an attorney or agent acting for another, he should attach to the application evidence of his authority to act for his principal.

§ 10.92 *Effective date of regulations.* The regulations in this part, as reconstituted and amended, supersede the regulations promulgated by Treasury Department Circular No. 230 effective from and after October 1, 1936, relating to the recognition of attorneys, agents, and others, as heretofore amended and supplemented. The regulations in this part, as reconstituted and amended, shall become effective on the thirty-first day after the date of their publication in the FEDERAL REGISTER; shall apply to all unsettled matters then pending in the Internal Revenue Service or which may thereafter be presented or referred to the Internal Revenue Service or offices thereof for adjudication; and shall be applicable to all those enrolled to practice before the Treasury Department as attorneys or agents immediately prior to the effective date of such regulations. All proceedings within the purview of section 3 of the Act of July 7, 1884, 23 Stat. 258 (5 U. S. C. 261), commenced after the effective date of such regulations, shall in all procedural matters be governed by the provisions of such regulations and such supplementary rules as may from time to time be adopted pursuant to the regulations. Violations of the regulations committed prior to the effective date thereof shall in all substantive matters be dealt with according

to the provisions of the regulations in force at the time when the act or acts alleged to constitute such violations occurred.

§ 10.93 *Saving clause.* No amendment of this part shall affect any proceeding for the disbarment or suspension of an enrolled attorney or agent

which was instituted prior to the date of publication of the amendment in the FEDERAL REGISTER.

§ 10.94 *Special orders.* The Secretary of the Treasury reserves the power to issue such special orders as he may deem proper in any cases within the purview of this part.

Subtitle B—Regulations Relating to Money and Finance

CHAPTER I—MONETARY OFFICES

DEPARTMENT OF THE TREASURY

Part

- 53 Instructions of the Secretary of the Treasury concerning wrongfully withheld gold coin, gold bullion, and gold certificates delivered after January 17, 1934.
- 54 Gold regulations.
- 55 Proclamation fixing the weight of the gold dollar.
- 80 Newly-mined domestic silver regulations of July 6, 1939, as amended.
- 90 Table of charges at the mints and assay offices of the United States.
- 92 Bureau of the Mint procedures and descriptions of forms.
- 100 Exchange of paper currency and coin.
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- 120 Proclamations and Executive orders concerning banking.
- 121 Emergency banking regulations.
- 122 General licenses issued under Executive Order 6073, as amended.
- 127 Executive order of January 15, 1934, regulating transactions in foreign exchange, transfers of credit, and export of coin and currency.
- 128 Transactions in foreign exchange, transfers of credit, and export of coin and currency.

ABBREVIATION: The following abbreviation is used in this chapter:

C. P. D.=*Commissioner of the Public Debt.*

Part 53—Instructions of the Secretary of the Treasury Concerning Wrongfully Withheld Gold Coin, Gold Bullion, and Gold Certificates Delivered After January 17, 1934

§ 53.1 *Wrongfully withheld gold coin, gold bullion, and gold certificates delivered after January 17, 1934.* The order of the Secretary of the Treasury dated January 15, 1934, supplementing the

order of December 28, 1933, requiring the delivery of gold coin, bullion and gold certificates to the Treasurer of the United States provides, in part, as follows:

• • • I, Henry Morgenthau, Jr., Secretary of the Treasury, do hereby fix midnight of Wednesday, January 17, 1934, as the expiration of the period within which any gold coin, gold bullion, or gold certificates may be paid and delivered to the Treasurer of the United States in compliance with the requirements contained in such Order of December 28, 1933, as amended.

In the event that any gold coin, gold bullion, or gold certificates withheld in non-compliance with said Order and of this Order are offered after January 17, 1934, to the Secretary of the Treasury, the Treasurer of the United States, any United States mint or assay office, or to any fiscal agent of the United States, there shall be paid therefor only such part or none of the amount otherwise payable therefor as the Secretary of the Treasury may from time to time prescribe and the whole or any balance shall be retained and applied to the penalty payable for failure to comply with the requirements of such Order and of this Order. The acceptance of any such coin, bullion, or certificates after January 17, 1934, whether or not a part or all of the amount otherwise payable therefor is so retained, shall be without prejudice to the right to collect by suit or otherwise the full penalty provided in section 11 (n) of the Federal Reserve Act, as amended, less such portion of the penalty as may have been retained as hereinbefore provided.

Subject to the rights reserved in said order of January 15, 1934, supplementing the order of December 28, 1933, requiring the delivery of gold coin, gold bullion and gold certificates to the Treasurer of the United States, and without prejudice to the right to alter or amend these instructions from time to time by notice to the Treasurer of the United States, the United States mints and assay offices, and the Federal Reserve banks, I do hereby prescribe that in the event that any gold coin, gold bullion or gold certificates held in noncompliance with said order of December 28, 1933, as amended, and said order of January 15, 1934, are offered after January 17, 1934, to the Secretary of the Treasury, the Treasurer of the United States, any United States mint or assay office or to any fiscal agent of the United States, the Secretary of the Treasury, the Treasurer of the United States, any United States mint or assay office, and the fiscal agents of the United States shall pay for such gold coin and gold certificates the dollar face amount thereof, and for gold bullion \$20.67 an ounce. Member banks of the Federal Reserve System may receive such gold coin, gold bullion and gold certificates for account of the Treasurer of the United States and forthwith forward the same to the Secretary of the Treasury, the Treasurer of the United States, any United States mint or assay office or any fiscal agent of the United States, whichever is nearest.

(Sec. 3, 48 Stat. 2; 12 U. S. C. 248 (n) [Instructions, Sec. Treas., Jan. 17, 1934])

Part 54—Gold Regulations

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Subpart H—Transitory Provisions

- 54.70 Legal effect of amendment of regulations.

AUTHORITY: §§ 54.1 to 54.70 issued under sec. 5 (b), 40 Stat. 415, as amended, secs. 3, 8, 9, 11, 48 Stat. 340, 341, 342; 12 U. S. C. 95a, 31 U. S. C. 442, 783, 784, 822b, E. O. 6260, Aug. 28, 1933, E. O. 6359, Oct. 25, 1933, E. O. 9193, as amended, 7 F. R. 5205, 3 CFR, 1943 Cum. Supp., E. O. 10289, 16 F. R. 9499, 3 CFR, 1951 Supp.

SOURCE: §§ 54.1 to 54.70 appear at 19 F. R. 4309, July 14, 1954, except as otherwise noted.

SUBPART A—GENERAL PROVISIONS

§ 54.1 *Authority for regulations.* By virtue of and pursuant to:

(a) The authority vested in the Secretary of the Treasury by the Gold Reserve Act of 1934, approved January 30, 1934 (48 Stat. 337; 31 U. S. C. 440), and the authority with respect to the approval of regulations issued thereunder which the President of the United States has delegated to the Secretary of the Treasury in paragraph 2 (d) of Executive Order No. 10289 of September 17, 1951 (16 F. R. 9501; 3 CFR, 1951 Supp.) and

(b) The authority which the President of the United States has delegated to the Secretary of the Treasury by Executive Orders Nos. 6260 of August 28, 1933 (31 CFR 1938 ed. Part 50), 6359 of October 25, 1933 and 9193 of July 6, 1942, as amended (7 F. R. 5205; 3 CFR, 1943 Cum. Supp.), which delegations were made by the President of the United States by virtue of and pursuant to the authority vested in him by section 5 (b) of the act of October 6, 1917 (40 Stat. 415), as amended by

section 2 of the act of March 9, 1933 (48 Stat. 1), and title III, section 301 of the "First War Powers Act, 1941" (55 Stat. 839; 12 U. S. C. 95a), and all other authority vested in him, the following regulations, entitled "Gold Regulations," deemed in the public interest and necessary and proper to carry out the purposes of said acts and Executive orders, are issued by the Secretary of the Treasury.

§ 54.2 *General provisions*—(a) *Scope.* Sections 54.12 to 54.34 refer particularly to section 3 of the Gold Reserve Act of 1934, as amended, and to Executive Order No. 6260 of August 28, 1933, sections 4, 5, and 6 of the Executive Order No. 6359 of October 25, 1933, and Executive Order No. 9193 of July 6, 1942, as amended; and §§ 54.35 to 54.52 refer particularly to sections 8 and 9 of the Gold Reserve Act of 1934, as amended.

(b) *Delivery requirements of 1933 gold orders.* Executive Order 6102 of April 5, 1933, Executive Order 6260 of August 28, 1933 (31 CFR 1938 ed. Part 50), and the order of the Secretary of the Treasury of December 28, 1933, as amended and supplemented, required that, with certain exceptions, all persons subject to the jurisdiction of the United States deliver to the United States gold coins, gold bullion and gold certificates situated in the United States and held or owned by such persons on the dates of such orders. Gold coins having a recognized special value to collectors of rare and unusual coin, including all gold coins made prior to April 5, 1933, have been exempted from such delivery requirement. The regulations in this part do not alter or affect in any way the requirements under said orders to deliver gold bullion and gold certificates and gold bullion and gold certificates required to be delivered pursuant to such orders are still required to be delivered and may be received in accordance with the Instructions of the Secretary of the Treasury of January 17, 1934 (§ 53.1 of this chapter), subject to the rights reserved in such instructions.

(c) *Effect of authorizations and licenses.* (1) A general authorization contained in, or a license issued pursuant to the regulations in this part, permitting the acquisition, holding, transporting, melting or treating, importing, exporting or earmarking of gold, constitutes within the limits and subject to the terms and conditions thereof a license issued under and pursuant to Executive Order No.

6260 of August 28, 1933, for such acquisition, holding, transporting, etc.

(2) Any authorization in the regulations in this part, or in any license issued hereunder to acquire, hold, transport, melt or treat, import or export gold in any form shall not be deemed to authorize, unless it specifically so provides, the acquisition, holding, transporting, melting or treating, importing, or exporting of the following:

(i) Any gold coin (except rare gold coin as defined in § 54.20) or any gold melted by any person from gold coin subsequent to April 5, 1933.

(ii) Any gold which has been held at any time in noncompliance with the acts, the orders, or any regulations, rulings, instructions or licenses issued thereunder, including the regulations in this part, or in noncompliance with section 3 of the act of March 9, 1933, or any orders, regulations, rulings, or instructions issued thereunder.

(d) *Revocation or modification.* The provisions of this part may be revoked or modified at any time and any license outstanding at the time of such revocation or modification shall be modified thereby to the extent provided in such revocation or modification.

§ 54.3 *Titles and subtitles.* The titles in this part are inserted for purposes of ready reference and are not to be construed as constituting a part of the regulations in this part.

§ 54.4 *Definitions.* (a) As used in this part, the terms:

(1) "The acts" means the Gold Reserve Act of 1934, as amended, and section 5 (b) of the act of October 6, 1917, as amended by section 2 of the act of March 9, 1933 and Title III, section 301 of the "First War Powers Act, 1941" approved December 18, 1941.

(2) "The orders" means Executive Orders Nos. 6260 of August 28, 1933; 6359 of October 25, 1933; and 9193 of July 6, 1942, as amended.

(3) "United States" means the Government of the United States, or where used to denote a geographical area, means the continental United States and all other places subject to the jurisdiction of the United States.

(4) "Continental United States" means the States of the United States, the District of Columbia, and the Territory of Alaska.

(5) "Person" means any individual, partnership, association, or corporation, including the Board of Governors of the Federal Reserve System, Federal Reserve banks, and Federal Reserve agents.

(6) "Mint" means a United States mint or assay office, and wherever authority is conferred upon a "mint" such authority is conferred upon the person locally in charge of the respective United States mint or assay office acting in accordance with the instructions of the Director of the Mint or the Secretary of the Treasury.

(7) "Gold coin" means any coin containing gold as a major element, including gold coin of a foreign country.

(8) "Gold bullion" means any gold which has been put through a process of smelting or refining, and which is in such state or condition that its value depends primarily upon the gold content and not upon its form; the term "gold bullion" includes, but not by way of limitation, semi-processed gold and scrap gold, but it does not include fabricated gold as defined in this section, metals containing less than 5 troy ounces of fine gold per short ton, or unmelted gold coin.

(9) Fabricated and semi-processed gold:

(i) "Fabricated gold" means processed or manufactured gold in any form (other than gold coin or scrap gold) which:

(a) Has a gold content the value of which does not exceed 90 percent of the total domestic value of such processed or manufactured gold; and

(b) Has, in good faith, and not for the purpose of evading or enabling others to evade the provisions of the acts, the orders, or the regulations in this part, been processed or manufactured for some one or more specific and customary industrial, professional or artistic uses.

(ii) "Semi-processed gold" means processed or manufactured gold in any form (other than gold coin or scrap gold) which:

(a) Has a gold content the value of which exceeds 90 percent of the total domestic value of such processed or manufactured gold; and

(b) Has, in good faith, and not for the purpose of evading or enabling others to evade the provisions of the acts, the orders, or the regulations in this part, been processed or manufactured for some one or more specific and customary industrial, professional or artistic uses.

(iii) The value of the gold content of an article shall be computed for the purposes of this subparagraph at \$35 per troy ounce of fine gold content.

(iv) For the purpose of this subparagraph, the total domestic value of processed or manufactured gold shall be based on the cost to the owner and not the selling price. The allowable elements of such value are:

(a) In the case of a manufacturer or processor, only the cost of material in the article, labor performed on the article, and processing losses and overhead applicable to the manufacture or processing of such article; and

(b) In the case of a dealer or other person who holds or disposes of gold without further processing, only the net purchase price paid by such person, including transportation costs, if any, incurred in obtaining delivery of such article to his usual place of business.

(10) "Scrap gold" means gold fillings, clippings, polishings, sweepings and the like and any other melted or unmelted scrap gold, semiprocessed gold or fabricated gold, the value of which depends primarily upon its gold content and not upon its form, which is no longer held for the use for which it was processed or manufactured.

(11) "Gold in its natural state" means gold recovered from natural sources which has not been melted, smelted, or refined, or otherwise treated by heating or by a chemical or electrical process.

(12) "Hold", when used with reference to gold includes actual or constructive possession of or the retention of any interest, legal or equitable, in such gold, and includes, but not by way of limitation, acts of agency with respect thereto although the principal be unknown.

(b) Wherever reference is made in this part to equivalents as between dollars or currency of the United States and gold, \$1 or \$1 face amount of any currency of the United States equals fifteen and five twenty-firsts ($15\frac{5}{21}$) grains of gold, nine-tenths fine.

(c) Wherever reference is made in this part to "sections", the reference is, unless otherwise indicated, to the designated sections of this part.

§ 54.5 *General provisions affecting applications, statements, and reports.* Every application, statement, and report required to be made under this part shall be made upon the appropriate form pre-

scribed by the Secretary of the Treasury. Action upon any application or statement may be withheld pending the furnishing of any or all of the information required in such forms or of such additional information as may be deemed necessary by the Secretary of the Treasury, or the agency authorized or directed to act under this part. There shall be attached to the applications, statements, or reports such instruments as may be required by the terms thereof and such further instruments as may be required by the Secretary of the Treasury, or by such agency.

§ 54.6 *General provisions affecting licenses and authorizations.* (a) Licenses issued pursuant to the regulations in this part shall be upon the appropriate form prescribed by the Secretary of the Treasury. Licenses shall be non-transferable and shall entitle the licensee to acquire, hold, transport, melt or treat, import, export, or earmark gold only in such form and to the extent permitted by, and subject to the conditions prescribed in, the regulations in this part and such licenses.

(b) Revocation or modification of licenses: ¹ Licenses may be modified or revoked at any time in the discretion of the Director of the Mint. In the event that a license is modified or revoked (other than by a modification or revocation of the regulations in this part), the Director of the Mint shall advise the licensee by letter, mailed to the last address of the licensee on file in the Bureau of the Mint. The licensee, upon receipt of such advice, shall forthwith surrender his license as directed. If the license has been modified but not revoked, the Director of the Mint shall thereupon issue or cause to be issued a modified license.

(c) Exclusions: The Director of the Mint may exclude particular persons or classes thereof from the operation of any section of the regulations in this part (except §§ 54.28 to 54.30, inclusive) or licenses issued thereunder or from the privileges therein conferred. Such action shall be binding upon all persons receiving actual notice or constructive

¹ Regulations governing procedures for denying an application for a license, for revoking, suspending or modifying a license, and for excluding any person from the privileges conferred in the regulations in this part are set forth in § 92.31 of this chapter.

notice thereof. Any violation of the provisions of the regulations in this part or any license issued hereunder, shall constitute, but not by way of limitation, grounds for such exclusion.

(d) Requests for reconsideration: A written request for reconsideration of a denial of an application for a license, of a revocation, suspension, or modification of an existing license, or of an exclusion from the authorizations or privileges conferred in any section of the regulations in this part setting forth in detail the reasons for such request, may be addressed to the Director of the Mint, Treasury Department, Washington 25, D. C. In addition, upon written request, the Director will schedule a hearing in the matter at which time there may be brought to the attention of the Bureau of the Mint any information bearing thereon.

(e) No license issued hereunder shall exempt the licensee from the duty of complying with the legal requirements of any State or Territory or local authority.

(f) No license shall be issued to any person doing business under a name which in the opinion of the Secretary of the Treasury or the designated agency issuing the license, is designed or is likely to induce the belief that gold is purchased, treated, or sold on behalf of the United States or for the purpose of carrying out any policy of the United States.

§ 54.7 *General provisions affecting export licenses.*¹ At the time any license to export gold is issued, the Bureau of the Mint, or Federal Reserve bank issuing the same, shall transmit a copy thereof to the collector of customs at the port of export designated in the license. No collector of customs shall permit the export or transportation from the continental United States of gold in any form except upon surrender of a license to export, a copy of which has been received by him from the agency issuing the same (except that licenses

on Form TGL-15 (general) covering multiple shipments during a quarterly period are retained by the licensees until the expiration of such period, when they are returned to the Director of the Mint): *Provided, however,* That the export or transportation from the continental United States of fabricated gold may be permitted pursuant to § 54.25 (b) (2) and the export or transportation from the continental United States of gold imported for re-export may be permitted pursuant to §§ 54.32 and 54.33: *And provided further,* That gold held by the Federal Reserve banks under §§ 54.28 to 54.30, inclusive, may be exported for the purposes of such sections without a license. The collector of customs to whom a license to export is surrendered shall cancel such license and return it to the Director of the Mint or to the Mint or the Federal Reserve bank which issued the same. In the event that the shipment is to be made by mail, a copy of the export license shall be sent by the agency issuing the same to the postmaster of the post office designated in the application, who will act under the instructions of the Postmaster General in regard thereto.

§ 54.8 *General provisions affecting import licenses.* No gold in any form imported into the United States shall be permitted to enter until the person importing such gold shall have satisfied the collector of customs at the port of entry that he holds a license authorizing him to import such gold or that such gold may be imported without a license under the provisions of §§ 54.12 to 54.21, inclusive, or §§ 54.28 to 54.30, inclusive. Postmasters receiving packages containing gold will deliver such gold subject to the instructions of the Postmaster General.

§ 54.9 *Forms available.* Any form, the use of which is prescribed in this part, may be obtained at, or on written request to, any United States mint or assay office, or the Director of the Mint, Treasury Department, Washington 25, D. C.

§ 54.10 *Representations by licensees.* Licensees may include in public and private representations or statements the clause "licensed on form TGL---- (here inserting the number of the form of license held by the licensee) pursuant to the regulations issued by the Secretary of the Treasury," but any representation or statement which might

¹The regulations in this part shall not be construed as relieving any person from the obligation of compliance with the regulations of the Bureau of Foreign Commerce (formerly the Office of International Trade), (15 CFR Parts 360 to 399), the Bureau of Customs (19 CFR Chapter I), or other laws or regulations relating to the importation or exportation of merchandise, where applicable to imports or exports of gold, or articles containing gold.

induce the belief that the licensee is acting or is especially privileged to act on behalf of or for the United States, or is purchasing, treating, or selling gold for the United States, or in any way dealing in gold for the purpose of carrying out any policy of the United States, shall be a violation of the conditions of the license.

(a) *Business names and representations generally.* No person doing business under a name which is designed or is likely to induce the belief that gold is being purchased, treated, or sold on behalf of the United States, or any agency thereof, or for the purpose of carrying out any policy of the United States, or making representations or statements which might induce the belief that such person is acting or is especially privileged to act on behalf of or for the United States, or is purchasing, treating, or selling gold for the United States, or in any way dealing in gold for the purpose of carrying out any policy of the United States, may acquire, hold, transport, melt, or treat, import, export or earmark any gold under authority of §§ 54.12 to 54.20, inclusive, or §§ 54.21 to 54.27, inclusive.

§ 54.11 *Civil and criminal penalties—*

(a) *Civil penalties.* Attention is directed to section 4 of the Gold Reserve Act of 1934, which provides:

Any gold withheld, acquired, transported, melted or treated, imported, exported, or earmarked or held in custody, in violation of this Act or of any regulations issued hereunder, or licenses issued pursuant thereto, shall be forfeited to the United States, and may be seized and condemned by like proceedings as those provided by law for the forfeiture, seizure, and condemnation of property imported into the United States contrary to law; and in addition any person failing to comply with the provisions of this Act or of any such regulations or licenses, shall be subject to a penalty equal to twice the value of the gold in respect of which such failure occurred (31 U. S. C. 443).

(b) *Criminal punishment.* Attention is also directed to (1) section 5 (b) of the act of October 6, 1917, as amended, which provides in part:

Whoever wilfully violates any of the provisions of this subdivision or of any license, order, rule or regulation issued thereunder, shall, upon conviction, be fined not more than \$10,000 or, if a natural person, may be imprisoned for not more than ten years, or both; and any officer, director, or agent of any corporation who knowingly participates in such violation may be punished by a

fine not exceeding \$10,000. As used in this subdivision the term "license" means an individual, partnership, association, or corporation, (18 U. S. C. 238a, 239).

This section of the act of October 6, 1917, as amended, is applicable to violations of any provision of this part and to the breach of the provisions of any license, ruling, regulation, order, direction, or instructions issued by or pursuant to the direction or authorization of the Secretary of the Treasury pursuant to the regulations in this part or otherwise under section 5 (b) of the act of October 6, 1917, as amended.

(2) Section 1001 of the United States Criminal Code, which provides:

Whoever, in any matter within the jurisdiction of any department or agency of the United States knowingly and willfully falsifies, conceals or covers up by any trick, scheme, or device a material fact, or makes any false, fictitious or fraudulent statements or representations, or makes or uses any false writing or document knowing the same to contain any false, fictitious or fraudulent statement or entry, shall be fined not more than \$10,000 or imprisoned not more than five years, or both (18 U. S. C. 1001).

SUBPART B—CONDITIONS UNDER WHICH GOLD MAY BE ACQUIRED AND HELD, TRANSPORTED, MELTED OR TREATED, IMPORTED, EXPORTED OR EARMARKED

§ 54.12 *Conditions under which gold may be acquired, held, melted, etc.* Gold in any form may be acquired, held, transported, melted or treated, imported, exported, or earmarked only to the extent permitted by and subject to the conditions prescribed in the regulations in this part or licenses issued thereunder.

§ 54.13 *Transportation of gold.* Gold may be transported by carriers for persons who are licensed to hold and transport such gold or who are permitted by the regulations in this part to hold and transport gold without a license.

§ 54.14 *Gold situated outside of the United States.* Gold in any form situated outside of the United States may be acquired, transported, melted or treated, or earmarked or held in custody for foreign or domestic account without the necessity of holding a license.

§ 54.15 *Gold situated in the possessions of the United States.* Gold in any form (other than United States gold coin) situated in places subject to the jurisdiction of the United States beyond the limits of the continental United

States may be acquired, transported, melted or treated, imported, exported, or earmarked or held in custody for the account of persons other than residents of the continental United States, by persons not domiciled in the continental United States: *Provided, however,* That gold may be transported from the continental United States to the possessions of the United States only as authorized by §§ 54.25, 54.32, 54.33, or 54.34, or licenses issued pursuant thereto.

§ 54.16 *Fabricated gold.* Fabricated gold as defined in § 54.4 may be acquired, held, transported within the United States or imported without the necessity of holding a license therefor. Fabricated gold may be exported only as authorized in § 54.25 or in a license issued pursuant to that section.

§ 54.17 *Metals containing gold.* Metals containing not more than 5 troy ounces of fine gold per short ton may be acquired, held, transported within the United States, or imported without the necessity of holding a license therefor. Such metals may be melted or treated, and exported only to the extent permitted by and subject to the conditions prescribed in or pursuant to §§ 54.21 to 54.27, inclusive.

§ 54.18 *Unmelted scrap gold.* Unmelted scrap gold may be acquired, held, transported within the United States, or imported, in amounts not exceeding at any one time 50 fine troy ounces of gold content without the necessity of holding a license therefor. Persons holding licenses issued pursuant to § 54.25 (a), or acquiring, transporting, importing or holding gold pursuant to § 54.21, may not acquire, transport, import or hold any gold under authority of this section.

§ 54.19 *Gold in its natural state.* (a) Gold in its natural state, as defined in § 54.4, may be acquired, transported within the United States, imported, or held in custody for domestic account only, without the necessity of holding a license therefor.

(b) Gold amalgam which results from the addition of mercury to gold in its natural state, recovered from natural deposits in the United States or a place subject to the jurisdiction thereof, may be heated to a temperature sufficient to separate the mercury from the gold (but not to the melting temperature of gold)

without a license by the person who recovered the gold from such deposits, or his duly authorized agent or employee. The retort sponge so resulting may be held and transported by such person without a license: *Provided, however,* That no such person may hold at any one time an amount of such retort sponge which exceeds in fine gold content 200 troy ounces. Such retort sponge may be acquired from such persons:

(1) By the United States;

(2) By persons holding licenses issued pursuant to § 54.25 (a);

(3) By other persons provided that the aggregate amount of such retort sponge acquired and held by such other persons does not exceed at any one time 200 fine troy ounces of gold content.

(c) Persons acquiring retort sponge under paragraph (b) (3) of this section are authorized to dispose of such retort sponge only to the United States and to persons holding licenses issued pursuant to § 54.25 (a).

(d) Except as provided in §§ 54.12 to 54.20, inclusive, and in §§ 54.32 and 54.33, gold in its natural state may be melted or treated or exported only to the extent permitted by, and subject to the conditions prescribed in, or pursuant to, §§ 54.21 to 54.27, inclusive.

§ 54.20 *Rare coin.* (a) Gold coin of recognized special value to collectors of rare and unusual coin may be acquired and held, transported within the United States, or imported without the necessity of holding a license therefor. Such coin may be exported, however, only in accordance with the provisions of § 54.25.

(b) Gold coin made prior to April 5, 1933, is considered to be of recognized special value to collectors of rare and unusual coin.

(c) Gold coin made subsequent to April 5, 1933, is presumed not to be of recognized special value to collectors of rare and unusual coin.

SUBPART C—GOLD FOR INDUSTRIAL, PROFESSIONAL, AND ARTISTIC USE

§ 54.21 *Fifty ounce exemption for processors.* (a) Subject to the conditions in paragraph (b) of this section, any person regularly engaged in an industry, profession, or art, who requires gold for legitimate, customary, and or-

inary use therein, may, without the necessity of obtaining a Treasury gold license:

(1) Import unmelted scrap gold or acquire gold in any form from any person authorized to hold and dispose of gold in such form and amount under the regulations in this part or a license issued pursuant hereto;

(2) Hold, transport, melt, and treat such gold;

(3) Furnish unmelted scrap gold to the United States, to persons operating pursuant to §§ 54.18 or 54.21, or to the holder of a license issued pursuant to § 54.25 (a); and

(4) Furnish melted scrap gold to the United States or to the holder of a license issued pursuant to § 54.25 (a) which authorizes the acquisition of such melted scrap gold.

(b) The privileges of paragraph (a) of this section are granted subject to the following conditions:

(1) That the aggregate amount of such gold acquired, held, transported, melted and treated, and imported, does not exceed, at any one time, 50 fine troy ounces of gold content (not including gold which may be acquired, held, etc., without a license under any other section of this part, except § 54.18);

(2) That the aggregate amount of such gold acquired, held, transported, melted and treated, and imported, does not exceed, in any calendar month 350 fine troy ounces of gold content (not including gold which may be acquired, held, etc., without a license under any other section of this part, except § 54.18);

(3) That such gold is acquired and held only for processing into fabricated gold, as defined in § 54.4, by such person in the industry, profession, or art in which he is engaged; and

(4) That full and exact records are kept and furnished in compliance with § 54.26.

(c) Persons acquiring, holding, transporting, melting and treating, and importing gold under authority of this section are not authorized:

(1) To consign gold bullion, including semi-processed gold, to other persons for processing except that scrap gold may, for processing and return in semi-processed form, be consigned to the holder

of a license issued pursuant to § 54.25 (a), which authorizes the acquisition and melting and treating of such gold;

(2) To furnish melted scrap gold to persons operating pursuant to the provisions of this section or § 54.18;

(3) To dispose of gold held under authority of this section otherwise than in the form of fabricated gold or scrap gold.

(d) Persons holding licenses issued pursuant to § 54.25 (a) or acquiring, holding, transporting, or importing, gold pursuant to § 54.18 may not acquire, hold, transport, melt or treat, or import, any gold under authority of this section.

§ 54.22 *Licenses required.* Except as permitted in §§ 54.12 to 54.20, inclusive, and § 54.21, gold may be acquired and held, transported, melted or treated, imported, exported or earmarked for industrial, professional or artistic use only to the extent permitted by licenses issued under § 54.25.

§ 54.23 *Issuance of licenses or general authorizations.* The Director of the Mint may issue or cause to be issued licenses or other authorizations permitting the acquisition and holding, transportation, melting and treating, importing and exporting of gold which the Director is satisfied is required for legitimate and customary use in industry, profession, or art, by persons regularly engaged in the business of furnishing or processing gold for industry, profession, or art, or for sale to the United States.

§ 54.24 *Applications.* Every application for a license under § 54.25 (a) shall be made on Form TG-12 (except that applications for export licenses shall be made on Form TG-15) and shall be filed in duplicate with the Director of the Mint, Treasury Department, Washington, D. C. Every applicant for a license under § 54.25 (a) shall state in his application whether or not any applications have been filed by or licenses issued to any partnership, association, or corporation in which the applicant has a substantial interest or, if the applicant is a partnership, association, or corporation, by or to a person having a substantial interest in such partnership, association or corporation. The Director of the Mint shall not issue any license to any person if in the judgment of the Director more than one license for the same purpose will be held for the principal use or benefit of the same persons or interests. Any

person licensed under this subpart acquiring a principal interest in any partnership, association, or corporation, holding a license under this subpart for this purpose shall immediately so inform the Director of the Mint.

§ 54.25 *Licenses*—(a) *Licenses for the acquisition and holding, transportation, melting and treating, importing and disposition of gold.* (1) Upon receipt of the application and after obtaining such additional information as may be deemed advisable, the Director of the Mint, shall, if satisfied that gold is necessary for the legitimate and customary requirements of the applicant's industry, profession, art, or business, and that the applicant is qualified in all respects to conduct gold operations in full compliance with the provisions of this part and the provisions of a Treasury gold license, issue or cause to be issued to the applicant a Treasury gold license on the approved form for the kind of industry, profession, art, or business, in which the applicant is engaged.

(2) Licenses issued under this section may authorize the licensee to acquire and hold not to exceed a maximum amount specified therein; to transport such gold, melt or treat it to the extent necessary to meet the requirements of the industry, profession, art or business for which it was acquired and held or otherwise to carry out the purposes for which it is held under license; and to import gold so long as the aggregate amount of all gold held after such importation does not exceed the maximum amount authorized by the license to be held.

(3) Licenses issued under this paragraph do not permit the exportation or transportation from the continental United States of gold in any form. Such exportation or transportation is permitted only to the extent authorized in paragraph (b) of this section or in a separate license issued pursuant to such paragraph.

(b) *Licenses and authorizations for the exporting of gold*—(1) *Semi-processed gold.* Semi-processed gold as defined in § 54.4 may be exported or transported from the continental United States only pursuant to a separate export license. Such licenses shall be issued by the Director of the Mint upon application made on Form TG-15 establishing to the satisfaction of the Director that the gold to be exported is semi-processed

gold and that the export or transport from the continental United States is for a specific and customary industrial, professional, or artistic use and not for the purpose of using or holding or disposing of such semi-processed gold beyond the limits of the continental United States as, or in lieu of money, or for the value of its gold content.

(2) *Fabricated gold.* Fabricated gold as defined in § 54.4 may be exported or transported from the continental United States without the necessity of obtaining a Treasury gold license: *Provided, however,* That the Bureau of the Census Schedule B statistical classification number of each specific commodity to be exported shall be plainly marked on the outside of the package or container, the shipper's export declaration shall contain a statement that such gold is fabricated gold as defined in § 54.4 and is being exported pursuant to the authorization contained in this subparagraph, and such additional documentation shall be furnished as may be required by the Bureau of Customs or any other government agency charged with the enforcement of laws relating to the exportation of merchandise from the United States.

(3) *Rare coin.* (1) Rare gold coin, as defined in § 54.20, made prior to April 5, 1933, may be exported or transported from the continental United States without the necessity of obtaining a Treasury gold license: *Provided, however,* That the shipper's export declaration shall contain a statement that such coin is rare gold coin and is being exported pursuant to the authorization contained in this subparagraph and such additional documentation shall be furnished as may be requested by the Bureau of Customs or any other government agency charged with the enforcement of laws relating to the exportation of merchandise from the United States.

(2) Gold coin made subsequent to April 5, 1933, may be exported or transported from the continental United States only under license on Form TGL-11 issued by the Director of the Mint. Application for such a license shall be executed on Form TG-11 and filed with the Director of the Mint, Treasury Department, Washington 25, D. C.

(4) *Other exports of gold.* Export licenses may also be issued upon application made on Form TG-15B in the same manner as prescribed in subparagraph

(1) of this paragraph, authorizing the exportation of gold in any form for refining or processing subject to the condition that the refined or processed gold (or the equivalent in refined or processed gold) be returned to the United States, or subject to such other conditions as the Director may prescribe.

§ 54.26 *Investigations; records; subpoenas.* (a) The Director of the Mint is authorized to make or cause to be made such studies and investigations, to conduct such hearings, and to obtain such information as the Director deems necessary or proper to assist in the consideration of any applications for licenses, or in the administration and enforcement of the acts, the orders, and the regulations in this part.

(b) Every person holding a license issued under § 54.25 (a), or acquiring, holding or disposing of gold pursuant to the authorizations in §§ 54.18 and 54.21, shall keep full and accurate records of all his operations and transactions with respect to gold, and such records shall be available for examination by a representative of the Treasury Department until the end of the fifth calendar year (or if such person's accounts are kept on a fiscal year basis, until the end of the fifth fiscal year) following such operations or transactions. The records required to be kept by this section shall include the name, address, and Treasury gold license number of each person from whom gold is acquired or to whom gold is delivered, and the amount, date, description and purchase or sales price of each such acquisition and delivery, and any other records or papers required to be kept by the terms of a Treasury Department gold license. If the person from whom gold is acquired, or to whom gold is delivered, does not have a Treasury gold license such records shall show, in lieu of the license number of such person, the section of the regulations in this part pursuant to which such gold was held or acquired by such person. Such records shall also show all costs and expenses entering into the computation of the total domestic value of articles of fabricated or semi-processed gold as defined in § 54.4.

(c) The Director of the Mint (or the officers and employees of the Bureau of the Mint specifically designated by the Director) or any department or agency charged with the enforcement of the

acts, the orders, or the regulations in this part, may require any person to permit the inspection and copying of records and other documents and the inspection of inventories of gold and to furnish, under oath or affirmation or otherwise, complete information relative to any transaction referred to in the acts, the orders, or the regulations in this part involving gold or articles manufactured from gold. The records which may be required to be furnished shall include any records required to be kept by this section and, to the extent that the production of such information is necessary and appropriate to the enforcement of the provisions of the acts, the orders, and the regulations in this part, or licenses issued thereunder, any other records, documents, reports, books, accounts, invoices, sales lists, sales slips, orders, vouchers, contracts, receipts, bills of lading, correspondence, memoranda, papers and drafts, and copies thereof, either before or after the completion of the transaction to which such records refer.

(d) The Director of the Mint may administer oaths and affirmations and may, whenever necessary, require any person holding a license under § 54.25 or acquiring, holding or disposing of gold pursuant to the authorizations of §§ 54.18 or 54.21, or any officer, director, or employee of such person, to appear and testify or to appear and produce any of the records specified in paragraph (c) of this section or both, at any designated place. [19 F. R. 4309, July 14, 1954, as amended at 20 F. R. 7330, Oct. 1, 1955; 20 F. R. 7795, Oct. 15, 1955]

§ 54.27 *Reports.* Every person holding a license issued pursuant to § 54.25 (a) shall make reports on the appropriate report form specified in such license for the six months' periods ending on the last days of June and December, respectively, and shall file such reports with the Director of the Mint, Treasury Department, Washington 25, D. C. Reports shall be filed within twenty-five days after the termination of the period for which such reports are made.

SUBPART D—GOLD FOR THE PURPOSE OF SETTLING INTERNATIONAL BALANCES AND FOR OTHER PURPOSES

§ 54.28 *Acquisitions by Federal Reserve banks for purposes of settling international balances, etc.* The Federal Reserve banks may from time to time

acquire from the United States by redemption of gold certificates in accordance with section 6 of the Gold Reserve Act of 1934 such amounts of gold bullion as, in the judgment of the Secretary of the Treasury, are necessary to settle international balances or to maintain the equal purchasing power of every kind of currency of the United States. Such banks may also acquire gold (other than United States gold coin) abroad or from private sources within the United States.

§ 54.29 *Dispositions by Federal Reserve banks.* The gold acquired under § 54.28 may be held, transported, imported, exported, or earmarked for the purposes of settling international balances or maintaining the equal purchasing power of every kind of currency of the United States: *Provided*, That if the gold is not used for such purposes within 6 months from the date of acquisition, it shall (unless the Secretary of the Treasury shall have extended the period within which such gold may be so held) be paid and delivered to the Treasurer of the United States against payment therefor by credits in equivalent amounts in dollars in the accounts authorized under the sixteenth paragraph of section 16 of the Federal Reserve Act, as amended (48 Stat. 339; 12 U. S. C. 467).

§ 54.30 *Provisions limited to Federal Reserve banks.* The provisions of this subpart shall not be construed to permit any person subject to the jurisdiction of the United States, other than a Federal Reserve bank, to acquire gold for the purposes specified in this subpart or to permit any person to acquire gold from a Federal Reserve bank except to the extent that his license issued under this part specifically so provides.

SUBPART E—GOLD FOR OTHER PURPOSES NOT INCONSISTENT WITH THE PURPOSES OF THE GOLD RESERVE ACT OF 1934 AND THE ACT OF OCTOBER 6, 1917, AS AMENDED

§ 54.31 *Licenses required.* Gold may be acquired and held, transported, melted or treated, imported, exported, or earmarked for purposes other than those specified in §§ 54.21 to 54.30, inclusive, not inconsistent with the purposes of the acts only to the extent permitted in §§ 54.12 to 54.20 inclusive, and § 54.32, or under a license issued under §§ 54.33 or 54.34.

§ 54.32 *Gold imported in gold-bearing materials for re-export.* (a) Gold refined (or the equivalent to gold re-

fined) from gold-bearing materials imported into the United States for refining and re-export may be re-exported to the foreign exporter or pursuant to his order, without the necessity of obtaining a Treasury gold export license, subject to the following conditions:

(1) The imported gold-bearing material either (i) was imported into the United States from a foreign resident or a foreign organization, or (ii) was mined by a branch or other office of a United States organization and imported into the United States from such branch or office;

(2) The importer has no right, title, or interest in the gold refined from the imported gold-bearing material other than through its branch or office which is the foreign exporter as provided in subparagraph (1) (i) and (ii) of this paragraph, and the importer will not participate in the sale of such refined gold or receive any commission in connection with the sale of such refined gold;

(3) The refined gold is to be re-exported to the foreign exporter or, pursuant to his order, to a foreign resident or foreign organization; and

(4) Such gold is imported, acquired, and held, transported, melted and treated, as permitted in §§ 54.12 to 54.20, inclusive, or in accordance with a license issued under § 54.25, and in full compliance with the provisions of paragraph (b) of this section.

(b) *Procedural requirements.* Persons exporting gold pursuant to paragraph (a) of this section shall comply with the following requirements:

(1) *Notation upon entry.* Upon the formal entry into the United States of any gold-bearing materials, the importer shall declare to the collector of customs at the port where the material is formally entered that the importation is made with the intention of exporting the gold refined therefrom to the foreign exporter, or pursuant to his order. The collector shall make on the entry a notation to this effect and forward a copy of the entry to the United States assay office at New York or to the United States mint at San Francisco, whichever is designated by the importer.

(2) *Sampling and assaying.* Promptly upon the receipt of each importation of gold-bearing material at the plant where

it is first to be treated, it shall be weighed, sampled, and assayed for the gold content. A reserve commercial sample shall be retained by such plant for at least 1 year from the date of importation, unless the assay is sooner verified by the Bureau of the Mint.

(3) *Plant records.* The importer shall cause an exact record, covering each importation, to be kept at the plant of first treatment. The records shall show the gross wet weight of the importation, the weight of containers, if any, the net wet weight, the percentage and weight of moisture, the net dry weight, and the gold content shown by the settlement assay. A true copy of such record shall be filed promptly with the assay office in New York or the mint at San Francisco, whichever has been designated to receive a copy of the entry. The plant records herein required to be kept shall be available for examination by a representative of the Treasury Department for at least 1 year after the date of the disposition of such gold.

(4) *Limitations on exports.* The gold refined (or the equivalent to gold refined) from imported gold-bearing materials shall be exported not later than seven months from the date of entry of such gold-bearing materials and shall not exceed the amount of gold shown on the refiner's settlement sheet as having been recovered from the imported gold-bearing material: *Provided*, That, such gold may be exported prior to the procurement of the refiner's settlement sheet in an amount not in excess of 90 percent of a written estimate of the gold content of the gold-bearing material based upon the actual test assay of such material.

(5) *Export declaration and certificate.* The exporter shall state on his export declaration that the shipment is gold refined (or the equivalent to gold refined) from imported gold-bearing materials which is being exported pursuant to the authorization contained in this section, and shall attach to his export declaration a certificate properly executed in duplicate on Form TG-16 and two true copies of the refiner's settlement sheet. In the event that exportation is made prior to procurement of the settlement sheet, duplicate certified copies of the report of the actual test assay of the gold-bearing material, together with a statement showing that an exportation with respect to such material is neces-

sary prior to the time the settlement sheet can be procured, shall be submitted by the exporter with his export declaration and certificate on Form TG-16. The collector of customs shall forward a copy of the certificate on Form TG-16 and a copy of the settlement sheet, or the report of the test assay, to the United States assay office at New York or the United States mint at San Francisco, whichever has been designated to receive a copy of the entry.

§ 54.33 *Gold imported for re-export*—(a) *Exportation promptly without license.* Gold may be imported and transported for prompt export, and exported without the necessity of holding a license, provided the gold is, in fact, exported promptly and remains under customs custody throughout the period during which it is within the customs limits of the United States. Upon the arrival in the United States of gold imported for re-export pursuant to the provisions of this section, the importer shall declare to the collector of customs at the port of entry that it will be re-exported promptly. The collector of customs shall make a notation of this declaration upon the entry and forward a copy of the entry to the Director of the Mint.

(b) *Exportation pursuant to license.* In the event that the export of any gold imported pursuant to this section is delayed due to the unavailability of facilities for the onward transportation of such gold, the Director of the Mint may, subject to the following provisions, issue licenses on Form TGL-17 authorizing the importation, holding, transportation, and exportation of gold which the Director is satisfied is, in fact, imported for re-export promptly upon the completion of necessary arrangements for the transportation of such gold.

(1) Every application for a license under this section shall be made on form TG-17 and shall be filed with the Director of the Mint.

(2) Upon receipt of the application and after making such investigation of the case as may be deemed advisable, the Director of the Mint, if satisfied that the gold was, in fact, imported for re-export promptly upon the completion of neces-

* Attention is directed to Order No. 29 of the Foreign-Trade Zones Board (17 F. R. 5316; 15 CFR 400.803) which is applicable to gold.

sary arrangements for the transportation of such gold, shall issue to the applicant a license on form TGL-17.

§ 54.34 *Licenses for other purposes.* The Secretary of the Treasury, with the approval of the President, shall issue licenses authorizing the acquisition, transportation, melting or treating, importing, exporting, or earmarking of gold, for purposes other than those specified in §§ 54.21 to 54.30, inclusive, 54.32 and 54.33, which, in the judgment of the Secretary of the Treasury, are not inconsistent with the purposes of the acts, subject to the following provisions:

(a) *Applications.* Every application for a license under this section shall be made on form TG-18 and shall be filed in duplicate with the Federal Reserve bank for the district in which the applicant resides or has his principal place of business. Upon receipt of the application and after making such investigation of the case as it may deem advisable, the Federal Reserve bank shall transmit to the Secretary of the Treasury the original of the application, together with any supplemental information it may deem appropriate. The Federal Reserve bank shall retain the duplicate of the application for its records.

(b) *Licenses.* If the issuance of a license is approved, the Federal Reserve bank which received and transmitted the application will be advised by the Secretary of the Treasury and directed to issue a license on form TGL-18. If a license is denied, the Federal Reserve bank will be so advised and shall immediately notify the applicant. The decision of the Secretary of the Treasury with respect to the granting or denying of a license shall be final. If a license is granted, the Federal Reserve bank shall thereupon note upon the duplicate of the application therefor, the date of approval and issuance and the amount of gold specified in such license.

(c) *Reports.* Within 7 business days of the date of disposition of the gold acquired or held under a license issued under this section, or within 7 business days of the date of export, if such exportation is authorized, the licensee shall file a report in duplicate on form TGR-18 with the Federal Reserve bank through which the license was issued. Upon receipt of such report, the Federal Reserve bank shall transmit the original thereof to the Secretary of the Treasury, and retain the duplicate for its records.

SUBPART F—PURCHASE OF GOLD BY MINTS

§ 54.35 *Purchase by mints.* The mints, subject to the conditions specified in the regulations in this part, particularly § 54.36 to § 54.44, and the general regulations governing the mints, are authorized to purchase:

(a) Gold recovered from natural deposits in the United States or any place subject to the jurisdiction thereof, which shall not have entered into monetary or industrial, professional, or artistic use, including gold contained in deposits of newly mined domestic silver;

(b) Gold contained in deposits of silver eligible for deposit at a mint for return in bar form;

(c) Scrap gold as defined in § 54.4;

(d) Gold refined from sweeps purchased from a United States mint;

(e) Gold (other than United States gold coin) imported into the United States after January 30, 1934;

(f) Gold refined (or the equivalent to gold refined) from imported gold-bearing material; and

(g) Such other gold (other than United States gold coin or gold derived therefrom) as may be authorized from time to time by rulings of the Secretary of the Treasury.

Provided, however, That no gold shall be purchased by any mint under the provisions of this subpart which, in the opinion of the mint, has been held at any time in noncompliance with the acts the orders, or any regulations, rulings, instructions, or licenses issued thereunder, including the regulations in this part, or in noncompliance with section 3 of the act of March 9, 1933, or any orders regulations, rulings, or instructions issued thereunder.*

§ 54.36 *Gold recovered from natural deposits in the United States or any place subject to the jurisdiction thereof, including gold contained in deposits of newly mined domestic silver.* (a) The mints may purchase gold under § 54.35 (a) only if the deposit of such gold is

* Gold which has been so held in noncompliance with section 3 of the act of March 9, 1933, or the Order of the Secretary of the Treasury of December 26, 1933, may, however, be purchased in accordance with the Instructions of the Secretary of the Treasury of January 17, 1934 (§ 53.1 of this chapter), subject to the rights reserved in such instructions and at the price stated therein.

accompanied by a properly executed statement as follows:

(1) A statement of form TG-19 shall be filed with each delivery of gold by persons who have recovered such gold by mining or panning in the United States or any place subject to the jurisdiction thereof.

(2) A statement on form TG-20 shall be filed with each delivery of gold by persons who have recovered such gold from gold-bearing materials in the regular course of their business of operating a custom mill, smelter, or refinery.

(3) A statement on form TG-21 together with a statement giving the names of the persons from whom gold was purchased, the amount and description of each lot of gold purchased, the location of the mine or placer deposit from which each lot was taken, and the period within which such gold was taken from the mine or placer deposit, shall be filed with each such delivery of gold by persons who have purchased such gold directly from the persons who have mined or panned such gold.

(b) In addition, the depositors shall show that the gold was acquired, held, melted and treated, and transported by them in accordance with a license issued pursuant to § 54.25 or that such acquisition, holding, melting and treating, and transportation is permitted under §§ 54.12 to 54.20, inclusive, without the necessity of holding a license.

§ 54.37 *Gold contained in deposits of silver.* Gold contained in deposits of silver, eligible at a mint for return in bar form, may be purchased by the mints: *Provided*, That the gold was not mixed with such silver for the purposes of selling gold to the United States which was not eligible for purchase by the United States under § 54.35 (a), (c), (d), (e), or (f).

§ 54.38 *Scrap gold.* Deposits of scrap gold must be accompanied by a statement executed on form TG-22. In addition the depositors of such gold shall establish to the satisfaction of the mint that the gold was acquired, held, and transported by them in accordance with the regulations in this part or a license issued pursuant thereto.

§ 54.39 *Gold refined from sweeps purchased from a United States mint.* Gold refined from sweeps purchased from a United States mint shall be purchased only if the deposit of such gold is accom-

panied by a statement executed on form TG-28.

§ 54.40 *Imported gold.* Except for gold which may be purchased in accordance with the provisions of § 54.41, the mints are authorized to purchase only such gold imported into the United States as has been in customs custody throughout the period in which it shall have been situated within the customs limits of the continental United States, and then only subject to the following provisions:

(a) *Notation upon entry.* Upon formal entry into the United States of any gold intended for sale to a mint under this subpart, the importer shall declare to the collector of customs at the port of entry where the gold is formally entered that the gold is entered for such sale. The collector shall make a notation of this declaration upon the entry and forward a copy to the mint designated by the importer.

(b) *Statement by importer.* Upon the deposit of the gold with the mint designated by the importer, the importer shall file a statement executed in duplicate on form TG-23.

§ 54.41 *Gold refined from imported gold-bearing material.* The mints are authorized to purchase gold refined (or the equivalent to gold refined) from gold-bearing material which has been either imported into the United States pursuant to a license issued under § 54.25 (a) for sale of the gold derived therefrom to a designated mint, or imported into the United States under § 54.32 (notwithstanding the declaration made by the importer upon the entry into the United States of such gold-bearing material as required by § 54.32 (b)), whether or not such gold or gold-bearing material has been in customs custody throughout the period it has been in the customs limits of the continental United States, subject to the following provisions:

(a) In the case of gold-bearing material imported pursuant to license issued under § 54.25 (a) the importer shall declare to the collector of customs at the port of entry that the gold-bearing material is being imported for sale of the gold refined therefrom to a designated mint; the collector shall make on the entry a notation to this effect and forward a copy thereof to the mint designated by the importer.

(b) In the case of gold-bearing material imported under § 54.32, if the gold refined therefrom is offered to a mint other than the mint at San Francisco or the assay office at New York, the importer shall have caused the copy of the entry described in § 54.32 (b) to be forwarded to the mint to which he is offering the gold for sale.

(c) Before any gold may be purchased under this section, the requirements of § 54.32 (b) (2) and (3) must be shown to have been complied with: *Provided, however,* That any person importing gold-bearing materials for sale of the gold refined therefrom to a mint other than the mint at San Francisco or the assay office at New York shall have caused the true copy of the record described in § 54.32 (b) (3) to be forwarded to the mint to which he is offering the gold for sale.

(d) Upon presentation of the gold to a mint or assay office for purchase, the importer shall file a statement executed in duplicate on form TG-26, together with two true copies of the settlement sheet covering the gold-bearing material imported.

(e) No gold shall be accepted for purchase under authority of this paragraph unless it is delivered to the mint and all of the terms hereof complied with within seven months from the date of the formal entry into the United States of the gold-bearing material from which it was extracted.

§ 54.42 *Deposits.* Deposits of gold described in § 54.35 and rulings issued thereunder will be received in amounts of not less than 1 troy ounce of fine gold when deposited in the following forms: Nuggets, grains, and dust which are in their native state free from earth and stone, or nearly so, retort sponge, lumps, coins, bars, kings, buttons, and scrap gold as defined in § 54.4. All deposits containing 800 thousandths or more of base metal shall be rejected. In the case of gold forwarded to a mint by mail or express, a letter of transmittal shall be sent with each package. When there is a material discrepancy between the actual and invoice weights of a deposit, further action in regard to it will be deferred pending communication with the depositor.

§ 54.43 *Rejection of gold by mint.* Deposits of gold which do not conform to the requirements of §§ 54.35 to 54.42,

inclusive, or which otherwise are unsuitable for mint treatment shall be rejected and returned to the person delivering the same at his risk and expense. The mints shall not purchase gold under the provisions of this subpart from any person who has failed to comply with the regulations in this part or the terms of a Treasury gold license. Any deposit of gold which has been held in noncompliance with the acts, the orders, or any regulations, rulings, instructions or licenses issued thereunder, including the regulations in this part, or in noncompliance with section 3 of the act of March 9, 1933, or any orders, regulations, rulings, or instructions issued thereunder, may be held subject to the penalties provided in § 54.11 or section 3 of the act of March 9, 1933.

§ 54.44 *Purchase price.* The mints shall pay for all gold purchased by them in accordance with this subpart \$35.00 (less one-fourth of 1 percent) per troy ounce of fine gold, but shall retain from such purchase price an amount equal to all mint charges. This price may be changed by the Secretary of the Treasury without notice other than by notice of such change mailed or telegraphed to the mints.

* SUBPART G—SALE OF GOLD BY MINTS

§ 54.51 *Authorization to sell gold.* Each mint is authorized to sell gold to persons holding licenses issued pursuant to § 54.25, or to persons authorized under § 54.21 to acquire such gold for use in industry, profession, or art: *Provided, however,* That except in justified cases, no mint may sell gold to any person in an amount which, in the opinion of such mint, exceeds the amount actually required by such person for a period of 3 months. Prior to the sale of any gold under this subpart, the mint shall require the purchaser to execute and file in duplicate a statement on form TG-24, or, if such purchaser is in the business of furnishing gold for use in industries, professions, and arts, on form TG-25. The mints are authorized to refuse to sell gold in amounts less than 25 ounces, and shall not sell gold under the provisions of this subpart to any person who has failed to comply with the regulations in this part or the terms of his license.

§ 54.52 *Sale price.* The mints shall charge for all gold sold under this article \$35.00 (plus one-fourth of 1 percent) per troy ounce of fine gold plus the regu-

lar mint charges. This price may be changed by the Secretary of the Treasury without notice other than by notice of such change mailed or telegraphed to the mints.

SUBPART H—TRANSITORY PROVISIONS

§ 54.70 *Legal effect of amendment of regulations.* This amendment of the Gold Regulations shall not affect any act done or any right accruing or accrued or any suit or proceeding had or commenced in any civil or criminal cause prior to the effective date of this amendment but all such liabilities shall continue and may be enforced as if said amendment had not been made.

NOTE: The record-keeping and reporting requirements of these regulations have been approved by the Bureau of the Budget in accordance with the Federal Reports Act of 1942.

Part 55—Proclamation Fixing the Weight of the Gold Dollar

Sec.

55.1 Weight of the gold dollar.
55.2 Force and effect of President's Proclamation of January 31, 1934.

AUTHORITY: §§ 55.1 and 55.2 issued under sec. 43, 48 Stat. 51, as amended; 31 U. S. C. 821.

SOURCE: §§ 55.1 and 55.2 contained in Proclamation 2072, Jan. 31, 1934.

§ 55.1 *Weight of the gold dollar.* I, Franklin D. Roosevelt, President of the United States, do hereby proclaim, order, direct, declare and fix the weight of the gold dollar to be 15 5/21 grains nine tenths fine, from and after the date and hour of this proclamation. The weight of the silver dollar is not altered or affected in any manner by reason of this proclamation.

§ 55.2 *Force and effect of President's Proclamation of January 31, 1934.* This proclamation shall remain in force and effect until and unless repealed or modified by act of Congress or by subsequent proclamation; and notice is hereby given that I reserve the right by virtue of the authority vested in me to alter or modify this proclamation as the interest of the United States may seem to require.

Part 80—Newly-Mined Domestic Silver Regulations of July 6, 1939, as Amended

Sec.

80.1 Scope.
80.3 Definitions.

Sec.

80.4 Forms.
80.5 Revocation or modification.
80.6 Silver which will be received.
80.7 Affidavits.
80.8 Evidence which may be demanded.
80.9 Settlement for silver delivered.
80.10 Records.
80.11 Reports.
80.12 Agreement relating to records.

AUTHORITY: §§ 80.1 to 80.12 issued under sec. 4, 53 Stat. 998, 60 Stat. 750; 31 Stat. 316c, 316d.

SOURCE: §§ 80.1 to 80.12 appear at 11 F. R. 8717, Aug. 13, 1946, as amended at 13 F. R. 8328, Dec. 25, 1948.

§ 80.1 *Scope.* This part relates to the receipt and coinage by the United States coinage mints of silver mined in the United States or any place subject to the jurisdiction thereof pursuant to the provisions of section 4 of the act of July 6, 1939 (53 Stat. 998; 31 U. S. C. 316c), as supplemented by the act of July 31, 1946.

§ 80.3 *Definitions.* As used in this part:

(a) The term "person" means an individual, partnership, association, or corporation.

(b) The term "United States coinage mints" means the following mints: United States Mint, Philadelphia, Pa.; United States Mint, San Francisco, Calif.; United States Mint, Denver, Colo. And whenever authority is conferred in this part upon a "mint" such authority is conferred upon the person locally in charge of the mint, acting in accordance with instructions of the Director of the Mint or the Secretary of the Treasury.

§ 80.4 *Forms.* Any form, the use of which is prescribed in this part, may be obtained at any United States mint or assay office or at the Treasury Department, Washington, D. C.

§ 80.5 *Revocation or modification.* The provisions of this part may be revoked or modified at any time.

§ 80.6 *Silver which will be received.* The United States coinage mints, under the conditions specified in this section, and subject to the appropriate regulations governing the mints, will receive silver which any such mint is satisfied has been mined subsequently to July 1, 1939, from natural deposits in the United States or any place subject to the jurisdiction thereof. Such mints will also receive silver which forms a part of a mixture of domestic, secondary, and/or

foreign silver: *Provided*, Such mints are satisfied that the aggregate amount of such mixture so received does not exceed the amount of such mixture which has been mined subsequently to July 1, 1939, from natural deposits in the United States or any place subject to the jurisdiction thereof: *And provided further*, That such mints are satisfied that the aggregate amount of such mixture so received pursuant to the act of July 31, 1946, supplementing the act of July 6, 1939, does not exceed the amount of such mixture which has been mined after July 1, 1946, from natural deposits in the United States or any place subject to the jurisdiction thereof.

§ 80.7 *Affidavits*. (a) Every person delivering under the provisions of this part, silver which does not meet the requirements of the act of July 31, 1946, supplementing the act of July 6, 1939, shall file with each delivery a properly executed affidavit on form TSA-1 and supporting affidavit or affidavits of the miner or miners on form TSA-2 or TSA-2A, whichever is appropriate, containing the information called for in such forms and executed under oath before an officer duly authorized to administer oaths.

(b) Every person delivering under the provisions of this part silver which is offered pursuant to the act of July 31, 1946, supplementing the act of July 6, 1939, shall file with each delivery a properly executed affidavit on form TSA-10 and supporting affidavit or affidavits of the miner or miners on form TSA-20 or TSA-20A, whichever is appropriate, containing the information called for in such forms and executed under oath before an officer duly authorized to administer oaths.

(c) Affidavits on forms TSA-20 and TSA-20A which are not received by a United States coinage mint in time to qualify the silver for receipt under the act of July 31, 1946, supplementing the act of July 6, 1939, will be accepted under paragraph (a) of this section in lieu of the affidavits on forms TSA-2 and TSA-2A: *Provided*, That a properly executed affidavit on form TSA-1 is furnished.

§ 80.8 *Evidence which may be demanded*. Persons delivering silver un-

der the provisions of this part shall furnish such further evidence as may from time to time be requested by any United States coinage mint or the Director of the Mint, including affidavits, sworn reports, and sworn abstracts from books of account of any mines or any or all smelters or refineries handling such silver.

§ 80.9 *Settlement for silver delivered*. (a) The Director of Mint, pursuant to the consent of the owner as given in the agreement executed on form TSA-1, shall retain of the silver so delivered, 45 percent as seigniorage for services performed by the Government of the United States, and the balance of such silver so received, that is, 55 percent thereof, shall be coined into standard silver dollars and the same, or an equal number of other standard silver dollars, (or, at the option of the owner of the silver so delivered, silver certificates or any other coin or currency of the United States in an amount in dollars equal to such standard silver dollars) shall be delivered to the owner of such silver. Any fractional part of one dollar due hereunder shall be returned in any legal tender coin of the United States.

(b) The Director of the Mint, pursuant to the consent of the owner as given in the agreement executed on form TSA-10, shall, in the case of such silver mined after July 1, 1946 and tendered within one year after the month in which the ore from which the silver is derived was mined, retain of the silver so delivered, 30 percent as seigniorage for services performed by the Government of the United States, and the balance of such silver so received, that is, 70 percent thereof, shall be coined into standard silver dollars and the same, or an equal number of other standard silver dollars (or, at the option of the owner of the silver so delivered, silver certificates or any other coin or currency of the United States in an amount in dollars equal to such standard silver dollars) shall be delivered to the owner of such silver.

§ 80.10 *Records*. Every person delivering silver under this part, and every person owning or operating a smelter or refinery at which silver to be delivered under this part is mixed with secondary or foreign silver, or both, shall keep accurate records of all acquisitions,

by mining or otherwise, and of all dispositions of silver mined subsequently to July 1, 1939 and July 1, 1946, including, among other things, records of the date when such silver was mined, acquired, and disposed of. Such records shall be preserved for at least 1 year after the last delivery and made available for examination by a representative of the Director of the Mint upon the request of such representative.

§ 80.11 *Reports.* Every person delivering under this part, silver which does not meet the requirements of the act of July 31, 1946, supplementing the act of July 6, 1939, shall file with the Director of the Mint, on or before the 25th day of the month after the date such delivery is made, a report on form TSA-3 covering the period since the last report on Form TSA-3 was filed with the Director of the Mint: *Provided*, That the first report shall cover the period from July 1, 1939, to the end of the calendar month preceding the date of the report. Every person delivering under this part, silver which has been mined after July 1, 1946, and which is tendered pursuant to the act of July 31, 1946, supplementing the act of July 6, 1939, within one year after the month in which the ore from which the silver is derived was mined, shall file with the Director of the Mint on or before the 25th day of each month after the date the first delivery is made, a report on form TSA-30 covering the preceding calendar month: *Provided*, That the first report shall cover the period from July 1, 1946, to the end of the calendar month preceding the date of the report.

§ 80.12 *Agreement relating to records.* Every person delivering under this part, silver which has been mixed with secondary or foreign silver, or both, at a smelter or refinery other than that of the person making the delivery, shall, upon request by any United States coinage mint or the Director of the Mint, also file with each delivery of such silver an agreement properly executed under oath by a duly authorized officer of such other smelter or refinery, that the records will be kept as provided in this part, and that such records will be available for examination by a representative of the Director of the Mint for at least 1 year after the last delivery.

Part 90—Table of Charges at the Mints and Assay Offices of the United States¹

Sec.	
90.1	Melting charge.
90.2	Eligibility, withdrawal and rejection of deposits.
90.3	Parting and refining charge (rate per gross troy ounces or fraction).
90.5	Assays of gold or silver bullion or jewelry free from platinum groups metals.
90.6	Assays of plated and filled goods (over 800 base metal) and white gold free from platinum group metals.
90.7	Assays of ores.
90.8	Assaying and stamping charges.
90.9	General provision.

AUTHORITY: §§ 90.1 to 90.9 issued under R. S. 3524, as amended, R. S. 3546; 31 U. S. C. 832, 360.

SOURCE: §§ 90.1 to 90.9 appear at 23 F. R. 5244, July 10, 1958.

§ 90.1 *Melting charge.* (a) On each deposit of bullion a melting charge of \$3.00 shall be imposed for the first 1,000 gross troy ounces or fraction thereof, and 30 cents additional for each 100 ounces or fraction thereof in excess of 1,000 ounces, computed on the after-melting weight: *Provided*; That no melting charge shall be imposed on deposits consisting of uncurrent United States coin or unutilized stamped United States mint bars; on silver bullion free from gold, of the fineness of 999 thousandths or over when received in conformity with official regulations for monetary purposes and when a satisfactory assay can be obtained without melting; or on newly mined domestic silver bullion free from gold, received under the authorization of 31 U. S. C. 316c, 316d. Deposits of newly mined domestic silver bullion containing not less than $\frac{1}{4}$ thousandths of gold shall be subject to the same melting charges as gold deposits; such charges as may exceed the value of the gold in the deposit shall be waived.

(b) When the melting loss exceeds 15 percent, an additional charge of \$1.80 for each deposit shall be imposed when

¹ Coinage mints are located at Philadelphia, Pa.; San Francisco, Calif.; and Denver, Colo. A United States Assay Office is located at New York, N. Y. No deposits are accepted at the Office of the Director of the Mint in Washington, D. C.

the deposit weighs 100 gross troy ounces or less; on deposits weighing over 100 ounces the charge shall be \$1.80 for the first 100 ounces and 55 cents for each 100 ounces or fraction in excess of 100 ounces. Such additional charge shall be computed on the before melting weight of the deposit.

(c) On each deposit containing white gold alloys, as determined by the assayer, an extra melting charge of \$1.80 for each 100 gross troy ounces or fraction thereof shall be imposed. Such additional charge shall be computed on the before melting weight of the deposit.

(d) Deposits which fail to give concordant assays and those requiring an excessive amount of treatment, shall, at the discretion of the officer in charge of the Mint institution, be subject to an additional charge equal to the cost to the Government for additional fuel, labor, and materials used in melting and treatment, as well as in remelting and retreatment, if necessary, by the deposit melter. Impure deposits which fail to give concordant assays on dip samples from the second melting shall be rejected, subject to the provisions of § 90.2. The expenses incurred in treatment shall be collected. When such costs are assessed the charge set forth in paragraph (b) of this section shall not be made.

§ 90.2 *Eligibility, withdrawal and rejection of deposits.* (a) A gold deposit must contain one troy ounce of fine gold, at least 100 parts of gold in 1,000, and not less than 200 parts of gold or gold and silver combined in 1,000. If the deposit fails to meet these requirements or if the report of the assayer indicates it to be unsuitable for mint operations, it shall not be purchased. Deposits are not accepted in Washington, D. C.

(b) Gold, contained in deposits of silver eligible for receipt at a mint for return in bar form, may be purchased by the mints: Such deposits, however, must contain not less than 600 parts of silver in 1,000 and not more than 99 parts of gold in 1,000.

(c) If otherwise permissible,² deposits may be withdrawn by depositors at any time before payment is tendered therefor, and thereafter at the option of the officer in charge of the mint or assay office, subject to payment in cash of such charges for melting, etc., as have been incurred up to the time of withdrawal.

(d) Rejected deposits are subject to payment in cash of such charges as have been incurred up to time of rejection and should be returned to the depositor unless the metal may not be received by the depositor.² If the depositor may not receive the metal, the deposit will be held for delivery at his request and for his account, and by authorization of the Director of the Mint, to a person authorized to receive such metal.

§ 90.3 *Parting and refining charge (rate per gross troy ounces or fraction).*

CLASS A—BULLION CONTAINING GOLD

Base content (thousandths)	Gold content (thousandths)		
	Up to 250	250¼ to 500	500¼ to 999¼
	<i>Cents</i>	<i>Cents</i>	<i>Cents</i>
Up to 50.....	2	4	9
Over 50 to 150.....	3	5	10
Over 150 to 250.....	5	8	12
Over 250 to 350.....	8	10	14
Over 350 to 450.....	10	12	16
Over 450 to 550.....	12	14	18
Over 550 to 650.....	14	16	.....
Over 650 to 750.....	16	18	.....
Over 750.....	18	.....	.....
Base content disregarded.....	(¹)	(¹)	4
Base content disregarded.....	(²)	(²)	0

¹ Gold content 950 to 994¼.
² Gold content 995 and over.

CLASS B—SILVER BULLION FREE FROM GOLD

(Received for exchange for silver bars, under R. S. 3546 (31 U. S. C. 360); purchased under the Silver Purchase Act (31 U. S. C. 311a, 316b, 405a, 448-449e, 734a, 734b), or purchased for subsidiary silver coinage under R. S. 3526 (31 U. S. C. 335))

Silver content:	Charge (cents)
600 thousandths or less.....	9
600½ to 850 thousandths.....	7
850½ to 998¼ thousandths.....	2

CLASS C—MISCELLANEOUS

Upon gold bullion from 899 to 917 thousandths fine, having but one precious metal present and having base content of good copper, including foreign coins and domestic mutilated or uncurrent coin, a refining charge will be imposed only when payment is to be made in fine bars, in which case a charge of 10 cents per gross ounce, or fraction, will be imposed. Domestic gold coins will be received only in accordance with the provisions of § 92.1 of this chapter.

No refining charge will be imposed on domestic mutilated or uncurrent silver coin received in accordance with Part 100 of this chapter.

² See § 90.9.

No refining charge will be imposed on newly mined domestic silver bullion free from gold. Deposits of newly mined domestic silver bullion containing not less than $\frac{1}{4}$ thousandths of gold shall be subject to the same refining charges as gold deposits; such charges as may exceed, after deduction of the melting charge, the value of the gold in the deposit, shall be waived.

When bullion contains less than one-fourth thousandth of gold or less than 8 thousandths of silver, the gold or silver content respectively shall not be reported for the benefit of the depositor.

Gold coin containing 8 thousandths or over of silver acquires the status of bullion as regards charges and is subject to the appropriate charge for refining.

§ 90.4 *Bar charges*—(a) *Charges on gold bars issued in exchange for gold bullion.*¹ (1) When payment in gold bars is requested without specification as to size, no bar charge will be imposed; except that when fine gold bullion of 0.995 or higher fineness is deposited in exchange for Government-stamped bars, a bar charge of 7 cents per \$100 value of bars issued will be made; and with the further exception that when fineness of 999.9 is requested and available, a charge of 19 cents per \$100 value of bars issued will be made.

(2) When special size bars are requested and are available, the bar charges will be:

	Rate per \$100 value (cents)
Bar sizes (gross troy ounces):	
Large, over 50 ounces.....	7
Medium, 25 to 50 ounces.....	9
Small, below 25 but not less than 15 ounces.....	11
Special, below 15 but not less than 5 ounces.....	13

(b) *Charges on silver bars (0.999 or higher fineness) issued in exchange for silver bullion.*¹ No bar charges are imposed except when special size bars are requested and are available, in which case the bar charges will be:

	Rate per gross troy ounce (cents)
Bar sizes:	
Not less than 500 ounces.....	$\frac{1}{4}$
Between 125 and 500 ounces.....	$\frac{1}{2}$
125 ounces or less.....	1
No charge will be imposed on 1,000 ounce bars.	

(c) *Charges on gold bars sold.*¹ (1) Gold bars may be sold only in lots of not less than 25 fine troy ounces and only when of a fineness of 899 thousandths or above.

¹ See § 90.9.

(2) No bar charge will be imposed on any gold bars of a fineness below 999 thousandths when particular sizes or finenesses are not requested.

(3) The following bar charges will be made for bars of a fineness of 999 thousandths or above, for bars of particular fineness, and for bars of particular sizes, when any of such bars are requested and available:

Fineness (thou- sandths)	Bar sizes (gross troy ounces)	Rates per \$100 value
		<i>Cents</i>
999 and above, but below 999.9; also be- low 999 when particu- lar sizes or fine- nesses are requested.	Large, over 50 ounces..	7
	Medium, 25 to 50 ounces.....	9
	Small, below 25 ounces but not less than 15 ounces.....	11
	Special, below 15 but not less than 5 ounces.....	13
999.9.....	Any size.....	19

(d) *Charges on silver bars sold.* No bar charges are imposed on 1,000 ounce silver bars, sold in accordance with 31 U. S. C. 316d, and the Regulations issued thereunder. (Section 92.20 of this chapter.)

§ 90.5 *Assays of gold or silver bullion or jewelry free from platinum group metals.*

	Charge
Gold.....	\$6.00
Silver.....	6.00
Gold and Silver (same sample).....	10.00

An extra charge of \$3.00 for each assay of gold or silver will be imposed when the sample contains any of the platinum group metals.

§ 90.6 *Assays of plated and filled goods (over 800 base metal) and white gold free from platinum group metals.*

	Charge
Gold.....	\$7.00
Silver.....	7.00

An extra charge of \$3.00 for each assay of gold or silver will be imposed when the sample contains any of the platinum group metals.

§ 90.7 *Assays of ores.* Assays of ores will be made at the United States Mint at Denver, Colorado. The charge for each metal determined will be:

	Charge
Gold.....	\$2.50
Silver.....	2.50
Gold and Silver (same sample).....	4.00
Lead.....	4.50
Zinc.....	4.50
Copper.....	4.00

and § 92.8. Disposition of gold not eligible for purchase under Part 54 of this chapter (Gold Regulations) is determined by the Director of the Mint, except that gold held in noncompliance with the gold orders is purchased in accordance with the Instructions of the Secretary of the Treasury of January 17, 1934. No return or payment is made for metal other than gold or silver contained in the deposit.

§ 92.7 *Deposits of gold bullion with a mint or assay office for return in bar form.* Any owner of gold bullion, lawfully entitled to hold such gold, may deposit it at the mint or assay office in the district in which is located his residence or his principal place of business, for return in the form of stamped bars (but in no case is a gold bar of less weight than 5 ounces made or issued) when licensed to receive such bars under Part 54 of this chapter (Gold Regulations).

§ 92.8 *Acceptability of gold deposits.* If a gold deposit contains less than one ounce of fine gold, less than 200 parts of gold in 1,000, or if the report of the Assayer indicates it is unsuitable for mint operations, it will not be purchased. An unacceptable deposit may be returned to the depositor only if he is authorized under Part 54 of this chapter (Gold Regulations) to hold such gold in such amounts. If the depositor is not authorized to hold such gold, at his request and by authorization of the Director, it is forwarded for his account to a refiner or other person licensed to acquire and hold such gold.

§ 92.9 *Deposit of newly-mined domestic silver with a mint or assay office.* Any owner of newly mined domestic silver, mined subsequently to July 1, 1939, as defined in the Newly Mined Domestic Silver Regulations of July 6, 1939, as amended and supplemented (Part 80 of this chapter), may deposit such silver at the mints; return for such silver is made in accordance with such regulations. Deposits of newly mined domestic silver must be accompanied by duly executed affidavits satisfactory to the mint as evidence that such silver is eligible for deposit. As a matter of convenience to the public, the assay office at Seattle will accept eligible silver for the account of

the mint at San Francisco.¹ When specifically authorized by the Director, the Assay Office at New York will accept eligible silver for the account of the mint at Philadelphia. Silver of this category will be accepted provided it contains at least 200 parts in 1,000 of silver or of gold and silver combined. The gold content of such deposits will be paid for at the rate set forth in § 54.44 of this chapter upon compliance with § 54.36 of this chapter. No payment or return will be made for other metal contained in the deposit.

§ 92.10 *Deposit of silver for return in bar form.* Silver bullion not eligible for deposit under § 92.9 may be deposited at any mint or assay office for return in the form of unparted stamped bars; and at the mints and the New York Assay Office for return in refined stamped bars: *Provided*, That such silver contains not less than 600 parts of silver in 1,000 and not more than 10 parts of gold in 1,000. (The gold content of such deposits if eligible for purchase under § 54.37 of this chapter is paid for at the price set forth in § 54.44 of this chapter; no return is made for base metal contained in the deposit.) No silver bar of less than 25 ounces is issued by any mint or assay office except in exchange for a deposit containing less than 25 ounces, and in no case is a bar of silver of less weight than 5 ounces made or issued by any mint or assay office.

§ 92.11 *Silver contained in gold bullion.* At the option of the depositor, silver contained in gold bullion (other than newly mined as set forth in § 92.9) sold to the Government is returned to the depositor in the form of silver bars or purchased at such valuations as are from time to time established by the Director of the Mint.

¹ Treasury Department Order 179-1, 19 F. R. 9250, Dec. 28, 1954, provided for transfer of the functions of the Assayer in Charge of the United States Assay Office, Seattle, Washington. Paragraph 3 of said order provides as follows:

3. Deposits of gold and silver now being made at the United States Assay Office at Seattle, Washington, shall be made after January 15, 1955, at the United States Mint at San Francisco or the United States Mint at Denver, Colorado, as the Director of the Mint shall designate.

§ 92.12 Receipt of bullion deposits. As a matter of expedience and convenience to the public, the officers in charge of the mint institutions are authorized to receive deposits of bullion by express or mail. In cases where doubts may arise as to the ownership and eligibility or any other pertinent factor concerning deposits, the officers may decline to receive deposits unless made in person. When gold or silver deposits are received by express or mail, or when formal receipts are not requested by the depositors of silver bullion, memorandum receipts are issued to the depositors. Whenever the depositor of silver requests a formal receipt, he is given a receipt on Form 7a for the before-melting weight of his deposit. No receipt on Form 7a may be given to a depositor of gold bullion. Receipts on Form 7a must be surrendered, properly indorsed by the depositor at the time payment is made for the silver bullion represented thereby. If the depositor of silver bullion loses his receipt on Form 7a, it is necessary for him before payment is made to give a bond of indemnity for double the value of the deposit.

§ 92.13 Handling of bullion deposits. (a) All bullion deposited or purchased at any of the mints or assay offices is weighed, when practicable, in the presence of the depositor or his agent, and the weight is verified by some official or competent employee of the mint. Weights are recorded in troy ounces and hundredths of an ounce. In receiving and weighing deposits, fractions of one-hundredths of an ounce are disregarded. When several parcels are deposited by the same depositor at the same time they may be weighed separately at his request, but separate assays are made only subject to separate melting charges for each parcel assayed.

(b) The Assayer takes at least two samples in sufficient portions for assay from each deposit of bullion. The proportion of the gold, silver and base metal contained, as well as the charges to which the deposit is subject, are indicated by the Assayer on a special form provided for that purpose, which is signed by the Assayer. This form also contains the depositor's name, the number and date of the deposit, the class of bullion, the weight before and after melting and the deductions, if any, to which the deposit has been subjected.

§ 92.14 Charges on bullion deposited. The charges for the various operations on bullion deposited and for the preparation of bars are fixed from time to time by the Director of the Mint, with the concurrence of the Secretary of the Treasury, so as to equal but not exceed in their judgment the actual average cost to each mint and assay office of the material, labor, wastage and use of machinery employed. The current charges are set forth in the Table of Charges (Part 90 of this chapter). Depositors are credited with the after-melting weight of their bullion. The detailed memorandum of the weight of bullion after melting, the report of the Assayer as to fineness, the value of the deposit and the amount of the charges is given to the depositor.

§ 92.15 Payment for bullion deposits. Payment for bullion is made, in so far as practicable, in the order in which the deposits are received at the mint, by check drawn in favor of the depositor (or if payment is for silver bullion to such other person as he may designate), except when cash is requested. In no case is a check in payment of a deposit drawn in favor of any officer or employee of the institution where the deposit is made, and in no case may any person employed in the institution act as agent for the depositor. Checks may be sent by ordinary mail at the risk of the payee or by registered mail at their request and expense.

§ 92.16 Advance payment. When the approximate fineness of a deposit of bullion containing \$5,000 or more in gold or 5,000 or more ounces of silver may be readily determined, partial payment of 90 percent of the value may be made in the discretion of the officer in charge. If the fineness is closely determined by assay, and the deposit is awaiting remelting and reassay for exact determination, partial payment up to 98 percent of the value may be made. Partial payment of 96 percent of the declared value of a deposit of foreign coin valued at at least one million dollars may be made after its weight and approximate value have been determined. On a deposit of a million dollars in value of gold bullion not less than 0.995 fine, payment of 93 percent of the declared value may be made after the weight and approximate value have been determined. Other advances may be authorized by the Secretary of the Treasury. In any case of an advance the depositor must

and § 92.8. Disposition of gold not eligible for purchase under Part 54 of this chapter (Gold Regulations) is determined by the Director of the Mint, except that gold held in noncompliance with the gold orders is purchased in accordance with the Instructions of the Secretary of the Treasury of January 17, 1934. No return or payment is made for metal other than gold or silver contained in the deposit.

§ 92.7 *Deposits of gold bullion with a mint or assay office for return in bar form.* Any owner of gold bullion, lawfully entitled to hold such gold, may deposit it at the mint or assay office in the district in which is located his residence or his principal place of business, for return in the form of stamped bars (but in no case is a gold bar of less weight than 5 ounces made or issued) when licensed to receive such bars under Part 54 of this chapter (Gold Regulations).

§ 92.8 *Acceptability of gold deposits.* If a gold deposit contains less than one ounce of fine gold, less than 200 parts of gold in 1,000, or if the report of the Assayer indicates it is unsuitable for mint operations, it will not be purchased. An unacceptable deposit may be returned to the depositor only if he is authorized under Part 54 of this chapter (Gold Regulations) to hold such gold in such amounts. If the depositor is not authorized to hold such gold, at his request and by authorization of the Director, it is forwarded for his account to a refiner or other person licensed to acquire and hold such gold.

§ 92.9 *Deposit of newly-mined domestic silver with a mint or assay office.* Any owner of newly mined domestic silver, mined subsequently to July 1, 1939, as defined in the Newly Mined Domestic Silver Regulations of July 6, 1939, as amended and supplemented (Part 80 of this chapter), may deposit such silver at the mints; return for such silver is made in accordance with such regulations. Deposits of newly mined domestic silver must be accompanied by duly executed affidavits satisfactory to the mint as evidence that such silver is eligible for deposit. As a matter of convenience to the public, the assay office at Seattle will accept eligible silver for the account of

the mint at San Francisco.¹ When specifically authorized by the Director, the Assay Office at New York will accept eligible silver for the account of the mint at Philadelphia. Silver of this category will be accepted provided it contains at least 200 parts in 1,000 of silver or of gold and silver combined. The gold content of such deposits will be paid for at the rate set forth in § 54.44 of this chapter upon compliance with § 54.36 of this chapter. No payment or return will be made for other metal contained in the deposit.

§ 92.10 *Deposit of silver for return in bar form.* Silver bullion not eligible for deposit under § 92.9 may be deposited at any mint or assay office for return in the form of unparted stamped bars; and at the mints and the New York Assay Office for return in refined stamped bars: *Provided*, That such silver contains not less than 600 parts of silver in 1,000 and not more than 10 parts of gold in 1,000. (The gold content of such deposits if eligible for purchase under § 54.37 of this chapter is paid for at the price set forth in § 54.44 of this chapter; no return is made for base metal contained in the deposit.) No silver bar of less than 25 ounces is issued by any mint or assay office except in exchange for a deposit containing less than 25 ounces, and in no case is a bar of silver of less weight than 5 ounces made or issued by any mint or assay office.

§ 92.11 *Silver contained in gold bullion.* At the option of the depositor, silver contained in gold bullion (other than newly mined as set forth in § 92.9) sold to the Government is returned to the depositor in the form of silver bars or purchased at such valuations as are from time to time established by the Director of the Mint.

¹ Treasury Department Order 179-1, 19 F. R. 9250, Dec. 28, 1954, provided for transfer of the functions of the Assayer in Charge of the United States Assay Office, Seattle, Washington. Paragraph 3 of said order provides as follows:

3. Deposits of gold and silver now being made at the United States Assay Office at Seattle, Washington, shall be made after January 15, 1955, at the United States Mint at San Francisco or the United States Mint at Denver, Colorado, as the Director of the Mint shall designate.

§ 92.12 *Receipt of bullion deposits.* As a matter of expedience and convenience to the public, the officers in charge of the mint institutions are authorized to receive deposits of bullion by express or mail. In cases where doubts may arise as to the ownership and eligibility or any other pertinent factor concerning deposits, the officers may decline to receive deposits unless made in person. When gold or silver deposits are received by express or mail, or when formal receipts are not requested by the depositors of silver bullion, memorandum receipts are issued to the depositors. Whenever the depositor of silver requests a formal receipt, he is given a receipt on Form 7a for the before-melting weight of his deposit. No receipt on Form 7a may be given to a depositor of gold bullion. Receipts on Form 7a must be surrendered, properly indorsed by the depositor at the time payment is made for the silver bullion represented thereby. If the depositor of silver bullion loses his receipt on Form 7a, it is necessary for him before payment is made to give a bond of indemnity for double the value of the deposit.

§ 92.13 *Handling of bullion deposits.* (a) All bullion deposited or purchased at any of the mints or assay offices is weighed, when practicable, in the presence of the depositor or his agent, and the weight is verified by some official or competent employee of the mint. Weights are recorded in troy ounces and hundredths of an ounce. In receiving and weighing deposits, fractions of one-hundredths of an ounce are disregarded. When several parcels are deposited by the same depositor at the same time they may be weighed separately at his request, but separate assays are made only subject to separate melting charges for each parcel assayed.

(b) The Assayer takes at least two samples in sufficient portions for assay from each deposit of bullion. The proportion of the gold, silver and base metal contained, as well as the charges to which the deposit is subject, are indicated by the Assayer on a special form provided for that purpose, which is signed by the Assayer. This form also contains the depositor's name, the number and date of the deposit, the class of bullion, the weight before and after melting and the deductions, if any, to which the deposit has been subjected.

§ 92.14 *Charges on bullion deposited.* The charges for the various operations on bullion deposited and for the preparation of bars are fixed from time to time by the Director of the Mint, with the concurrence of the Secretary of the Treasury, so as to equal but not exceed in their judgment the actual average cost to each mint and assay office of the material, labor, wastage and use of machinery employed. The current charges are set forth in the Table of Charges (Part 90 of this chapter). Depositors are credited with the after-melting weight of their bullion. The detailed memorandum of the weight of bullion after melting, the report of the Assayer as to fineness, the value of the deposit and the amount of the charges is given to the depositor.

§ 92.15 *Payment for bullion deposits.* Payment for bullion is made, in so far as practicable, in the order in which the deposits are received at the mint, by check drawn in favor of the depositor (or if payment is for silver bullion to such other person as he may designate), except when cash is requested. In no case is a check in payment of a deposit drawn in favor of any officer or employee of the institution where the deposit is made, and in no case may any person employed in the institution act as agent for the depositor. Checks may be sent by ordinary mail at the risk of the payee or by registered mail at their request and expense.

§ 92.16 *Advance payment.* When the approximate fineness of a deposit of bullion containing \$5,000 or more in gold or 5,000 or more ounces of silver may be readily determined, partial payment of 90 percent of the value may be made in the discretion of the officer in charge. If the fineness is closely determined by assay, and the deposit is awaiting remelting and reassay for exact determination, partial payment up to 98 percent of the value may be made. Partial payment of 96 percent of the declared value of a deposit of foreign coin valued at at least one million dollars may be made after its weight and approximate value have been determined. On a deposit of a million dollars in value of gold bullion not less than 0.995 fine, payment of 93 percent of the declared value may be made after the weight and approximate value have been determined. Other advances may be authorized by the Secretary of the Treasury. In any case of an advance the depositor must

give a written guaranty that the value of the deposit is at least equal to the amount advanced.

§ 92.17 *Redemption and deposit of United States coin.* (a) United States gold coin is received at the mint institutions in accordance with the Instructions of the Secretary of the Treasury of January 17, 1934. Coin eligible for acceptance under such instructions if of legal weight is paid for at face value; if worn or mutilated is received as standard metal without previous melt or assay (except when it may be necessary to establish the amount of foreign substance present that cannot otherwise be determined), and is paid for as bullion at the rate of \$20.67+ per ounce of fine gold.

(b) The regulations governing the redemption and exchange of silver and minor coins are set forth in Part 100 of this chapter.

§ 92.18 *Sale of gold.* The regulations governing the sale of gold by mint institutions and the sale price thereof are set forth in §§ 54.51 and 54.52 of this chapter. Payment for the gold is required at the time of delivery of the bars. Payment by check will be accepted but delivery will not be made until the check has been deposited by the officer in charge of the institution and has cleared.

§ 92.19 *Sale of "proof" gold.* "Proof" gold (i. e., gold at least 0.9999+ fine) is sold only in exceptional cases upon specific authorization of the Director of the Mint, at a charge equal to \$35 per fine troy ounce plus one-quarter of one percent plus cost of manufacture.

§ 92.20 *Sale of silver.* An application for the purchase of silver may be filed with the mint or assay office in the district in which the applicant has his principal place of business, on forms which are available at all mints and assay offices and the Office of the Director of the Mint. The right is reserved to supply the silver, however, from any other mint institution if the interest of the Government so requires. Silver will be sold only in amounts required for manufacturing use in the normal conduct of the applicant's business. Applications for unusual amounts of silver are required to be referred to the Office of the Director of the Mint for approval before the sale can be made. Silver is sold at a price not less than 90.5 cents per fine troy ounce. Transportation

charges from the mint institution to the purchaser are paid by the purchaser. Payment for silver may be made in the same manner as set forth for gold in § 92.18.

§ 92.21 *Sale of "proof" silver.* "Proof" silver (i. e., silver 0.9999+ fine) is sold only in exceptional cases upon specific authorization of the Director of the Mint at a rate established from time to time which includes the cost of manufacture. "Proof" silver may also be supplied in exchange for silver furnished by the applicant, with appropriate charges to cover the cost of manufacture.

§ 92.22 *Assays of bullion and ores.* Samples of bullion are assayed for the public at all mint institutions at the charges set forth in the Table of Charges (Part 90 of this chapter). Samples of ores are assayed at the Seattle Assay Office¹ at the charges set forth in the Table of Charges.

§ 92.23 *Manufacture of medals.* With the approval of the Director of the Mint, dies for medals of a national character may be executed and struck at the Philadelphia Mint. Mint institutions are not authorized to prepare dies for private medals. However, when in the opinion of the Director the regular business of the Mint permits and when the Director so specifically authorizes, private medals may be struck from dies furnished by the parties in interest; charges are assessed to cover the cost of the operations. Application for the manufacture of such medals may be made by letter to the Superintendent of the Mint at Philadelphia.

§ 92.24 *Sale of "list" medals.* Medals on the regular mint list, when available, are sold to the public at a charge sufficient to cover their cost. Copies of the list of medals available for sale and their selling prices may be obtained from the Superintendent of the Mint at Philadelphia.

§ 92.25 *Manufacture of "proof" coins.* "Proof" coins, i. e. coins prepared from blanks specially struck and polished, are made by the Mint at Philadelphia, upon specific authorization by the Director and are sold by the Superintendent at a price fixed by the Director, which is face value plus a charge sufficient to cover the additional expense of their preparation. Their manufacture and issuance are contingent upon the demands of

¹ See footnote on p. 338.

regular operations. "Proof" coins are made only in the regular issues and designs of the coins of the year in which they are struck.

§ 92.26 *Informal consultations.* Officials of the Bureau of the Mint are available by appointment for consultation on problems involving the functions of the Bureau, interpretation of regulations, or similar matters.

§ 92.27 *Opinions, rulings and orders available to the public.* Final opinions, rulings and orders issued by the Bureau of the Mint in specific cases in connection with administration of the gold and silver regulations and other mint matters are not cited as precedents and, accordingly, are not published or made available to the public except in the discretion of the Director of the Mint upon specific request and a showing of legitimate interest therein. Rulings and opinions of general applicability are available to the public upon written request to the Director.

§ 92.28 *Matters of official record.* The following are deemed to be matters of official record within the meaning of section 3 (c) of the Administrative Procedure Act (60 Stat. 237; 5 U. S. C. 1002 (c)):

- (a) Applications for gold licenses.
- (b) Gold licenses.
- (c) Applications or End-Use certificates for the purchase of gold supplied to the mints and assay offices or to authorized gold dealers.
- (d) Reports submitted by gold licensees and by depositors of silver.
- (e) Audit reports of silver refining companies and persons having transactions in other than monetary gold made by field auditors of the Mint Bureau.
- (f) Affidavits and statements accompanying deposits of gold and silver.
- (g) Records of before-melting weight of gold and silver.
- (h) Final report of assay and calculation of value of bullion (supplied to depositor).
- (i) Transcripts of hearings with exhibits and other supporting documents.
- (j) Correspondence relating to each of the above.
- (k) Investigative reports.
- (l) Rulings and opinions issued in connection with administration of gold

and silver regulations and other mint matters.

§ 92.29 *Official—(a) Official records deemed confidential.* Official records falling within § 92.28 (a) through (k) are held to be confidential for the following causes: (1) They do not contain information of legitimate concern to the general public; (2) they may contain information of a confidential nature concerning the commercial and industrial affairs and activities of individuals and enterprises; and (3) to permit general inspection of such documents would violate public and private confidence.

(b) *Availability of official records deemed confidential.* Official records deemed confidential are available for inspection as follows:

- (1) An applicant for a gold license and his agent or successor in interest may inspect documents included in § 92.28 (a), (b), (c), (d), and (j) which refer to his application;
- (2) Gold licensees, persons whose licenses have been revoked, persons whose applications have been denied, and their agents or successors in interest may inspect documents included in § 92.28 (a), (b), (c), (d), (i), and (j) which refer to their applications or licenses;
- (3) Depositors of gold or silver may inspect documents included in § 92.28 (f) through (h) and (j) which refer to their deposit; and
- (4) Persons properly and directly concerned, upon the furnishing of a court order therefor entered in pending litigation, or in lieu thereof with the written consent of the person authorized to inspect the documents under this paragraph and paragraph (a) or (c) of this section, may inspect documents included in § 92.28 (a) through (j); and
- (5) Any person showing a legitimate interest therein will be advised as to the form and amount of a license held by any person.
- (6) Upon official requests of other governmental agencies or officers thereof, acting in their official capacities, the records included in § 92.28 may be made available to them.
- (c) *Information for applicants.* Applicants will be advised of the records which they will be permitted to examine, the time and place of examination. In certain instances, where facilities permit, copies of documents may in the discretion of the Director be sent to the

applicant. A reasonable fee may be charged for furnishing copies of official records.

§ 92.30 *Requests for information or official records.* Requests for information or to examine matters of official record should be directed to the Director of the Mint. The request should clearly state the information desired and set forth the interest of the applicant in the subject matter and the purpose for which the information is desired. If the applicant is an agent or attorney acting for another, he should attach to the application evidence of his authority to act for his principal.

§ 92.31 *Procedures for denying an application for a gold license, for revoking, suspending, modifying a license, and for excluding any person from the privileges of authorizations conferred in Part 54 of this chapter—(a) Investigations.* The Director of the Mint is authorized to make or cause to be made such investigations as the Director deems necessary to assist in the consideration of any applications for licenses or in the administration and enforcement of the Gold Reserve Act of 1934 (31 U. S. C. 440), section 5 (b) of the act of October 6, 1917, as amended (12 U. S. C. 95a (3)), and Part 54 of this chapter (Gold Regulations). In general, such investigations are conducted by the staff of the gold unit of the Bureau of the Mint under the direction and supervision of the Chief of the Gold and Silver Division. Subpoenas are issued by the Director of the Mint in accordance with the provisions of § 54.26 of this chapter, and may require the appearance and testimony of any person believed to have knowledge of any pertinent facts and the production of any documents or records specified in § 54.26 of this chapter or otherwise deemed to be relevant to the inquiry, at any designated place.

(b) *Notification—(1) Notification to person whose application has been denied, whose license has been revoked, suspended or modified, or who has been excluded from any authorization or privilege.* Any person whose application for an initial gold license, or for a renewal of an existing license is denied, whose gold license is revoked, modified or suspended, or who is excluded from any privilege or authorization conferred in Part 54 of this chapter, shall be notified by the Director of the Mint by registered letter mailed to the last address of such

person on file with the Bureau of the Mint, of such denial, revocation, suspension, modification, or exclusion. Such notice shall contain a concise statement of the grounds for any such action, and shall, in appropriate cases, inform the party proceeded against of his right to reconsideration under paragraphs (c) and (d) of this section: *Provided*, That the notice is answered in writing or a hearing is requested within 15 days after receipt of such notice, or within such different time as the Director of the Mint may, for special cause, prescribe.

(2) *Notification by show-cause order.* In the first instance, the Director of the Mint may, by registered letter addressed to the last address of the respondent on file with the Bureau of the Mint, require any such person to show cause why his Treasury Department gold license should not be revoked, modified or suspended, or to show cause why he should not be excluded from any privileges or authorizations conferred in Part 54 of this chapter. Such show-cause order shall set forth the specific violations charged, including references to the particular regulatory provisions alleged to have been violated, and shall give notice of the sanctions which may be imposed in the event respondent is found to have committed the alleged violations, i. e., whether his license will be revoked, modified or suspended, or he will be excluded from any privilege or authorization contained in Part 54 of this chapter or both. Such order shall advise the respondent that in the event of a failure to answer the charges in writing or to request a hearing within 15 days from the date of receipt of the show-cause order, or within such other time as the Director of the Mint shall, for special cause, prescribe, he shall be held in default, in which case the Director shall issue a final decision, all intervening proceedings being deemed waived because of such default. A show-cause order issued under this subparagraph may also require the appearance and testimony of any person believed to have knowledge of any pertinent facts, and the production of any documents or records specified in § 54.26 of this chapter, or otherwise deemed to be relevant to the inquiry.

(c) *Requests for reconsideration.* A written request for reconsideration of any action of which notification has been given under paragraph (b) (1) of this section, setting forth in detail the basis

for such request, or an answer to a show-cause order issued pursuant to paragraph (b) (2) of this section may be addressed to the Director of the Mint, Treasury Department, Washington 25, D. C. In addition, upon written request the Director will schedule a formal hearing in the matter at which time there may be brought to the attention of the Bureau of the Mint any information bearing thereon. If the respondent so desires he may waive the formal hearing and have the case considered by the Director of the Mint on the basis of his written answer.

(d) *Hearings*—(1) *Initiation of proceedings*. In any case of a request for a formal hearing made in accordance with the provisions of paragraph (c) of this section, the Director of the Mint shall send a charging letter notifying the respondent of the basis upon which action denying his application, revoking, suspending or modifying his license, or excluding him from any privilege or authorization contained in Part 54 of this chapter was taken. The charging letter shall inform the respondent of the time and place of the hearing, and shall be sent by registered mail to the last address of the respondent on file with the Bureau of the Mint. The specific violations charged and references to the particular laws and regulations alleged to have been violated shall be included in the charging letter: *Provided, however*, That, in the event that proceedings are initiated by show-cause order issued by the Director of the Mint in accordance with the provisions of paragraph (b) (2) of this section, such show-cause order and any amendments thereto, shall constitute the charging letter.

(2) *Preliminary informal conferences*. Prior to any hearing conducted under subparagraph (3) of this paragraph, there may be held, at the request of either party and with the consent of both parties, a preliminary informal conference, for the purpose of settling or simplifying the issues by consent of the parties.

(3) *Formal procedures*—(1) *Presiding officers*. Hearings under this subparagraph shall be conducted by the Director of the Mint or by an independent hearing examiner duly appointed and qualified by the Civil Service Commission and designated by the Director of the Mint to preside. The presiding officer shall have authority in connection with the hearing to administer oaths and affirmations, rule upon offers of proof,

take or cause depositions to be taken whenever the ends of justice would be served thereby, regulate the course of the hearing, hold conferences for the settlement or simplification of the issues by consent of the parties, dispose of procedural requests or similar matters, and take other action consistent with the rules and regulations of the Bureau of the Mint and other requirements of law.

(ii) *Conduct of hearings*. The Bureau of the Mint and the respondent may offer any oral or documentary evidence relevant and material to the charges specified in the charging letter or the show-cause order. The exclusionary rules of evidence prevailing in courts of law shall not be applied. However, irrelevant, immaterial, or unduly repetitious evidence shall be excluded. Respondent and the agency may be represented by counsel. The proceedings shall be duly reported and a full transcript thereof filed with the Office of the Director of the Mint. After both parties have had a full opportunity to offer all oral and documentary evidence bearing on the charges, to conduct such cross-examination as may be required for a full and complete development of the facts, and to submit rebuttal evidence, the hearing examiner shall declare the hearing adjourned.

(iii) *Submission of corrections in the record, proposed findings, and conclusions*. Upon adjournment of the hearing, copies of the transcript shall be submitted to the respondent and to counsel for the Bureau of the Mint, who may, within 15 days after receipt thereof or within such other time as the presiding officer may, for special cause prescribe, submit to the presiding officer a statement in writing setting forth proposed findings and conclusions, which may be accompanied by a brief in support thereof, and proposed corrections in the record. The presiding officer may, upon the request of any party allow the submission of a reply brief in any case involving disputed questions of law: *Provided, however*, That except in justified cases, the presiding officer shall allow, for the submission of a reply brief, a period of not more than ten days after the party requesting the opportunity to submit a reply has received the brief of the opposing party. If respondent or counsel for the Bureau of the Mint submits any proposed findings or conclusions, briefs, or corrections in the record,

he shall, as promptly as practicable, furnish copies thereof to the opposing side. All such submittals shall be a part of the record.

(iv) *Requests to re-open a hearing.* The presiding officer may upon written request re-open a proceeding at any time prior to his report, or should the Director of the Mint preside at the hearing, then prior to the final decision, for the purpose of hearing any relevant and material evidence which was unknown or which was unobtainable at the time of the original hearing. The request for re-opening shall contain a summary of such evidence, the reasons why it is considered to be material and relevant, and the reasons why it could not have been presented at the original proceeding.

(v) *Hearing examiner's report.* In any case in which a hearing is conducted by an independent hearing examiner, such examiner, within 30 days after the expiration of the time allowed for filing proposed findings and conclusions and briefs, or within such different period as the Director of the Mint may prescribe, shall file with the Director of the Mint his report containing his findings of fact, recommended decision, and rulings on any corrections in the record submitted under subdivision (iii) of this subparagraph. A copy of such report shall be forthwith furnished to the respondent and to counsel for the Bureau of the Mint by the Director of the Mint.

(vi) *Exceptions.* Within 15 days after receipt of a copy of the hearing examiner's report the respondent or counsel for the Bureau of the Mint may file exceptions to the recommended decision of the hearing examiner, or any portion thereof, or to his failure to follow a proposed finding or conclusion, or to the admission or exclusion of evidence, and within such period he may file a brief in support of his contentions and exceptions. All such submittals shall be addressed to the Director of the Mint. A copy of such exceptions and briefs shall be furnished to the opposing side.

(vii) *Decision.* Final decision in the case shall be made by the Director of the Mint, after reviewing the record and all exceptions thereto. Copies of such decision shall forthwith be furnished to the respondent and to counsel for the Bureau of the Mint.

(e) *Issuance of temporary license or authorization.* Any person whose license has been suspended, revoked or modified,

or who has been excluded from any of the privileges or authorizations conferred in Part 54 of this chapter, and who has requested a reconsideration of such suspension, revocation, modification or exclusion, in accordance with the provisions of paragraphs (c) and (d) of this section may be permitted during the pendency of any such proceeding, to operate under a temporary license or authorization upon such terms and conditions as the Director of the Mint shall prescribe, unless, in the opinion of the Director, the issuance of such a temporary license or authorization would be contrary to the public interest.

SUBPART B—DESCRIPTION OF FORMS AND REQUIRED STATEMENTS

§ 92.40 *Description of; copies of forms.* The descriptions of the forms and required statements contained in this subpart are not intended to indicate the detail of the forms but are merely general references to the use and content thereof. Copies of the forms may be obtained from the Treasury Department, Bureau of the Mint, Washington 25, D. C., or any Bureau of the Mint field institution.

FORMS RELATING TO GOLD MATTERS

§ 92.41 *Form TG-11: Application for license to export gold coin.* (See §§ 54.20 and 54.25 (b) (3) of this chapter.) The applicant is required to submit a description of each coin, including date, denomination, country of issue, condition, mint mark (if any), and design. Port of export and the name and address of the person to whom the gold coins will be exported are also required to be stated.

§ 92.42 *Form TG-12: Application for a gold license.* This form is to be used in applying for an initial license, or for a modification or renewal of an existing license to acquire and hold, transport melt or treat, and/or import gold for use in industry, profession or art or for sale to the United States. It contains descriptions of various types of gold licenses which may be issued on the basis of this application. The applicant is required to submit information concerning his particular needs for gold and a gold license and the ownership and nature of his business.

§ 92.43 *Form TGR-12: Quarterly report of scrap gold dealers.* This report is required of holders of gold licenses on Form TGL-12. Detailed information is required concerning the acquisition,

holding and disposition of scrap gold by the licensee during the quarter.

NOTE: For change in reporting requirements of this section, see § 54.27 of this chapter.

§ 92.44 *Form TGR-13: Quarterly report for holders of licenses on Form TGL-13 and TGL-13-A.* This report is required of holders of gold licenses on Form TGL-13 and TGL-13-A. Detailed information is required concerning the acquisition, holding and disposition of gold by the licensee during the quarter.

NOTE: For change in reporting requirements of this section, see § 54.27 of this chapter.

§ 92.45 *Form TGR-14: Quarterly report for holders of licenses on Form TGL-14.* This report is required of holders of gold licenses on Form TGL-14. Detailed information is required concerning the acquisition, holding and disposition of gold by the licensee during the quarter.

NOTE: For change in reporting requirements of this section, see § 54.27 of this chapter.

§ 92.46 *Form TG-15: Application for license to export or transport semi-processed gold from the continental United States.* (See § 54.25 (b) (4) of this chapter.) Information is required concerning the amount and invoiced sales price of the semi-processed gold which it is desired to export, the description of the semi-processed gold, the port of export, the consignee, and the purposes for which the gold will be used abroad.

§ 92.47 *Statement to accompany applications to export semi-processed gold.* This statement is required of the consignee of the gold and must accompany applications on Form TG-15 to export semi-processed gold in excess of 100 fine troy ounces. Information is required concerning the business of the consignee, the use to be made of the gold, and the disposition of previous holdings of gold; the consignee is also required to state that the proposed importation and payment therefor are authorized or licensed under the applicable laws of the country of importation.

§ 92.48 *Form TG-15 (General): Application for general license to export semi-processed gold from the United States for use in the dental profession.* (See § 54.25 (b) (4) of this chapter.)

Application is submitted on this form instead of Form TG-15 if the applicant desires to obtain a license to cover recurring shipments to regular customers for specified amounts and types of semi-processed gold of 22 karats or less for use in the dental profession. This application is required to be submitted on a quarterly basis, and information is required with respect to each consignee.

NOTE: For change in reporting requirements of this section, see § 54.27 of this chapter.

§ 92.49 *Form TGR-15 (General): Report for holders of general licenses on Form TGL-15 (General).* This report is required of holders of gold licenses on Form TGL-15 (General). Detailed information is required concerning the exportations made during each quarter pursuant to the general license.

NOTE: For change in reporting requirements of this section, see § 54.27 of this chapter.

§ 92.50 *Form TG-15-B: Application for general licenses to export gold from the continental United States in any form for refining or processing.* (See § 54.25 (b) (4) of this chapter.) The applicant is required to set forth a description of the gold which it is desired to export for refining or processing, the amounts of such gold, the ports of export, and the specific reason for exporting the gold. The applicant is also required to agree that he will reimport into the United States the refined or processed gold (or its equivalent in refined or processed gold) derived from the gold exported.

§ 92.51 *Form TGR-15-B: Monthly report for holders of general licenses on Form TGL-15-B.* This report is required of holders of gold licenses on Form TGL-15-B. Information is required concerning the gold exported for refining or processing and the reimportations of the refined or processed gold derived therefrom, during the calendar month of the report.

§ 92.52 *Form TG-16: Application for license to export gold refined from imported gold-bearing materials.* (See § 54.32 of this chapter.) The applicant is required to submit information as to the amount of refined gold to be exported, names and addresses of the immediate and ultimate consignees, the location of the plant at which the gold

was refined, and the ports of export; and to make certain representations concerning its interest in the gold.

§ 92.53 *Supplemental to application on Form TG-16: Certificate of no Communist Chinese or North Korean interest.* This certificate is required to be executed by persons abroad effecting sale of gold refined from imported gold-bearing materials and filed in support of application on Form TG-16 for the exportation of such refined gold from the United States (§ 54.32 of this chapter). Information is required concerning the gold to be re-exported and the foreign consignee. The signer is required to certify that he has no information other than that set forth on the form that any designated national as defined in the Foreign Assets Control Regulations (Chapter V of this title) may have or may obtain any interest in the refined gold, which is to be re-exported, or that any person with whom the signer has had dealings in connection with such gold may be, or may have been acting on behalf of any designated national as defined in the Foreign Assets Control Regulations (Chapter V of this title).

§ 92.54 *Form TG-17: Application for license to import, hold, transport, and export transit gold.* (See § 54.33 of this chapter.) The applicant is required to submit information concerning the entry and reexport of the gold, the amount and description of the gold, the name and address of the consignee, and place of delivery abroad.

§ 92.55 *Form TG-18: Application for license to acquire, transport, melt or treat, import, export or earmark gold or hold gold in custody for foreign or domestic account.* (See § 54.34 of this chapter.) Application is made on this form for a license to deal in gold for purposes other than those specified in part 54 of this chapter (Gold Regulations) which in the judgment of the Secretary of the Treasury are not inconsistent with the purposes of the Gold Reserve Act of 1934 and section 5 (b) of the act of October 6, 1917, as amended. The applicant is required to submit a complete statement of the nature of the transaction or type of transactions for which the gold is to be used, the reasons why gold is required, and the grounds on which he bases his belief that such use of the gold is not inconsistent with such acts.

§ 92.56 *Form TG-19: Certification accompanying deposits by persons who have recovered gold by mining or panning.* (See § 54.36 (a) (1) of this chapter.) The depositor is required to submit a description of the gold and information as to the sources and dates of acquisition.

§ 92.57 *Form TG-20: Certification accompanying deposits by persons who have recovered gold in the regular course of their business of operating a custom mill, smelter, or refinery.* (See § 54.36 (a) (2) of this chapter.) The depositor is required to submit a description of the gold and to certify he is keeping records as to the source of the gold.

§ 92.58 *Form TG-21: Certification accompanying deposits by persons purchasing gold directly from miners or panners.* (See § 54.36 (a) (3) of this chapter.) The depositor is required to submit a description of the gold and information as to the sources and dates of acquisition.

§ 92.59 *Form TG-22: Certification of depositor of scrap gold.* (See § 54.38 of this chapter.) The depositor is required to submit a description of the gold and information as to the sources and dates of acquisition.

§ 92.60 *Form TG-23: Certification of depositor of gold (other than United States gold coin) imported into the United States after January 30, 1934.* (See § 54.40 of this chapter.) The depositor is required to submit a description of the gold, the name of the foreign shipper and of the owner, the date of arrival of the gold in the United States, and to certify to other facts.

§ 92.61 *Form TG-24: Certification to Treasury Department by direct user of gold.* (See § 54.51 of this chapter.) The applicant is required to submit information concerning his present holdings of gold, his requirements for fine gold for a 3-months' period, and the amount of gold used during the preceding year.

§ 92.62 *Form TG-25: Certification to Treasury Department by person engaged in the business of furnishing gold for use in industry, profession, or art.* (See § 54.51 of this chapter.) The applicant is required to submit information concerning his present holdings of gold, his requirements for fine gold for a 3-months' period, and the amount of gold sold during the preceding year.

§ 92.63 *Form TG-26: Certification to accompany deposit of gold refined from gold-bearing material imported into the United States.* (See § 54.41 of this chapter.) The depositor is required to submit information concerning his business, the description of the gold, the importation of the gold-bearing materials and the refinement thereof.

§ 92.64 *Form TG-28: Statement of depositor of gold recovered from Mint sweeps.* (See § 54.39 of this chapter.) The depositor is required to describe the gold to certify that the gold contained in the deposit was recovered from sweeps purchased from a mint or assay office.

§ 92.65 *Form TG-29: End-Use Certificate for semi-processed gold.* The purchaser of semi-processed gold from refiners in amounts in excess of \$200, is required to certify on this form as to the end-use of the gold purchased.

§ 92.66 *Form TG-30: Statement of holder of melted gold.* (See § 92.2.) This statement is required of persons holding gold in melted or treated form which was required to be delivered to the United States under the gold orders or which is not authorized to be held under Part 54 of this chapter (Gold Regulations). Information is required concerning the acquisition, and the melting and treating of the gold.

FORMS RELATING TO SILVER MATTERS

§ 92.75 *Application to purchase silver from the Treasury Department under the act of July 31, 1946 (60 Stat. 750: 31 U. S. C., 316d).* The applicant is required to state that the amount of silver which he desires to purchase together with that on hand, will not exceed his normal requirements for a 2-months' period, and that the silver is "for manufacturing uses."

§ 92.76 *Forms prescribed (for deposits) under the act of July 6, 1939.* The following forms are required to be submitted in connection with domestic silver mined subsequently to July 1, 1939, and deposited with a mint institution pursuant to section 4 of the act of July 6, 1939 (53 Stat. 998; 31 U. S. C. 316c). (See Part 80 of this chapter):

(a) *Form TSA-1: Affidavit and agreement by owner relative to silver mined subsequently to July 1, 1939.* This affidavit and agreement is required to be submitted by the owner of the silver de-

posited, and requires information concerning the date the silver was mined and the ownership thereof.

(b) *Form TSA-2: Affidavit of miner relative to silver mined subsequently to July 1, 1939.* This is a supporting affidavit required to be submitted with Form TSA-1, when applicable. The affiant is required to set forth information concerning silver which he has mined subsequently to July 1, 1939, the location of the mine, the place the silver was delivered and the amount thereof.

(c) *Form TSA-2A: Affidavit of miner relative to silver taken subsequently to July 1, 1939, from mine dumps and tailing piles which existed as such on midnight July 1, 1939.* This is also a supporting affidavit required to be submitted with Form TSA-1, when applicable. The affiant is required to swear that the silver was derived in the manner and from the sources set forth therein.

(d) *Form TSA-3: Report of person delivering silver pursuant to the provisions of section 4 of the act of July 6, 1939, and the regulations issued thereunder.* A detailed report is required of the acquisitions holdings and dispositions of silver mined subsequently to July 1, 1939.

§ 92.77 *Forms prescribed (for deposits) under the act of July 31, 1946.* The following forms are required to be submitted in connection with domestic silver mined subsequently to July 1, 1946, and deposited with a mint institution pursuant to the act of July 31, 1946 (60 Stat. 750; 31 U. S. C. 316d). (See Part 80 of this chapter):

(a) *Form TSA-10: Affidavit and agreement by owner relative to silver mined subsequently to July 1, 1946.* This affidavit and agreement is required to be submitted by the owner of the silver deposited, and requires information concerning the date the silver was mined and the ownership thereof.

(b) *Form TSA-20: Affidavit of miner relative to silver mined subsequently to July 1, 1946.* This is a supporting affidavit required to be submitted with Form TSA-10, when applicable. The affiant is required to set forth information concerning silver which he has mined subsequently to July 1, 1946, and location of the mine, the place the silver was delivered and the amount thereof.

(c) *Form TSA-20A: Affidavit of miner relative to silver taken subsequently to*

July 1, 1946, from mine dumps and tailing piles which existed as such on midnight July 1, 1946. This is also a supporting affidavit required to be submitted with Form TSA-10, when applicable. The affiant is required to swear that the silver was derived in the manner and from the sources set forth therein.

(d) *Form TSA-30: Report of persons delivering silver pursuant to the provisions of the act of July 31, 1946, supplementing the provisions of section 4 of the act of July 6, 1939, and the regulations issued thereunder.* A detailed report is required of the acquisitions, holdings and dispositions of silver mined subsequently to July 1, 1946.

(e) *Form 300: Verification of affidavit on Form TSA-20 or TSA-20A.* This form is used for verification of supporting affidavits which have been submitted with TSA-10 affidavits.

Part 100—Exchange of Paper Currency and Coin

Sec.

100.2 Scope of regulations; transactions effected through Federal Reserve banks and branches; distribution of coin and currencies.

Subpart A—In General

100.3 Lawfully held coins and currencies in general.

100.4 Gold coin and gold certificates in general.

Subpart B—Exchange of Mutilated Paper Currency

100.5 Mutilated paper.

100.6 Evidence required in connection with mutilated paper.

100.7 Affidavits.

100.8 Certificates relative to affidavits.

100.9 Affidavit and certificate forms; totally destroyed paper; discretion of Treasurer of the United States.

Subpart C—Exchange of Mutilated Coin

100.10 Mutilated coin; in general.

100.11 Coins altered to render them available for use as other denominations.

100.12 Where mutilated coins should be transmitted.

100.13 Criminal penalties.

100.14 Standard silver dollars and subsidiary silver coins.

100.15 Minor coins.

Subpart D—Other Information

100.18 Shipments of coins.

100.17 Exchange of paper and coin to be handled through Federal Reserve banks and branches.

Sec.

100.18 Location of Federal Reserve banks and branches.

100.19 Counterfeit notes to be marked; "redemption" of notes wrongfully so marked.

100.20 Disposition of counterfeit notes and coins.

AUTHORITY: §§ 100.2 to 100.20 issued under sec. 1, 49 Stat. 938; 31 U. S. C. 773a.

SOURCE: §§ 100.2 to 100.20 contained in Treasury Department Circular 55, Revised, 20 F. R. 6678, Sept. 10, 1955.

CROSS REFERENCE: For regulations of the Federal Reserve system, see 12 CFR Chapter II.

§ 100.2 *Scope of regulations; transactions effected through Federal Reserve banks and branches; distribution of coin and currencies.* The regulations in this part govern the exchange of the coin and paper currency of the United States (including national bank notes and Federal Reserve bank notes in process of retirement and Federal Reserve notes). Under authorization in the act approved May 29, 1920, 41 Stat. 655 (31 U. S. C. 476), the Secretary of the Treasury transferred to the Federal Reserve banks and branches the duties and functions performed by the former Assistant Treasurers of the United States in connection with the exchange of paper currency and coin of the United States. Except for the duties in this respect to be performed by the Treasurer of the United States and the Director of the Mint as may be indicated from time to time by the Secretary of the Treasury exchanges of the paper currency and coin of the United States and the distribution and replacement thereof will, so far as practicable, be effected through the Federal Reserve banks and branches. Federal Reserve banks and branches have been instructed by the Treasury to make an equitable and impartial distribution of available supplies of currency and coin in all cases, and applications therefor should be made to the Federal Reserve bank or branch of such bank located in the same district with the applicant. Distribution of new coins will not be made so long as there are available sufficient stocks of circulated coins in the Federal Reserve banks and branches or in the Treasury offices.

SUBPART A—IN GENERAL

§ 100.3 *Lawfully held coins and currencies in general.* The official agencies of the Treasury Department will con-

tinue to exchange lawfully held coins and currencies of the United States, dollar for dollar, for other coins or currencies which may be lawfully acquired and are legal tender for public and private debts.

§ 100.4 *Gold coin and gold certificates in general.* Gold coin and gold certificates are exchanged only as provided in the acts, orders, regulations, and instructions relating to gold and gold certificates.

SUBPART B—EXCHANGE OF MUTILATED PAPER CURRENCY

§ 100.5 *Mutilated paper.* Lawfully held paper currency of the United States (including national bank notes and Federal Reserve bank notes in process of retirement and Federal Reserve notes), when not so mutilated that less than three-fifths of the original proportions remain, will be exchanged at its face amount. Such lawfully held paper currency, when so mutilated that less than three-fifths but clearly more than two-fifths of the original proportions remain, is exchangeable only by the Treasurer of the United States, at one-half the face amount of the whole note or certificate: *Provided, however,* That it may be exchanged at face amount upon compliance with the provisions of § 100.6. Fragments not clearly more than two-fifths are not exchangeable, unless accompanied by the evidence required in the following section.

§ 100.6 *Evidence required in connection with mutilated paper.* Fragments less than three-fifths, when identifiable as to denomination, kind and genuineness, are exchangeable at the face amount of the whole note, only by the Treasurer of the United States, when accompanied by satisfactory proof that the missing portions have been totally destroyed. This proof should be in the form of an affidavit from the owner setting forth that he is the owner and the cause and manner of destruction. If, however, the owner cannot of his own knowledge state the facts as to destruction, an affidavit or affidavits from any other person or persons having knowledge of the facts will also be required.

§ 100.7 *Affidavits.* The affidavits must be subscribed and sworn to before a notary public or other officer authorized by law to administer oaths. Unless authenticated by the official impression seal of the officer, the affidavit should be

accompanied by a certificate from the proper official, showing that the officer was in commission on the date of the acknowledgment. The date when the officer's commission expires should appear in any event. Should any affiant sign by mark (X), his signature must be witnessed by two persons besides the acknowledging officer, and the places of residence of the witnesses to the mark must be stated.

§ 100.8 *Certificates relative to affidavits.* In addition to the affidavits, there should be furnished a certificate, to be executed, if possible, by an officer of an incorporated bank or trust company or by a public officer of the United States, setting forth that that officer has read the affidavits and that the affiants are reputable persons in the community and are, in the judgment of the officer, worthy of belief.

§ 100.9 *Affidavit and certificate forms; totally destroyed paper; discretion of Treasurer of the United States.* Blank forms for affidavits or certificates are not furnished. No relief is granted on account of currency totally destroyed. The Treasurer of the United States will exercise such discretion under this subpart as may seem to him needful to protect the United States from fraud.

SUBPART C—EXCHANGE OF MUTILATED COIN

§ 100.10 *Mutilated coin; in general.* Except as hereinafter provided, mutilated silver and minor coins are not accepted at their face amount but at their bullion or metal value. Silver coins are mutilated when punched, clipped, plugged, fused together, or when so defaced as to be not readily and clearly identifiable as to genuineness and denomination. Minor coins are mutilated when punched, clipped, plugged, fused together, or so defaced as not to be readily identifiable. Coins containing lead, solder or other substances which will render them unsuitable for coinage metal will not be accepted by the mints. Silver and minor coins that are bent or twisted out of shape, but are readily and clearly identifiable as to genuineness, and coins that have been reduced in weight by natural abrasion only, are not regarded as mutilated, and will be received at face amount.

§ 100.11 *Coins altered to render them available for use as other denominations.* Silver and minor coins which have

merely been so altered as to render them available for use as coins of another denomination will be received at face amount, except that such minor coins must first be certified to by a coinage mint as being genuine and otherwise eligible for receipt at such amount. A charge of \$1.00 per thousand coins or fraction thereof shall be made for such coins received and examined by such mint for certification, regardless of the number of coins in any deposit certified to as aforesaid, with a minimum charge of \$1.50 for each such deposit received and examined by it. Such coins as are not certified by such mint to be eligible for receipt at their face amount shall be accepted by such mint at their bullion or metal value if otherwise acceptable under this regulation.

§ 100.12 *Where mutilated coins should be transmitted.* Mutilated coins shall not be transmitted to the Federal Reserve banks or branches or to the Treasurer of the United States but should be forwarded to such coinage mints as hereinafter provided, for sale at their bullion or metal value.

§ 100.13 *Criminal penalties.* Relative to the criminal penalties connected with the defacement or mutilation of United States coins, see United States Code, title 18, section 331.

§ 100.14 *Standard silver dollars and subsidiary silver coins.* Mutilated silver coins will be purchased at the mints in Philadelphia, Pennsylvania, and Denver, Colorado, at the price fixed from time to time by the Director of the Mint, which is approximately the market price of silver bullion on the date purchased, and should be transmitted to the mints at the expense and risk of the owner (charges prepaid). Mutilated silver coins shall not be commingled with 1-cent and 5-cent coins in the shipment.

§ 100.15 *Minor coins.* Mutilated minor coins (1-cent bronze and 5-cent nickel) will be purchased at the mints in Philadelphia, and Denver, in lots of not less than 5 pounds of each kind, at a price (the approximate value as metal) fixed from time to time by the Director of the Mint, and should be transmitted to the mints at the expense and risk of the owner (charges prepaid). 1-cent and 5-cent coins in the same shipment shall be segregated by denomination.

SUBPART D—OTHER INFORMATION

§ 100.16 *Shipments of coins.* Coins, unfit for further circulation, forwarded for redemption at face value must be shipped at the expense and risk of the owner. Shipments of silver or minor coins for redemption at face value should be sorted by denomination into packages in sums or multiples of \$20. Not more than \$1,000 in any silver coin, \$200 in 5-cent pieces, or \$50 in 1-cent pieces, should be shipped in one bag or package.

§ 100.17 *Exchange of paper and coin to be handled through Federal Reserve banks and branches.* By taking advantage of the facilities provided at the Federal Reserve banks and branches for the exchange of paper currency and coin, applicants are enabled to have such transactions effected within a shorter time and at a lower cost for transportation charges, as a general rule, than would be possible through the Treasurer of the United States at Washington. So far as practicable, therefore, such transactions should be handled through the Federal Reserve banks and branches.

§ 100.18 *Location of Federal Reserve banks and branches.* The Federal Reserve banks and branches are located in Boston, Mass.; New York, N. Y.; Buffalo, N. Y.; Philadelphia, Pa.; Cleveland, Ohio; Cincinnati, Ohio; Pittsburgh, Pa.; Richmond, Va.; Baltimore, Md.; Charlotte, N. C.; Atlanta, Ga.; New Orleans, La.; Jacksonville, Fla.; Birmingham, Ala.; Nashville, Tenn.; Chicago, Ill.; Detroit, Mich.; St. Louis, Mo.; Louisville, Ky.; Memphis, Tenn.; Little Rock, Ark.; Minneapolis, Minn.; Helena, Mont.; Kansas City, Mo.; Omaha, Nebr.; Denver, Colo.; Oklahoma City, Okla.; Dallas, Tex.; El Paso, Tex.; Houston, Tex.; San Antonio, Tex.; San Francisco, Calif.; Los Angeles, Calif.; Portland, Oreg.; Salt Lake City, Utah; and Seattle, Wash.

§ 100.19 *Counterfeit notes to be marked; "redemption" of notes wrongfully so marked.* The act of June 30, 1876 (19 Stat. 64; 31 U. S. C. 424), provides that all United States officers charged with the receipt or disbursement of public moneys, and all officers of national banks, shall stamp or write in plain letters the word "counterfeit", "altered", or "worthless" upon all fraudulent notes issued in the form of, and intended to circulate as money, which

shall be presented at their places of business; and if such officers shall wrongfully stamp any genuine note of the United States, or of the national banks, they shall, upon presentation, "redeem" such notes at the face amount thereof.

§ 100.20 *Disposition of counterfeit notes and coins.* All counterfeit notes and coins found in remittances are canceled and delivered to the Secret Service Division of the Treasury Department or to the nearest local office of that division, a receipt for the same being forwarded to the sender. Communications with respect thereto should be addressed to the Chief, Secret Service Division, Treasury Department, Washington 25, D. C.

Part 102—Instructions Relating to Reports of Currency Transactions

Sec.

102.1 Reports of currency transactions required.

102.2 Filing of reports.

102.3 Identification required.

102.4 Definitions.

AUTHORITY: §§ 102.1 to 102.4 issued under R. S. 251; 31 U. S. C. 427.

SOURCE: §§ 102.1 to 102.4 appear at 17 F. R. 1822, Feb. 29, 1952; 17 F. R. 2306, Mar. 18, 1952.

§ 102.1 *Reports of currency transactions required.* Commencing with transactions occurring in the month of March 1952, every financial institution in the United States shall file monthly reports on Form TCR-1 concerning each deposit or withdrawal, or other payment or transfer, effected by, through, or to such financial institution, which involves transactions in United States currency as follows:

(a) Transactions involving \$2,500 or more of United States currency in denominations of \$100 or higher;

(b) Transactions involving \$10,000 or more of United States currency in any denominations, and

(c) Transactions involving any amount in any denominations, which in the judgment of the financial institution exceed those commensurate with the customary conduct of the business, industry or profession of the person or organization concerned.

§ 102.2 *Filing of reports.* Reports on Form TCR-1 shall be filed in duplicate on or before the 15th day of the month following that in which the reported transactions occur, with the Federal Reserve Bank of the district in which the reporting financial institution is located. All information called for in such form shall be furnished.

§ 102.3 *Identification required.* No financial institution shall effect any transaction with respect to which a report is required unless the person or organizations with whom such transaction is to be effected has been satisfactorily identified.

§ 102.4 *Definitions.* As used in this part "payment or transfer" shall include exchange of currency; and "financial institutions" shall mean banks, trust companies, savings banks, private bankers, investment bankers, building and loan associations, securities and commodities brokers, and currency exchanges and other persons or organizations engaged primarily in cashing checks and exchanging currency.

Part 120—Proclamations and Executive Orders Concerning Banking

Sec.

120.1 Proclamation 2039 of March 6, 1933, declaring a bank holiday.

120.2 Proclamation 2040 of March 9, 1933, continuing in force the bank holiday.

120.3 Executive Order 6078 of March 10, 1933, concerning the operation of banks.

120.4 Executive Order 6080 of March 18, 1933, concerning the appointment of conservators for State banks, members of the Federal Reserve System.

120.5 Proclamation 2070 of December 30, 1933, concerning banking institutions not members of the Federal Reserve System.

120.6 Executive Order 6559 of January 15, 1934, amending provisions concerning the operation of banks.

120.7 Proclamation 2725 of April 7, 1947, excluding Federal Reserve banks from scope of §§ 120.1-120.3.

§ 120.1 *Proclamation 2039 of March 6, 1933, declaring a bank holiday.* I, Franklin D. Roosevelt, President of the United States of America, in view of * * * national emergency and by virtue of the authority vested in me by said act (October 6, 1917, 40 Stat. 411) and in order to

prevent the export, hoarding, or earmarking of gold or silver coin or bullion or currency, do hereby proclaim, order, direct and declare that from Monday, the sixth day of March, to Thursday, the ninth day of March, nineteen hundred and thirty-three, both dates inclusive, there shall be maintained and observed by all banking institutions and all branches thereof located in the United States of America, including the territories and insular possessions, a bank holiday, and that during said period all banking transactions shall be suspended. During such holiday, excepting as hereinafter provided, no such banking institution or branch shall pay out, export, earmark, or permit the withdrawal or transfer in any manner or by any device whatsoever, of any gold or silver coin or bullion or currency or take any other action which might facilitate the boarding thereof nor shall any such banking institution or branch pay out deposits, make loans or discounts, deal in foreign exchange, transfer credits from the United States to any place abroad, or transact any other banking business whatsoever.

During such holiday, the Secretary of the Treasury, with the approval of the President and under such regulations as he may prescribe, is authorized and empowered (a) to permit any or all of such banking institutions to perform any or all of the usual banking functions, (b) to direct, require or permit the issuance of clearing house certificates or other evidences of claims against assets of banking institutions, and (c) to authorize and direct the creation in such banking institutions of special trust accounts for the receipt of new deposits which shall be subject to withdrawal on demand without any restriction or limitation and shall be kept separately in cash or on deposit in Federal Reserve banks or invested in obligations of the United States.

As used in this section the term "banking institutions" shall include all Federal Reserve banks, national banking associations, banks, trust companies, savings banks, building and loan associations, credit unions, or other corporations, partnerships, associations or persons, engaged in the business of receiving deposits, making loans, discounting business paper, or transacting any other form of banking business.

(Sec. 5 (b), 40 Stat. 415, as amended, sec. 1, 48 Stat. 1; 12 U. S. C. 95a, 95b) [Proc. 2039, Mar. 6, 1933]

NOTE: § 120.7 excludes from the scope of § 120.1 member banks of the Federal Reserve System.

§ 120.2 *Proclamation 2040 of March 9, 1933, continuing in force the bank holiday.* I, Franklin D. Roosevelt, President of the United States of America, in view of * * * continuing national emergency and by virtue of the authority vested in me by section 5 (b) of the act of October 6, 1917 (40 Stat. 415; 12 U. S. C. 95a), as amended by the Act of March 9, 1933 (48 Stat. 1; 12 U. S. C.), do hereby proclaim, order, direct and declare that all the terms and provisions of the Proclamation of March 6, 1933 (§ 120.1), and the regulations and orders issued thereunder are hereby continued in full force and effect until further proclamation by the President.

(Sec. 5 (b), 40 Stat. 415, as amended, sec. 13, 48 Stat. 343; 12 U. S. C. 95a, 213; Proc. 2039, Mar. 6, 1933) [Proc. 2040, Mar. 9, 1933]

NOTE: § 120.7 excludes from the scope of § 120.2 member banks of the Federal Reserve System.

§ 120.3 *Executive Order 6073 of March 10, 1933, concerning the operation of banks.* The Secretary of the Treasury is authorized and empowered under such regulations as he may prescribe to permit any member bank of the Federal Reserve System and any other banking institution organized under the laws of the United States, to perform any or all of their usual banking functions, except as otherwise prohibited.

The appropriate authority having immediate supervision of banking institutions in each State or any place subject to the jurisdiction of the United States is authorized and empowered under such regulations as such authority may prescribe to permit any banking institution in such State or place, other than banking institutions covered by the foregoing paragraph, to perform any or all of their usual banking functions, except as otherwise prohibited.

All banks which are members of the Federal Reserve System, desiring to reopen for the performance of all usual and normal banking functions, except as otherwise prohibited, shall apply for a license therefor to the Secretary of the Treasury. Such application shall be filed immediately through the Federal Reserve banks. The Federal Reserve bank shall then transmit such applications to the Secretary of the Treasury. Licenses will be issued by the Federal

Reserve bank upon approval of the Secretary of the Treasury. The Federal Reserve banks are hereby designated as agents of the Secretary of the Treasury for the receiving of application and the issuance of licenses in his behalf and upon his instructions.

Until further order, no individual, partnership, association, or corporation, including any banking institution, shall export or otherwise remove or permit to be withdrawn from the United States or any place subject to the jurisdiction thereof any gold coin, gold bullion, or gold certificates, except in accordance with regulations prescribed by or under license issued by the Secretary of the Treasury.

No permission to any banking institution to perform any banking functions shall authorize such institution to pay out any gold coin, gold bullion or gold certificates except as authorized by the Secretary of the Treasury, nor to allow withdrawal of any currency for hoarding. (Sec. 5 (b), 40 Stat. 415, as amended, secs. 4, 13, 48 Stat. 2, 343; 12 U. S. C. 95a, 95, 213; Proc. 2039, Mar. 6, 1933; Proc. 2040, Mar. 9, 1933) [E. O. 6073, Mar. 10, 1933, as amended by sec. 1, E. O. 6559, Jan. 15, 1934]

NOTE: § 120.7 excludes from the scope of § 120.3 member banks of the Federal Reserve System.

§ 120.4 *Executive Order 6080 of March 18, 1933, concerning the appointment of conservators for State banks, members of the Federal Reserve System.* Whenever the appropriate authority having immediate supervision of any banking institution located in any State or place subject to the jurisdiction of the United States, which is a member of the Federal Reserve System and which has not been licensed by the Secretary of the Treasury to resume its usual banking functions, shall deem it necessary or advisable in order to conserve the assets of such banking institution for the benefit of the depositors or other creditors, such authority may, in accordance with the provisions of the applicable laws of such State or place, appoint such appropriate official as may be authorized under such laws to conserve the assets of such banking institution pending further disposition of its business as provided by such laws.

This order shall not authorize any such member bank to reopen for the performance of usual and normal functions until it shall have received a license from the Secretary of the Treasury as provided in

Executive Order of March 10, 1933 (§ 120.3).

(Sec. 5 (b), 40 Stat. 415, as amended, secs. 4, 13, 48 Stat. 2, 343; 12 U. S. C. 95a, 95, 213) [E. O. 6080, Mar. 18, 1933]

§ 120.5 *Proclamation 2070 of December 30, 1933, concerning banking institutions not members of the Federal Reserve System.* I, Franklin D. Roosevelt, President of the United States, in order to assure that the banking authority in each State and in any place subject to the jurisdiction of the United States shall have and exercise the sole responsibility for, and control over, banking institutions which are not members of the Federal Reserve System, do hereby proclaim, order, direct, and declare that the proclamations of March 6, 1933 (§ 120.1), and March 9, 1933 (§ 120.2), and the Executive order of March 10, 1933 (§ 120.3), and all orders and regulations pursuant thereto, are amended, effective the first day of January, nineteen hundred and thirty-four, to exclude from their scope banking institutions which are not members of the Federal Reserve System. Provided, however, That no banking institution shall pay out any gold coin, gold bullion, or gold certificates, except as authorized by the Secretary of the Treasury, nor allow the withdrawal of any currency for hoarding.

(Sec. 5 (b), 40 Stat. 415, as amended, secs. 4, 13, 48 Stat. 2, 343; 12 U. S. C. 95a, 95, 213; Proc. 2039, Mar. 6, 1933; Proc. 2040, Mar. 9, 1933; E. O. 6073, Mar. 10, 1933) [Proc. 2070, Dec. 30, 1933, as amended by sec. 2, E. O. 6559, Jan. 15, 1934]

§ 120.6 *Executive Order 6559 of January 15, 1934, amending provisions concerning the operation of banks—(a) Preamble.* I, Franklin D. Roosevelt, President of the United States of America, do hereby issue the following Executive order:

(b) *Amendment of Executive Order 6073 of March 10, 1933, and licenses issued thereunder.* The last two paragraphs of the Executive order of March 10, 1933 (§ 120.3), concerning the operation of banks, are amended, effective from the date of this order (this section), by striking out the following:

nor to engage in any transaction in foreign exchange except such as may be undertaken for legitimate and normal business requirements, for reasonable traveling and other personal requirements, and for the fulfillment of contracts entered into prior to March 6, 1933.

Every Federal Reserve bank is authorized and instructed to keep itself currently informed as to transactions in foreign exchange entered into or consummated within its district and shall report to the Secretary of the Treasury all transactions in foreign exchange which are prohibited.

The Secretary of the Treasury is authorized to amend the licenses heretofore issued with his approval by the Federal Reserve banks under the Executive order of March 10, 1933 (§ 120.3), by issuing through the Federal Reserve banks amendatory licenses removing the restriction upon transactions in foreign exchange contained in the licenses heretofore issued.

(c) *Amendment of Proclamation 2070 of December 30, 1933.* The Proclamation of December 30, 1933 (§ 120.5), relating to the licensing of banking institutions which are not members of the Federal Reserve System, is amended, effective from the date of this order, by striking out the following:

nor to engage in any transaction in foreign exchange except such as may be undertaken for legitimate and normal business requirements, for reasonable traveling and other personal requirements, and for the fulfillment of contracts entered into prior to March 6, 1933.

(d) *Matters not affected by paragraphs (b) and (c) of this section.* The amendment of such Executive order of March 10, 1933 (§ 120.3), or of any licenses issued thereunder, and the amendment of such proclamation of December 30, 1933 (§ 120.5), shall not affect any act done, or any order, decision, or finding made, or relieve any person from the consequences of any unauthorized act committed prior to the date of this Executive order; nor shall the amendment of the Executive order of March 10, 1933, or the proclamation of December 30, 1933, relieve any person from the obligation of complying with the terms of the Executive order of January 15, 1934 (Part 127 of this chapter), relating to the export of coin and currency and transactions in foreign exchange, or the regulations or licenses issued thereunder, or of any other provision of law affecting transactions in foreign exchange.

(Sec. 5 (b), 40 Stat. 415, as amended, secs. 4, 13, 48 Stat. 2, 343; 12 U. S. C. 95, 95a, 213, E. O. 6073, Mar. 10, 1933; Proc. 2070, Dec. 30, 1933; E. O. 6560, Jan. 15, 1934) [E. O. 6559, Jan. 15, 1934]

§ 120.7 *Proclamation 2725 of April 7, 1947, excluding Federal Reserve banks from scope of §§ 120.1-120.3.* I, Harry S. Truman, President of the United States of America, acting under and by virtue of the authority vested in me by section 5 (b) of the Trading With the Enemy Act of October 6, 1917, 40 Stat. 415, as amended, and section 4 of the act of March 9, 1933, 48 Stat. 2, and by virtue of all other authority vested in me, do hereby, in the interest of the internal management of the Government, proclaim, order, direct, and declare that the said proclamations of March 6 and March 9, 1933 (§§ 120.1, 120.2), and Executive order of March 10, 1933, as amended (§ 120.3), are further amended to exclude from their scope banking institutions which are members of the Federal Reserve System: *Provided, however,* That no banking institution shall pay out any gold coin, gold bullion, or gold certificates, except as authorized by the Secretary of the Treasury, or allow the withdrawal of any currency for hoarding.

(Sec. 5 (b) 40 Stat. 415, as amended, sec. 4, 48 Stat. 2; 12 U. S. C. 95a, 95) [Proc. 2725, April 7, 1947, 12 F. R. 2343, Apr. 10, 1947]

Part 121—Emergency Banking Regulations

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AUTHORITY: §§ 121.1 to 121.32 issued under sec. 5 (b), 40 Stat. 415, as amended, secs. 1, 2, 3, 4, 13, 48 Stat. 1, 2, 343; 12 U. S. C. 95, 95a, 95b, 213, 248 (n), 50 U. S. C. App. 5, Proc. 2039, March 6, 1933, Proc. 2040, March 9, 1933.

§ 121.1 *Exchange of currency by banks.* All Federal Reserve banks and all other banking institutions are authorized to make change by the exchange of currency and/or coin of various denominations for an exactly equal amount of currency and/or coin of other denominations, but no gold or gold certificates shall be paid out in making change.
 [Emergency Banking Reg. 1, Mar. 6, 1933]

§ 121.2 *Access to safety deposit boxes.* All banking institutions may allow their customers free access to the safety deposit boxes and safes rented to such customers.
 [Emergency Banking Reg. 2, Mar. 6, 1933]

§ 121.3 *Return of items received after closing.* All banking institutions may upon request return intact and without restriction all cash, checks, and other items delivered for deposit or collection which were received after the last closing of business hours and have not been entered on the books of such banking institution.

[Emergency Banking Reg. 3, Mar. 6, 1933]

§ 121.4 *Cashing of checks drawn on Treasurer of United States.* All banking institutions may continue, in accordance with usual practice, to cash checks drawn on the Treasurer of the United States: *Provided*, That no gold or gold certificates shall be paid out.

[Emergency Banking Reg. 4, Mar. 6, 1933]

§ 121.5 *Settlement of obligations payable at banks.* Any banking institution may accept payments in cash or any other form acceptable to it on account or in settlement of obligations payable at or to such institution.

[Emergency Banking Reg. 5, Mar. 6, 1933]

§ 121.6 *Transactions relating to shipment of food.* Any banking institution may handle and collect drafts or other documents in connection with the shipment, transportation or delivery of food or feed products, may pay out or permit the withdrawal of such amounts of currency as shall be necessary in the judgment of such banking institution in connection with such shipment, transportation or delivery of food or feed products, and may perform such other banking functions as may be essential to the shipment, transportation or delivery of food or feed products: *Provided, however*, That no banking institution shall pay out or permit the withdrawal of any gold or gold certificates.

[Emergency Banking Reg. 6, Mar. 7, 1933]

CROSS REFERENCE: For modification of § 121.6, see § 121.28.

§ 121.7 *Deposits received pursuant to agreement or legislative authority; new deposits; special accounts opened by Federal Reserve banks.* Deposits heretofore received by any banking institution pursuant to agreement or legislative authority providing for segregation and for repayment without restriction may be paid on demand. Any banking institution which was lawfully engaged in the business of receiving deposits prior to March 6, 1933, may create special trust

accounts for the receipt of new deposits which shall be subject to withdrawal on demand without any restriction or limitation and shall be kept separately in cash or on deposit in Federal Reserve banks or invested in obligations of the United States. Federal Reserve banks may open special accounts on their books for their member banks and temporarily for non-member banks and may receive in such special accounts the proceeds of new deposits received by such banking institutions. In making deposits with the Federal Reserve bank pursuant to this section, the depositing bank shall in the case of each deposit indicate to the Federal Reserve bank by symbol or otherwise that the funds so deposited represent new deposits made under this section. Upon receipt of such deposits such Federal Reserve bank shall credit the same in the special account of the depositing bank herein provided for and shall hold the same solely for repayment to such bank. Federal Reserve banks shall permit the withdrawal of any part or all of such new deposits by the depositing bank without restriction provided that the depositing bank shall in such order or request for withdrawal indicate to the Federal Reserve bank by symbol or otherwise that such withdrawal is to be made from such special account: *Provided, however*, That no banking institution shall pay out or permit the withdrawal of any gold or gold certificates.

[Emergency Banking Reg. 7, Mar. 6, 1933]

CROSS REFERENCE: For redeposit of deposits received pursuant to agreement or legislative authority, see § 121.15.

§ 121.8 *Settlement for checks charged to drawers' accounts on or before March 4, 1933.* Where settlement for checks charged by drawee institutions to the drawers' accounts on its books on or before March 4, 1933, is incomplete, settlement may be completed where such settlement does not involve the payment of money or currency.

[Emergency Banking Reg. 8, Mar. 7, 1933]

§ 121.9 *Delivery of documents and securities.* Any banking institution may deliver to the person entitled thereto properly identified documents and securities held by such institution for safekeeping.

[Emergency Banking Reg. 9, Mar. 7, 1933]

§ 121.10 *Exercise of banking functions necessary to meet needs for food, medicine, and other necessities of life.* (a) Any national or State banking institution may exercise its usual banking functions to such extent as its situation shall permit and as shall be absolutely necessary to meet the needs of its community for food, medicine, other necessities of life, for the relief of distress, for the payment of usual salaries and wages, for necessary current expenditures for the purpose of maintaining employment, and for other similar essential purposes. Banking institutions may carry out such transactions as may be necessary to aid banking institutions in other communities to meet the necessities set forth above: *Provided, however*, That (1) every precaution shall be taken to prevent hoarding or the unnecessary withdrawal of currency; (2) no State banking institution shall engage in any transaction under this section which is in violation of State or Federal law or of any regulation issued thereunder; (3) no national banking association shall engage in any transaction under this section which is in violation of any Federal law or of any order or regulation issued by the Comptroller of the Currency; and (4) no gold or gold certificates shall be paid out. Each banking institution and its directors and officers will be held strictly accountable for faithful compliance with the spirit and purpose as well as the letter of this section.

(b) Federal Reserve banks may carry on such functions as may be necessary to facilitate transactions authorized by this section.

(c) In order to enable member banks of the Federal Reserve System to meet the needs of their respective communities to the extent authorized by this section Federal Reserve banks may make advances to such member banks under the conditions set forth in section 10 (b) of the Federal Reserve Act, as amended by the act of March 9, 1933, and in accordance with authority granted by the Federal Reserve Board.

(d) In addition, in order to enable individuals, partnerships and corporations to meet their immediate pay-roll requirements, Federal Reserve banks may make temporary advances to such individuals, partnerships and corporations on their promissory notes secured by direct obligations of the United States in accord-

ance with authority granted by the Federal Reserve Board.

[Emergency Banking Reg. 10, Mar. 7, 1933, as amended Mar. 10, 1933]

CROSS REFERENCE: For modification of § 121.10, see § 121.28.

§ 121.11 *Advances to bank branches in foreign countries.* Any bank having a branch in a foreign country may deposit collateral in the United States to secure advances to such branch in a foreign country, provided such transaction does not involve any transfer of credit from the United States to a foreign country and any bank having a branch in an insular possession of the United States may deposit United States Government securities or other collateral for a similar purpose when under the President's proclamation advances of local currency in the insular possession may lawfully be made.

[Emergency Banking Reg. 11, Mar. 7, 1933]

§ 121.12 *Permission to issue certificates against sound assets of banks.* Clearing house associations and other associations organized to provide an adequately secured medium of temporary exchange, are hereby permitted to issue certificates against sound assets of banking institutions, such certificate to be deliverable by each institution to its creditors and depositors on a pro rata basis: *Provided, however,* That no such certificates shall be issued before Friday, March 10, 1933, without the consent of the Secretary of the Treasury addressed to the clearing house or other association proposing to issue such certificates: *And further provided,* That this permission may be revoked in the event that a national plan to meet the existing emergency is proposed by the Secretary of the Treasury if in his opinion the success of such plan would be inconsistent with the operation of the certificate plan.

[Emergency Banking Reg. 12, Mar. 7, 1933]

§ 121.14 *Operations of Federal Reserve banks as fiscal agents of the United States.* Federal Reserve banks are authorized to conduct their normal and usual operations as fiscal agents of the United States in transactions pertaining to the exchange of obligations of the United States, such as making exchange of denominations, exchanging coupon for registered bonds, and vice versa, receiving registered bonds for transfer and effecting C. P. D. transactions.

[Emergency Banking Reg. 14, Mar. 7, 1933]

§ 121.15 *Redeposit of deposits received pursuant to agreement or legislative authority.* The permission granted in § 121.7 that deposits heretofore received by any banking institution pursuant to agreement or legislative authority providing for segregation and repayment without restriction may be paid on demand, includes any bank in which any such deposits have been redeposited by or on behalf of the receiving bank in accordance with such agreement or legislative authority.

[Emergency Banking Reg. 15, Mar. 8, 1933]

CROSS REFERENCE: For deposits received pursuant to agreement or legislative authority, see § 121.7.

§ 121.16 *Payment on subscriptions for Treasury bills of the United States.* All banking institutions are hereby authorized to take such steps and carry through such transactions as may be necessary to complete for their own account, or the account of their own customers, payment on any subscriptions for Treasury bills of the United States for which payment was due on March 6, 1933.

[Emergency Banking Reg. 16, Mar. 10, 1933]

§ 121.17 *Payment of checks by crediting owners' accounts.* Any banking institution may, when the owners consent thereto, pay checks issued prior to March 6, 1933, and received in due course of business by the drawee banking institution, by charging the amounts thereof to the accounts of the drawers and crediting such amounts to the accounts of such owners on the books of the drawee banking institution.

[Emergency Banking Reg. 17, Mar. 10, 1933]

§ 121.18 *Subscription and payment for United States Government obligations; redemption of United States obligations.* (a) All banking institutions are hereby authorized to subscribe and pay for any United States Government obligations which may be offered for subscription and sale by the Secretary of the Treasury. Federal Reserve banks may carry on such functions as may be necessary to facilitate such transactions as are authorized by this section.

(b) All Federal Reserve banks are authorized to redeem matured obligations of the United States and to cash matured coupons provided no gold or gold certificates shall be paid out.

[Emergency Banking Reg. 18, Mar. 11, 1933]

§ 121.19 *Substitution or release of collateral.* Except as otherwise prohibited by law, banking institutions may exercise their normal and usual functions in permitting substitution for or release of collateral held by them, provided other collateral or cash of equal or greater value is received in exchange therefor.

[Emergency Banking Reg. 19, Mar. 11, 1933]

§ 121.20 *Opening of Federal Reserve banks and their branches.* All Federal Reserve banks and their branches and agencies may open March 13, 1933, and may remain open for the performance of all usual and normal banking functions except as prohibited by the Executive order issued by the President on March 10, 1933 (§ 120.3), and any further orders or regulations hereafter issued.

[Emergency Banking Reg. 20, Mar. 11, 1933]

§ 121.21 *Opening of banking institutions not members of the Federal Reserve System or organized under the laws of the United States and which are not under State supervision.* Banking institutions which are not members of the Federal Reserve System or organized under the laws of the United States and which are not under the immediate supervision of any State authority may, on and after March 13, 1933, carry on their normal and usual functions, except as otherwise prohibited and except that no such institution shall pay out any gold coin, gold bullion or gold certificates, unless authorized by the Secretary of the Treasury, nor allow withdrawal of any currency for hoarding, nor engage in any transaction in foreign exchange except such as may be undertaken for legitimate and normal business requirements, for reasonable traveling and other personal requirements, and for fulfillment of contracts entered into prior to March 6, 1933.

[Emergency Banking Reg. 21, Mar. 11, 1933]

§ 121.22 *Opening of Federal land banks, Federal intermediate credit banks, etc.; delivery of gold coin, bullion, and certificates.* (a) All Federal land banks, Federal intermediate credit banks, joint stock land banks, Federal home loan banks, corporations organized under section 25 (a) of the Federal Reserve Act, regional agricultural credit corporations and the Reconstruction Finance Corporation are hereby permitted to open at 9 o'clock, a. m., Monday, March 13, 1933, to perform their usual banking functions except to the extent prohibited by the Executive order of the President of the

United States, issued March 10, 1933 (§ 120.3), by Federal or State law, or as may hereafter be limited or prohibited by regulations promulgated by the Secretary of the Treasury.

(b) This permission, as to each of the foregoing banking institutions, may be revoked in whole or in part by the Secretary of the Treasury at any time, and is granted as to each such institution upon the express condition that such institution shall deliver, within 30 days from the date hereof, to the Treasury of the United States or to a Federal Reserve bank or a Federal Reserve branch bank of the district in which it is located, all gold coin, gold bullion and gold certificates owned by it, and receive payment in credit or in other form of coin or in currency.

[Emergency Banking Reg. 22, Mar. 11, 1933, as amended Mar. 13, 1933]

CROSS REFERENCES: For Federal land banks, Federal intermediate credit banks, etc., see 6 CFR Chapter I.

§ 121.23 *Withdrawals for hoarding.* No banking institution shall permit any withdrawal by any person when such institution, acting in good faith, shall deem that the withdrawal is intended for hoarding. Any banking institution, before permitting the withdrawal of large or unusual amounts of currency, may require from the person requesting such withdrawal, a full statement under oath of the purpose for which the currency is requested.

[Emergency Banking Reg. 23, Mar. 13, 1933]

§ 121.24 *Official drafts drawn upon Secretary of State.* All banking institutions may cash official drafts drawn upon the Secretary of State for payment of salaries, traveling and other contingent expenses but not for personal account, and remit the amounts thereof to the banks from which the drafts are received, provided that no gold or gold certificates shall be paid out.

[Emergency Banking Reg. 24, Mar. 13, 1933]

§ 121.25 *Gold for use in trade, profession, or art.* (a) Pending the determination by the Treasury Department of a suitable procedure for licensing the delivery of gold for use in trade, profession or art, Federal Reserve banks are hereby authorized to deliver upon request therefor gold in amounts deemed by such bank to be reasonably required for legitimate and customary uses in trade, profession or art, provided such request is accompa-

nied by affidavit of the person requesting such gold stating the amount of unmanufactured gold on hand and the facts making it necessary to obtain such gold for the purpose of maintaining employment.

(b) All banks licensed to open for usual and normal functions are permitted to carry out any transaction necessary to complete the delivery of any gold authorized by any Federal Reserve bank to be delivered in accordance with such request.

[Emergency Banking Reg. 25, Mar. 13, 1933]

§ 121.26 *Transfer of payments of fees relating to patents, trade-marks, and designs.* All banking institutions may issue drafts transferring credits from any place in the United States to any other place in the United States and from any place in the United States to any place in a foreign country in connection with payments for domestic and foreign patent, trade-mark and design application fees, and in payment for domestic and foreign patent and trade-mark taxes and renewals. No gold or gold certificates shall be paid out, withdrawn, or exported under this section.

[Emergency Banking Reg. 26, Mar. 13, 1933]

§ 121.27 *Withdrawals from member State banks not licensed to open.* (a) Any State banking institution which is a member of the Federal Reserve System and which is not licensed by the Secretary of the Treasury to reopen for the performance of usual banking functions may, with the approval of the appropriate State authority having immediate supervision of such banking institution, permit withdrawals by depositors and make payments to creditors of such percentage of the amounts due to them (not exceeding 5 percent) as it may determine: *Provided*, That at or before the time of such withdrawal or payment it shall set aside and make available for such purpose a fund for the benefit of and sufficient to pay to all depositors and creditors the percentage so determined.

(b) This section shall not in any way affect any right created by § 121.7 nor limit or restrict any payment thereby authorized.

(c) Any right to authorize withdrawals or payments under the terms of this section shall terminate upon the appointment of any conservator, receiver or other appropriate State official taking

charge of the affairs of such banking institutions.

[Emergency Banking Reg. 27, Mar. 18, 1933]

§ 121.28 *Modifying §§ 121.6, 121.10.* After the close of business on March 18, 1933, Treasury Regulation No. 6 (§ 121.6) and Treasury Regulation No. 10, as amended (§ 121.10), shall be without force or effect to authorize any banking transaction therein referred to.

[Emergency Banking Reg. 28, Mar. 18, 1933]

§ 121.29 *Renewal of notes previously rediscounted or pledged.* Any banking institution which is a member of the Federal Reserve System and is not licensed to perform usual banking functions may rediscount or pledge with another banking institution renewals of notes which were previously rediscounted or pledged with such other banking institution.

[Emergency Banking Reg. 29, Mar. 21, 1933]

§ 121.30 *Limited functions by banks controlled by conservators or State officials.* (a) Banking institutions which are members of the Federal Reserve System and of which actual possession and control have been taken (1) by conservators appointed pursuant to the act of March 9, 1933, or (2) by appropriate State officials appointed pursuant to State law, as permitted by the President's Executive Order 6080 of March 18, 1933 (§ 120.4), are permitted to transact such limited banking functions as may be authorized in accordance with law by the Comptroller of the Currency, in the case of national banks, or by the appropriate State officials, in the case of State member banks: *Provided, however*, That no such banking institution shall reopen for the performance of its usual and normal functions until it shall have received a license from the Secretary of the Treasury.

(b) This section shall not authorize any transaction with respect to the export or paying out of gold, or gold certificates, withdrawal of currency for hoarding or transactions in foreign exchange prohibited or restricted by the Executive Order 6073 of March 10, 1933 (§ 120.3).

[Emergency Banking Reg. 30, Mar. 28, 1933]

§ 121.31 *Functions of non-licensed member banks as trustee, executor, etc.* Any banking institution which is a member of the Federal Reserve System and is not licensed to perform usual banking

functions, but which is duly authorized to engage in the business of acting as trustee, executor, administrator, registrar of stocks and bonds, transfer agent, guardian of estates, assignee, receiver, committee of estates of lunatics, or in any other fiduciary capacity, may transact such business in the normal and usual manner and may make payments on account of the principal or income of trust or other fiduciary funds to the persons entitled thereto: *Provided*, That, except to the extent permitted by other emergency banking regulations, no such banking institution shall withdraw or pay out any trust or other fiduciary funds on deposit with any other department of such banking institution or make any other payment in connection with any trust or other fiduciary funds which would operate to discharge, as a whole or in part, any indebtedness, as distinguished from any trust or other fiduciary duty, of such banking institution. [Emergency Banking Reg. 31, Mar. 30, 1933]

§ 121.32 *Withdrawal of secured deposits from non-licensed State member banks.* (a) Any State bank which is a member of the Federal Reserve System, and is not licensed by the Secretary of the Treasury to perform usual banking functions, may permit withdrawals of deposits which are lawfully secured by collateral: *Provided*, That such withdrawals are (1) permissible under applicable law, (2) duly authorized by the board of directors of such bank, upon such terms with respect to the release of collateral as will fully protect all depositors and other creditors against the creation of any preferences, and (3) approved by the appropriate State authority having supervision of such bank.

(b) Any such bank is authorized to carry on such usual banking functions as may be essential to allow the withdrawals permitted by this section, subject to the provisions and restrictions set forth in this part and except as otherwise prohibited.

[Emergency Banking Reg. 32, Mar. 30, 1933]

Part 122—General Licenses Issued Under Executive Order 6073, as Amended

§ 122.1 *General license to transact normal banking business.* A general

license to transact normal banking business is hereby granted to all banks hereafter authorized to begin business by the Comptroller of the Currency, effective upon the date of such authorization, and to all State banks hereafter admitted to membership in the Federal Reserve System, effective upon the date of such admission, except:

(a) To the extent prohibited in Executive Order 6073 of the President of the United States issued on March 10, 1933, as amended by Proclamation 2070 of December 30, 1933, and by Executive Order 6559 of January 15, 1934. (§§ 120.3 and 120.5 of this chapter);

(b) To the extent limited or prohibited by any Executive order of the President or by regulations of the Secretary of the Treasury.

This license may be revoked in whole or in part by the Secretary of the Treasury at any time.

(Sec. 5 (b), 40 Stat. 415, as amended, sec. 4, 48 Stat. 2; 12 U. S. C. 95a, 95. E. O. 6073, Mar. 10, 1933, as amended) [11 F. R. 296, Jan. 5, 1946]

NOTE: § 120.7 of this chapter (Proclamation 2725) excludes member banks of the Federal Reserve System from the scope of E. O. 6073.

Part 127—Executive Order of January 15, 1934, Regulating Transactions in Foreign Exchange, Transfers of Credit, and Export of Coin and Currency

GENERAL

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PROHIBITIONS

127.9	Additional prohibitions.
127.10	Transactions prohibited.
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127.12	Records and reports.
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127.15	Additional regulations.

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127.16 Penalties.

127.17 Modification or revocation.

AUTHORITY: §§ 127.0 to 127.17 issued under sec. 5 (b), 40 Stat. 415, as amended, sec. 13, 48 Stat. 343; 12 U. S. C. 95a, 213, E. O. 6260, Aug. 28, 1933.

CROSS REFERENCE: For transactions in foreign exchange, transfers of credit, and the export of coin and currency, see Part 128 of this chapter.

GENERAL

SOURCE: §§ 127.0 to 127.7 contained in Executive Order 6560, Jan. 15, 1934.

§ 127.0 *General.* I, Franklin D. Roosevelt, President of the United States of America, do declare that a period of national emergency continues to exist, and by virtue of said authority and of all other authority vested in me, do hereby prescribe the following regulations for the investigation, regulation, and prohibition of transactions in foreign exchange, transfers of credit between or payments by banking institutions as herein defined, and export of currency or silver coin, by any person within the United States or any place subject to the jurisdiction thereof.

§ 127.1 *Prohibitions.* Every transaction in foreign exchange, transfer of credit between any banking institution within the United States and any banking institution outside of the United States (including any principal, agent, home office, branch, or correspondent outside of the United States of a banking institution within the United States), and the export or withdrawal from the United States of any currency or silver coin which is legal tender in the United States, by any person within the United States, is hereby prohibited, except under license therefor issued pursuant to this part: *Provided, however,* That, except as prohibited under regulations prescribed by the Secretary of the Treasury, foreign exchange transactions and transfers of credit may be carried out without a license for (a) normal commercial or business requirements, (b) reasonable traveling and other personal requirements, or (c) the fulfillment of legally enforceable obligations incurred prior to March 9, 1933.

§ 127.2 *Possessions of the United States.* Except as prohibited in regulations prescribed by the Secretary of the Treasury, transfers of credit between banking institutions in the continental

Treasury, transfers of credit between in other places subject to the jurisdiction of the United States (including principals, agents, home offices, branches, or correspondents in such other places, of banking institutions within the continental United States), may be carried out without a license.

§ 127.3 *Licenses.* The Secretary of the Treasury, acting directly or through any agencies that he may designate, and the Federal Reserve banks acting in accordance with such rules and regulations as the Secretary of the Treasury may from time to time prescribe, are hereby designated as agencies for the granting of licenses as hereinafter provided. Licenses may be granted authorizing such transactions in foreign exchange, transfers of credit and exports of currency (other than gold certificates) or silver coin in such specific cases or classes of cases as the Secretary of the Treasury may determine in regulations prescribed hereunder and rulings made pursuant thereto.

§ 127.4 *Reports.* The Federal Reserve banks shall keep themselves currently informed as to foreign exchange transactions entered into or consummated, and transfers of credit made between banking institutions outside of the continental United States and banking institutions, in their districts, and report to the Secretary of the Treasury all transactions in foreign exchange and all such transfers of credit not permitted under § 127.1 or § 127.2 which are effected or attempted in their districts without a license.

§ 127.5 *Regulations.* The Secretary of the Treasury is authorized and empowered to prescribe from time to time regulations to carry out the purposes of this part, and to provide in such regulations or by rulings made pursuant thereto, the conditions under which licenses may be granted by the Federal Reserve banks and by such other agencies as the Secretary of the Treasury may designate; and the Secretary of the Treasury may require any person engaged in any transaction, transfer, export, or withdrawal referred to in this part to furnish under oath complete information relative thereto, including the production of any books of account, contracts, letters, or other papers, in connection therewith in the custody or control of such person either before or after such transaction,

transfer, export, or withdrawal is completed.

§ 127.6 *Penalties.* Whoever willfully violates or knowingly participates in the violation of any provision of this part or of any license, order, rule, or regulation issued or prescribed hereunder, shall be subject to the penalties provided in section 5 (b) of the act of October 6, 1917 (40 Stat. 415), as amended by section 2 of the act of March 9, 1933. (48 Stat. 1; 12 U. S. C. 95a).

§ 127.7 *Definitions.* As used in this part the term "United States" means the United States and any place subject to the jurisdiction thereof; the term "continental United States" means the States of the United States, the District of Columbia, and the Territory of Alaska; the term "person" means an individual, partnership, association, or corporation; and the term "banking institution" includes any person engaged primarily or incidentally in the business of banking, of granting or transferring credits, or of purchasing and selling foreign exchange or procuring purchasers and sellers thereof, as principal or agent; and, for the purposes of this part, each home office, branch, principal, agent, or correspondent of any person so engaged shall be regarded as a separate "banking institution."

PROHIBITIONS

SOURCE: §§ 127.9 to 127.17 contained in E. O. 8899, 5 F. R. 1400, Apr. 12, 1940, as amended by E. O. 8785, 6 F. R. 2897, June 17, 1941; E. O. 8832, 6 F. R. 3715, July 29, 1941; E. O. 8963, 6 F. R. 6348, Dec. 11, 1941; E. O. 8998, 6 F. R. 6785, Dec. 30, 1941.

CROSS REFERENCE: For regulations pertaining to certain blocked assets, see 8 CFR Part 511.

§ 127.9 *Additional prohibitions.* All of the following transactions are prohibited, except as specifically authorized by the Secretary of the Treasury by means of regulations, rulings, instructions, licenses, or otherwise, if such transactions are by, or on behalf of, or pursuant to the direction of any foreign country designated in § 127.11, or any national thereof, or such transactions involve property in which any foreign country designated in § 127.11, or any national thereof, has at any time on or since the effective date of §§ 127.9-127.17 had any interest of any nature whatsoever, direct or indirect.

(a) All transfers of credit between any banking institutions within the United

States; and all transfers of credit between any banking institution within the United States and any banking institution outside the United States (including any principal, agent, home office, branch, or correspondent outside the United States, of a banking institution within the United States);

(b) All payments by or to any banking institution within the United States;

(c) All transactions in foreign exchange by any person within the United States;

(d) The export or withdrawal from the United States, or the earmarking of gold or silver coin or bullion or currency by any person within the United States;

(e) All transfers, withdrawals or exportations of, or dealings in, any evidences of indebtedness or evidences of ownership of property by any person within the United States; and

(f) Any transaction for the purpose or which has the effect of evading or avoiding the foregoing prohibitions.

§ 127.10 *Transactions prohibited.* (a) All of the following transactions are prohibited, except as specifically authorized by the Secretary of the Treasury by means of regulations, rulings, instructions, licenses, or otherwise:

(1) The acquisition, disposition or transfer of, or other dealing in, or with respect to, any security or evidence thereof on which there is stamped or imprinted, or to which there is affixed or otherwise attached, a tax stamp or other stamp of a foreign country designated in § 127.11 or a notarial or similar seal which by its contents indicates that it was stamped, imprinted, affixed or attached within such foreign country, or where the attendant circumstances disclose or indicate that such stamp or seal may, at any time, have been stamped, imprinted, affixed or attached thereto: and

(2) The acquisition by, or transfer to, any person within the United States of any interest in any security or evidence thereof if the attendant circumstances disclose or indicate that the security or evidence thereof is not physically situated within the United States.

(b) The Secretary of the Treasury may investigate, regulate, or prohibit under such regulations, rulings, or instructions as he may prescribe, by means of licenses or otherwise, the sending, mailing, importing or otherwise

bringing, directly or indirectly, into the United States, from any foreign country, of any securities or evidences thereof or the receiving or holding in the United States of any securities or evidences thereof so brought into the United States.

§ 127.11 *Definitions of "foreign country" and "effective date."* The term "foreign country designated in § 127.11" means a foreign country included in the following schedule, and the term "effective date of §§ 127.9–127.17" means with respect to any such foreign country, or any national thereof, the date specified in the following schedule:

- (a) April 8, 1940—
Norway and
Denmark;
- (b) May 10, 1940—
The Netherlands,
Belgium and
Luxembourg;
- (c) June 17, 1940—
France (including Monaco);
- (d) July 10, 1940—
Latvia, Estonia and
Lithuania;
- (e) October 9, 1940—
Rumania;
- (f) March 4, 1941—
Bulgaria;
- (g) March 13, 1941—
Hungary;
- (h) March 24, 1941—
Yugoslavia;
- (i) April 28, 1941—
Greece, and
- (j) June 14, 1941—
Albania,
Andorra,
Austria,
Czechoslovakia,
Danzig,
Finland,
Germany,
Italy,
Liechtenstein,
Poland,
Portugal,
San Marino,
Spain,
Sweden,
Switzerland, and
Union of Soviet Socialist Republics;
- (k) June 14, 1941—
China and Japan;
- (l) June 14, 1941—
Thailand;
- (m) June 14, 1941—
Hong Kong.

The "effective date of §§ 127.9–127.17" with respect to any foreign country not designated in this section shall be deemed to be June 14, 1941.

§ 127.12 *Records and reports.* (a) The Secretary of the Treasury and/or the Attorney General may require, by means of regulations, rulings, instructions, or otherwise, any person to keep a full record of and to furnish under oath, in the form of reports or otherwise, from time to time and at any time or times, complete information relative to, any transaction referred to in section 5 (b) of the act of October 6, 1917 (40 Stat. 415), as amended, or relative to any property in which any foreign country or any national thereof has any interest of any nature whatsoever, direct or indirect, including the production of any books of account, contracts, letters, or other papers, in connection therewith, in the custody or control of such person, either before or after such transaction is completed; and the Secretary of the Treasury and/or the Attorney General may, through any agency, investigate any such transaction or act, or any violation of the provisions of §§ 127.9–127.17.

(b) Every person engaging in any of the transactions referred to in §§ 127.9 and 127.10 shall keep a full record of each such transaction engaged in by him, regardless of whether such transaction is effected pursuant to license or otherwise, and such record shall be available for examination for at least one year after the date of such transaction.

§ 127.13 *Additional definitions.* (a) As used in the first paragraph of § 127.9 "transactions [which] involve property in which any foreign country designated in § 127.11, or any national thereof, has * * * any interest of any nature whatsoever, direct or indirect," shall include, but not by way of limitation (1) any payment or transfer to any such foreign country or national thereof, (2) any export or withdrawal from the United States to such foreign country, and (3) any transfer of credit, or payment of an obligation, expressed in terms of the currency of such foreign country.

(b) The term "United States" means the United States and any place subject to the jurisdiction thereof, and the term "continental United States" means the States of the United States, the District of Columbia, and the Territory of Alaska: *Provided, however,* That for the purposes of §§ 127.9 to 127.17, inclusive, the term "United States" shall not be deemed to include any territory included within the term "foreign country" as defined in paragraph (d) of this section.

(c) The term "person" means an individual, partnership, association, corporation, or other organization.

(d) The term "foreign country" shall include, but not by way of limitation,

(1) The state and the government thereof on the effective date of §§ 127.9–127.17 as well as any political subdivision, agency, or instrumentality thereof or any territory, dependency, colony, protectorate, mandate, dominion, possession or place subject to the jurisdiction thereof,

(2) Any other government (including any political subdivision, agency, or instrumentality thereof) to the extent and only to the extent that such government exercises or claims to exercise de jure or de facto sovereignty over the area which on such effective date constituted such foreign country, and

(3) Any territory which on or since the effective date of §§ 127.9 to 127.17, inclusive, is controlled or occupied by the military, naval or police forces or other authority of such foreign country, and

(4) Any person to the extent that such person is, or has been, or to the extent that there is reasonable cause to believe that such person is, or has been, since such effective date, acting or purporting to act directly or indirectly for the benefit or on behalf of any of the foregoing.

(e) The term "national" shall include,

(1) Any person who has been domiciled in, or a subject, citizen or resident of a foreign country at any time on or since the effective date of §§ 127.9–127.17,

(2) Any partnership, association, corporation or other organization, organized under the laws of, or which on or since the effective date of §§ 127.9–127.17 had or has had its principal place of business in such foreign country, or which on or since such effective date was or has been controlled by, or a substantial part of the stock, shares, bonds, debentures, notes, drafts, or other securities or obligations of which, was or has been owned or controlled by, directly or indirectly, such foreign country and/or one or more nationals thereof as defined in this section.

(3) Any person to the extent that such person is, or has been, since such effective date, acting or purporting to act directly or indirectly for the benefit or on behalf of any national of such foreign country, and

(4) Any other person who there is reasonable cause to believe is a "national" as defined in this section.

In any case in which by virtue of the foregoing definition a person is a national of more than one foreign country, such person shall be deemed to be a national of each such foreign country. In any case in which the combined interests of two or more foreign countries designated in § 127.11 and/or nationals thereof are sufficient in the aggregate to constitute, within the meaning of the foregoing, control or 25 percent or more of the stock, shares, bonds, debentures, notes, drafts, or other securities or obligations of a partnership, association, corporation or other organization, but such control or a substantial part of such stock, shares, bonds, debentures, notes, drafts, or other securities or obligations is not held by any one such foreign country and/or national thereof, such partnership, association, corporation or other organization shall be deemed to be a national of each of such foreign countries. The Secretary of the Treasury shall have full power to determine that any person is or shall be deemed to be a "national" within the meaning of this definition, and the foreign country of which such person is or shall be deemed to be a national. Without limitation of the foregoing, the term "national" shall also include any other person who is determined by the Secretary of the Treasury to be, or to have been, since such effective date, acting or purporting to act directly or indirectly for the benefit or under the direction of a foreign country designated in § 127.11 or national thereof, as defined in this section.

(f) The term "banking institution" as used in §§ 127.9–127.17 shall include any person engaged primarily or incidentally in the business of banking, of granting or transferring credits, or of purchasing or selling foreign exchange or procuring purchasers and sellers thereof, as principal or agent, or any person holding credits for others as a direct or incidental part of his business, or brokers; and, each principal, agent, home office, branch or correspondent of any person so engaged shall be regarded as a separate "banking institution".

§ 127.14 *Executive Order No. 8389 no longer deemed part of Executive Order 6560. Executive Order No. 8389 of April 10, 1940, as amended, shall no longer be deemed to be an amendment to or a part*

of Executive Order No. 6560 of January 15, 1934 (§§ 127.1–127.9). Executive Order No. 6560 of January 15, 1934, and the regulations of November 12, 1934 (Part 128), are hereby modified in so far as they are inconsistent with the provisions of §§ 127.9–127.17, and except as so modified, continue in full force and effect. Nothing herein shall be deemed to revoke any license, ruling, or instruction now in effect and issued pursuant to Executive Order No. 6560 of January 15, 1934, as amended, or pursuant to §§ 127.9–127.17: *Provided, however*, That all such licenses, rulings, or instructions shall be subject to the provisions hereof. Any amendment, modification or revocation by or pursuant to the provisions of §§ 127.9–127.17 of any orders, regulations, rulings, instructions or licenses shall not affect any act done, or any suit or proceeding had or commenced in any civil or criminal case prior to such amendment, modification or revocation, and all penalties, forfeitures and liabilities under any such orders, regulations, rulings, instructions or licenses shall continue and may be enforced as if such amendment, modification or revocation had not been made.

§ 127.15 *Additional regulations.* Without limitation as to any other powers or authority of the Secretary of the Treasury or the Attorney General under any other provisions of §§ 127.9–127.17, the Secretary of the Treasury is authorized and empowered to prescribe from time to time regulations, rulings, and instructions to carry out the purposes of §§ 127.9–127.17 and to provide therein or otherwise the conditions under which licenses may be granted by or through such officers or agencies as the Secretary of the Treasury may designate and the decision of the Secretary with respect to the granting, denial or other disposition of an application or license shall be final.

§ 127.16 *Penalties.* Section 5 (b) of the act of October 6, 1917, as amended, provides in part:

• • • Whoever willfully violates any of the provisions of this subdivision or of any license, order, rule or regulation issued thereunder, shall, upon conviction, be fined not more than \$10,000, or, if a natural person, may be imprisoned for not more than ten years, or both; and any officer, director, or agent of any corporation who knowingly participates in such violation may be punished by a like fine, imprisonment, or both.

§ 127.17 *Modification or revocation.* Sections 127.9–127.17 and any regulations, rulings, licenses or instructions issued thereunder may be amended, modified or revoked at any time.

Part 128—Transactions in Foreign Exchange, Transfers of Credit, and Export of Coin and Currency

Subpart A—Regulations

- | | |
|-------|-----------------------------|
| Sec. | |
| 128.1 | General license. |
| 128.2 | Reports. |
| 128.3 | Modification or revocation. |

Subpart B—Description of Forms Prescribed Under This Part

- | | |
|--------|---|
| 128.10 | Copies. |
| 128.11 | Foreign Exchange Form B-1: Liabilities to "foreigners". |
| 128.13 | Foreign Exchange Form B-2: Claims on "foreigners". |
| 128.14 | Foreign Exchange Form C-1/2: Liabilities to and claims on "foreigners". |
| 128.15 | Foreign Exchange Form S-1/3: Purchases and sales of "long-term" securities by "foreigners". |
| 128.16 | Foreign Exchange Form S-4: Foreign debit and credit balances. |
| 128.18 | Form IMF-C: Dollar liabilities to "foreigners". |

AUTHORITY: §§ 128.1 to 128.18 issued under sec. 5, 40 Stat. 415, as amended; 50 U. S. C. App. 5. Interpret or apply sec. 8, 59 Stat. 515; 22 U. S. C. 286f, E. O. 6560, Jan. 15, 1934, E. O. 10033, 14 F. R. 561, 3 CFR, 1949 Supp.

SUBPART A—REGULATIONS

SOURCE: §§ 128.1 to 128.3 appear at 14 F. R. 2063, Apr. 27, 1949.

§ 128.1 *General license.* Licenses may be granted, and a general license is hereby granted, to all individuals, partnerships, associations, and corporations, authorizing any and all transactions in foreign exchange, transfers of credit, and exports of currency (other than gold certificates) and silver coin. The general license granted in this section authorizes transactions to be carried out which are permitted by Executive Order 6560 of January 15, 1934 (Part 127 of this chapter), under license therefor issued pursuant to such Executive order; but does not authorize any transaction to be carried out which, at the time, is prohibited by any other order or by any law, ruling, or regulation.

§ 128.2 *Reports.* In order to effectuate the purposes of Executive Order 6560 of January 15, 1934 (Part 127 of this chapter), and in order that information requested by the International Monetary Fund under the Articles of Agreement of the Fund may be obtained in accordance with section 8 (a) of the Bretton Woods Agreements Act (Sec. 8 (a) 59 Stat. 515; 22 U. S. C. 286f and Executive Order No. 10033, 14 F. R. 561; 3 CFR, 1949 Supp.), every person subject to the jurisdiction of the United States engaging in any transaction, transfer, export or withdrawal referred to in § 127.1 of this chapter shall furnish to the Federal Reserve bank of the district in which such person has his principal place of business in the United States information relative thereto, including information relative to claims and liabilities arising therefrom, and information determined to be essential to comply with official requests for data made by the International Monetary Fund, to such extent and in such manner and at such intervals as is required by report forms and instructions prescribed by the Secretary of the Treasury. In the event that such person has no principal place of business within a Federal Reserve district, the information shall be furnished directly to the Office of International Finance, Treasury Department, Washington 25, D. C., or to such agency as the Treasury Department may designate.

§ 128.3 *Modification or revocation.* The regulations in this part and the general license granted in this part may be modified or revoked at any time.

SUBPART B—DESCRIPTION OF FORMS PRESCRIBED UNDER THIS PART

SOURCE: §§ 128.10 to 128.18 appear at 15 F. R. 239, Jan. 14, 1950, except as otherwise noted.

§ 128.10 *Copies.* Copies of the forms described in this subpart with instructions may be obtained from any Federal Reserve bank or the Office of International Finance, Treasury Department, Washington 25, D. C.

§ 128.11 *Foreign Exchange Form B-1: Liabilities to "foreigners".* On this form bankers and banking institutions in the United States are required to report monthly to a Federal Reserve bank "short-term" and certain other liabilities to "foreigners" or assets held on behalf of "foreigners" which represent

claims on institutions or individuals in the United States, as of the last day of business of the month.

§ 128.13 *Foreign Exchange Form B-2: Claims on "foreigners".* On this form bankers and banking institutions in the United States are required to report monthly to a Federal Reserve bank "short-term" and certain other assets owned by the reporter or a domestic client which represent claims on "foreigners", as of the last day of business of the month.

§ 128.14 *Foreign Exchange Form C-1/2: Liabilities to and claims on "foreigners".* On this form exporters, importers, industrial and commercial concerns and other nonbanking institutions are required to report quarterly as of the last day of business of the quarter, to a Federal Reserve bank "short-term" and certain other liabilities to and claims on "foreigners" acquired or held, either in the United States or abroad, by reporting organizations for their own account or for the account of others.

§ 128.15 *Foreign Exchange Form S-1/3: Purchases and sales of "long-term" securities by "foreigners".* On this form bankers and banking institutions, brokers, dealers, etc., are required to report monthly to a Federal Reserve bank transactions in "long-term" and certain other securities executed in the United States for account of "foreigners" and transactions in "long-term" securities executed abroad for their own account and for the account of their domestic clients.

§ 128.16 *Foreign Exchange Form S-4: Foreign debit and credit balances.* On this form brokers, dealers, etc., are required to report semi-annually to a Federal Reserve bank, the debit and credit balance in their accounts carried by or for "foreigners", as of June 30 and December 31.

[19 F. R. 685, Feb. 5, 1954]

NOTE: The reporting requirements contained in this section have been approved by the Bureau of the Budget in accordance with the Federal Reports Act of 1942.

§ 128.18 *Form IMF-C: Dollar Liabilities to "foreigners".* On this form bankers and banking institutions in the United States are required to report annually, as of April 30th, to a Federal Reserve bank short-term dollar liabilities to "foreigners".

CHAPTER II—FISCAL SERVICE

DEPARTMENT OF THE TREASURY

SUBCHAPTER A—BUREAU OF ACCOUNTS

Part

- 200 Acceptance of certified checks in payment of all public dues including special customs deposits.
- 202 Deposit of public moneys and payment of Government checks.
- 203 Special deposits of public moneys under the act of Congress approved September 24, 1917, as amended.
- 208 Public moneys and official checks of United States disbursing officers.
- 210 Payment of disbursing officers' checks drawn on the Treasurer of the United States and signed in the names of disbursing officers by designated employees.
- 211 Delivery of checks and warrants to addresses outside the United States, its Territories and possessions.
- 213 Deposit with Federal Reserve banks and depository banks of employer and employee taxes under the Federal Insurance Contributions Act; income tax withheld on wages under the Internal Revenue Code of 1954; employer and employee taxes under the Railroad Retirement Act; and certain Federal excise taxes.
- 221 Surety companies doing business with the Government required to furnish powers of attorney, notice of revocation of same, and certificates of election of home officers.
- 222 State licenses of surety companies doing business with the United States.
- 223 Surety companies doing business with the United States.
- 224 Federal process agents of surety companies.
- 225 Acceptance of bonds, notes, or other obligations issued or guaranteed by the United States as security in lieu of surety or sureties on penal bonds.
- 226 Purchase of surety bonds to cover civilian officers and employees and military personnel in Executive Branch of the Federal Government.
- 240 Offers in compromise of claims under section 194, Title 31, United States Code.
- 250 Payment on account of awards of the Foreign Claims Settlement Commission of the United States.
- 254 Payments on account of awards and appraisals in favor of nationals of the United States on claims against the Government of Mexico.

Title 31—Money and Finance: Treasury

Part

- 260 Shipment of valuables pursuant to the Government Losses in Shipment Act.
- 261 Claims for replacement of valuables, or the value thereof, shipped pursuant to the Government Losses in Shipment Act.
- 262 Declaration of valuables under the Government Losses in Shipment Act.
- 270 Availability of records.
- 280 Administration of foreign currencies and credits under dispositions of surplus property abroad and lend-lease settlements.
- 281 Purchase, custody, transfer and sale of foreign exchange by executive departments and agencies of the United States.
- 290 Loans to public or private agencies under Refugee Relief Act of 1953.

SUBCHAPTER B—BUREAU OF THE PUBLIC DEBT

- 300 Distinctive paper for United States currency and other securities.
- 306 General regulations with respect to United States securities.
- 308 General regulations governing full-paid interim certificates.
- 309 Issue and sale of Treasury bills.
- 312 Federal savings and loan associations and Federal credit unions as fiscal agents of the United States.
- 315 United States Savings Bonds.
- 316 Offering of United States Savings Bonds, Series E.
- 317 Agencies for the issue of United States Savings Bonds, Series E.
- 321 Payments by banks and other financial institutions in connection with the redemption of United States Savings Bonds.
- 322 Replacement out of fund established by Government Losses in Shipment Act, as amended, of any losses resulting from payments made in connection with redemption of United States Savings Bonds and Armed Forces Leave Bonds.
- 323 Availability of records.
- 325 Payments by banks and other financial institutions in connection with redemption of Armed Forces Leave Bonds.
- 328 Restrictive endorsements of bearer securities.
- 330 Regulations governing the special endorsement of United States Savings Bonds of any series and the payment of matured Series F and G Bonds by eligible paying agents.
- 332 Offering of United States Savings Bonds, Series H.
- 337 Supplemental regulations governing Federal Housing Administration debentures.
- 338 Regulations governing Treasury Savings Stamp agents for the sale of United States Savings Stamps at schools.

SUBCHAPTER C—OFFICE OF THE TREASURER OF THE UNITED STATES

- 351 Availability of records.
- 359 Settlements by the Treasurer of the United States, in advance of reclamation, with payees or special endorsees of lost or stolen checks, which have been paid on forged indorsements.

- Part*
- 360 Indorsement and payment of checks drawn on the Treasurer of the United States.
- 361 Distribution of uncirculated coins for collection purposes.
- 365 Issue of substitutes of lost, destroyed, mutilated and defaced checks drawn on the Treasurer of the United States.

SUBCHAPTER A—BUREAU OF ACCOUNTS

Part 200—Acceptance of Certified Checks in Payment of All Public Dues Including Special Customs Deposits

§ 200.1 *Collectors of public moneys; certified checks; when payment complete; priority of Government.* (a) It is hereby directed that in accordance with the provisions of the act of March 2, 1911 (36 Stat. 965; 19 U. S. C. 198), as amended by the act of March 3, 1913 (37 Stat. 733; 19 U. S. C. 198), which provides that certified checks shall be received under such regulations as the Secretary of the Treasury prescribes, the acceptance of certified checks shall be subject to the provisions contained in the act of March 2, 1911, which provides that:

No person, however, who may be indebted to the United States on account of duties on imports or internal taxes who shall have tendered a certified check or checks as provisional payment for such duties or taxes, in accordance with the terms of this Act, shall be released from the obligation to make ultimate payment thereof until such certified check so received has been duly paid; and if any such check so received is not duly paid by the bank on which it is drawn and so certifying, the United States shall, in addition to its right to exact payment from the party originally indebted therefor, have a lien for the amount of such check upon all the assets of such bank; and such amount shall be paid out of its assets in preference to any or all other claims whatsoever against said bank, except the necessary costs and expenses of administration and the reimbursement of the United States for the amount expended in the redemption of the circulating notes of such bank.

(b) Receivers and collectors of public moneys will, therefore, until further advised, accept in payment for all public dues of whatever description, certified checks when drawn in favor of the receiver, or collector, on national and State

banks and trust companies located in the same city as the depository with which the deposits are to be made, and such "out of town" certified checks as can be cashed by them without cost to the Government.¹

(Sec. 1, 36 Stat. 965, as amended; 19 U. S. C. 198) [Dept. Circ. 11, Mar. 27, 1913]

Part 202—Deposit of Public Moneys and Payment of Government Checks²

GENERAL PROVISIONS AND DEFINITIONS

- | | |
|--------|--|
| Sec. | |
| 202.1 | General provisions and definitions. |
| | FOR SPECIAL ATTENTION OF DEPOSITORS OF
PUBLIC MONEYS |
| 202.2 | Deposits with Federal Reserve Banks and general depositories for credit to the account of the Treasurer of the United States. |
| 202.3 | Use of bank drafts in transmitting official funds. |
| 202.4 | Deposits by Government officers with general and limited depositories for credit in their official checking accounts with such depositories. |
| 202.5 | Conditions under which checks and drafts will be accepted. |
| 202.6 | Certificates of deposit. |
| 202.7 | Sorting and listing of items for deposit. |
| 202.8 | Indorsement and transmission of checks for collection. |
| 202.9 | Uncollected and lost checks in connection with deposits for credit to the account of the Treasurer of the United States. |
| 202.10 | Agreement of indemnity in connection with the replacement of checks, drafts, and other documents. |

¹In Dept. Circ. 11, the two statutory provisions referred to in the first paragraph above are set out in full.

²The forms mentioned in this part were filed as a part of the original document with the Division of the Federal Register.

FOR SPECIAL ATTENTION OF FEDERAL RESERVE BANKS

- Sec.**
 202.11 Collection and credit.
 202.12 Uncollected and lost checks in connection with deposits for credit to the account of the Treasurer of the United States.
 202.13 Certificates of deposit.
 202.14 Acceptance of collateral.

FOR SPECIAL ATTENTION OF GENERAL DEPOSITARIES

- 202.15 Classes of general depositaries.
 202.16 Certificates of deposit.
 202.17 Collection and credit.
 202.18 Uncollected and lost checks in connection with deposits for credit to the account of the Treasurer of the United States.
 202.19 Transfer of net receipts.
 202.20 Collateral security for deposits.
 202.21 Cashing and handling of checks drawn on the Treasurer of the United States.
 202.22 Obtaining immediate credit for Government checks presented by disbursing officers in exchange for cash.

FOR SPECIAL ATTENTION OF LIMITED DEPOSITARIES

- 202.23 Scope of authority.
 202.24 Collateral security for deposits.

PAYMENT OF CHECKS DRAWN ON TREASURER OF THE UNITED STATES

- 202.25 Federal Reserve Banks.
 202.27 Banks presenting checks direct to the Treasurer.
 202.28 Limitation of time for payment.

OTHER PROVISIONS

- 202.30 Deposits by Government officers.
 202.31 Deposit of public moneys outside the forty-eight States and the District of Columbia.
 202.32 Authority to waive, withdraw or amend the provisions of this part.

AUTHORITY: §§ 202.1 to 202.32 issued under sec. 10, 56 Stat. 356, as amended; 12 U. S. C. 265. Statutory provisions interpreted or applied are cited to text in parentheses.

SOURCE: §§ 202.1 to 202.32 contained in 1945 Department Circular 176, Revised, 11 F. R. 102, Jan. 3, 1946, except as otherwise noted.

GENERAL PROVISIONS AND DEFINITIONS

§ 202.1 *General provisions and definitions*—(a) *Scope of part.* This part governs deposits of public moneys with and the handling of Government checks by the Treasurer of the United States, Federal Reserve Banks and Branches, and Depositaries and Financial Agents of the Government.

(b) *Public moneys; definition of.* The term "public moneys" as defined in the act of June 11, 1942 (12 U. S. C. 265), includes, without being limited to, revenues and funds of the United States and any funds the deposit of which is subject to the control or regulation of the United States or any of its officers, agents, or employees.

(c) *Branch Federal Reserve Banks; reference to.* The term "Federal Reserve Bank" where it appears in this part, unless otherwise indicated by the context, includes Branch Federal Reserve Banks.

(d) *Depositary and financial agent of the Government; definition of.* The term "depositary and financial agent of the Government" as used in this part means any insured bank within the forty-eight States and the District of Columbia designated for that purpose under the provisions of the act of June 11, 1942 (12 U. S. C. 265).

(e) *General depositaries; definition of.* The term "general depositaries" as used in this part means depositaries and financial agents of the Government that have been authorized to maintain on their books an account in the name of the Treasurer of the United States. General depositaries are designated and maintained only at points where a depositary is needed to receive deposits from depositors of public moneys for credit to the account of the Treasurer of the United States or to render other essential banking services authorized by the Secretary of the Treasury. The balances maintained with general depositaries to the credit of the Treasurer of the United States are fixed in proportion to the volume and character of the Government business transacted by such depositaries and are adjusted periodically upon that basis. General depositaries, when so authorized by the Secretary of the Treasury, may also accept deposits for credit in the official checking accounts of other Government officers with such depositaries. (See § 202.15 for definition of active and inactive general depositaries.)

(f) *Limited depositaries; definition of.* The term "limited depositaries" means depositaries and financial agents of the Government that have been designated by the Secretary of the Treasury for the sole purpose of receiving, up to specified maximum amounts, deposits made by Government officers for credit in their official checking accounts with such de-

positaries. Limited depositaries are not authorized to accept deposits for credit to the account of the Treasurer of the United States.

FOR SPECIAL ATTENTION OF DEPOSITORS OF PUBLIC MONEYS

§ 202.2 *Deposits with Federal Reserve Banks and general depositaries for credit to the account of the Treasurer of the United States.* All funds received by depositors of public moneys shall be deposited, if the depositor is located in the same city with a Federal Reserve Bank or general depositary, with such Federal Reserve Bank or general depositary. If there is no Federal Reserve Bank or general depositary located in the same city or town with the depositor, all deposits shall, unless otherwise authorized by the Secretary of the Treasury, be forwarded to the Federal Reserve Bank of the district or to the nearest branch thereof: *Provided, however,* That depositors located in the District of Columbia shall make all deposits direct with the Treasurer of the United States. Depositors of public moneys shall endeavor to limit the number of their deposits to one each day. It may be necessary, therefore, for depositors to establish a "cut-off" hour in connection with deposits; collections received after that hour should be included in the deposit of the following day.

§ 202.3 *Use of bank drafts in transmitting official funds.* The Secretary of the Treasury, in his discretion, may authorize the exchange of public moneys for drafts issued by insured banks for the transmission of funds received by officers or agents of the Government. This method of transmission shall not be used without first securing authority from the Secretary of the Treasury.

§ 202.4 *Deposits by Government officers with general and limited depositaries for credit in their official checking accounts with such depositaries.* It is the responsibility of Government officers to maintain the balances (including outstanding drafts) in their official checking accounts with general and limited depositaries within the authorized limits fixed by the Secretary of the Treasury. If a Government officer determines that the balance in his official checking account will exceed the authorized limit of the depositary in which the account is maintained, he shall immediately advise the Secretary of the Treasury through

his administrative office and the Treasurer will take action to obtain additional collateral from the depositary and will increase its authority accordingly. The Treasury will assume no responsibility for the amount of any deposit made by a Government officer in his official checking account in excess of the authorized limit fixed by the Secretary of the Treasury or any deposit in a bank which has not been designated as a general or limited depositary.

§ 202.5 *Conditions under which checks and drafts will be accepted.* All checks and drafts (including checks drawn on the Treasurer of the United States and postal money orders) received by any Government officer are received subject to collection and in the event that any check or draft cannot be collected in full or is lost or destroyed before collection, appropriate action must be taken by the depositor in the same manner as if the check had not been received. Payments made by check or draft are not effective unless and until the proceeds of the check or draft have been received in actually and finally collected funds. All such checks which are deposited with or collected through a Federal Reserve Bank shall be collected in accordance with the regulations of the Board of Governors of the Federal Reserve System governing the clearing and collecting of checks by Federal Reserve Banks. All checks and drafts received in payment of obligations to the United States must be payable unconditionally in money of the United States. Checks or drafts payable in exchange at the option of the drawee will not be accepted. Drafts shall be handled hereunder in the same manner as checks, and the term "checks" where it appears in this part, will, unless otherwise indicated by the context, be deemed to include drafts. Postal money orders and postal notes shall be handled, subject to collection, in accordance with §§ 202.7 and 202.8.

§ 202.6 *Certificates of deposit—(a) Form to be used and who should prepare same.* Deposits with Federal Reserve Banks and general depositaries for credit to the account of the Treasurer of the United States should be accompanied by prescribed certificates of deposit. Certificates of deposit generally should be prepared by the depositor and should be numbered and dated by the depositor as of the date sent to the depositary.

(b) *Form of signature.* The form of receipt incorporated on the original and copies of all certificates of deposit must be dated and signed by a duly authorized officer or employee acting on behalf of the depository. This signature may be in any one of the following forms: (1) A manual signature of a duly authorized officer or employee followed by the title of such officer or employee; (2) a rubber stamp impression containing the name of the depository, supported by the manual initial of the receipting officer or employee and followed by his title; (3) a facsimile or rubber stamp impression signature of a duly authorized officer over his official title, supported by the manual initial of such officer or employee receiving the deposit; or (4) a facsimile or rubber stamp impression signature of a duly authorized employee over his official title, supported by the manual initial of such employee. All initials or manual signatures should be in ink.

(c) *Number that should be prepared.* Only one certificate of deposit should accompany each deposit, unless the depositor is specifically authorized by the Secretary of the Treasury or a Federal Reserve Bank, acting as Fiscal Agent of the United States, to adopt a different procedure: *Provided, however,* That in the event a deposit involves different classes of accounts, more than one certificate of deposit should be used.

(d) *Disposition of original and copies.* The original of each certificate of deposit shall be transmitted at the close of business on the day it is received by a general depository to the Federal Reserve Bank or branch of the district in which the depository is located, under cover of the prescribed transcript on which the credit appears. Federal Reserve Banks will prepare a consolidated transcript of transactions with general depositories in its district and transmit the original certificates of deposit to the Treasurer of the United States under cover of such consolidated transcript. The original of each certificate of deposit received directly from depositors by Federal Reserve Banks shall be transmitted to the Treasurer of the United States by the Federal Reserve Bank with its own separate transcript of the Treasurer's account on which the credit appears. Federal Reserve Banks may be authorized by the Treasury Department to transmit certain original certificates of deposit and other documents to speci-

fied Treasury offices other than the Office of the Treasurer of the United States. The copies of the certificate of deposit in the set should be distributed in accordance with the instructions printed thereon. In no case shall a duplicate or second set of certificates be issued without special authority of the Secretary of the Treasury, unless and until the entire original set has been canceled; however, copies of any certificate in a set may be furnished on request provided each such copy is plainly stamped across the face in large letters "Copy". If an error is discovered after the original has been mailed, the Treasurer of the United States should be notified at once in order that proper correction may be made.

(e) *Maintenance of record of items deposited.* Depositors shall maintain a record of all checks, drafts, postal money orders, and postal notes deposited, which record shall be in such form as to enable the identification of each item with the applicable certificate of deposit.

[1945 Dept. Circ. 176, Rev., 11 F. R. 102, Jan. 3, 1946, as amended at 19 F. R. 2520, Apr. 30, 1954]

§ 202.7 *Sorting and listing of items for deposit.* Items deposited with Federal Reserve Banks and general depositories for credit to the account of the Treasurer of the United States shall be sorted and listed by depositing officers in such manner as may be prescribed by the Secretary of the Treasury.

§ 202.8 *Indorsement and transmission of checks for collection—(a) Form of indorsement.* The depositor should stamp on the face of each check deposited for credit to the account of the Treasurer of the United States the words "This check is in payment of an obligation to the United States and must be paid at par. N. P. Do not wire nonpayment," followed by the name of his Department or agency. The Federal Reserve Bank or general depository will make an effort to collect every check on these terms. If the bank on which a check is drawn for any reason does not pay it at par, it will be returned to the depositor in the same manner as a bad check. A check is not paid by the bank on which it is drawn until the proceeds thereof have been received in actually and finally collected funds. All checks should be indorsed: "Pay to the order of any Federal Reserve Bank or Branch or general depository for credit to the Treasurer of the United States."

(Date)

(Stamp signature or title of
depositor)

(b) *Maintenance of record of checks deposited.* Depositors must retain a record of the checks deposited so that if any check is lost payment may be stopped immediately and a duplicate or substitute check secured.

(c) *Postage and registration charges.* Necessary expenses for postage and registration charges should be borne by such appropriation as may be available and must not in any event be deducted from the amount of the deposit. If the depositor has no appropriation available to pay such charges, he should make prompt report to the Secretary of the Treasury, Division of Deposits, and request instructions. Registration is not required in connection with the shipment of checks, postal money orders and postal notes.

(d) *Protection under Government Losses in Shipment Act.* Deposits, while in the course of shipment to depositories, are protected under the provisions of the Government Losses in Shipment Act, as amended (5 U. S. C. 134-134h) and, therefore, such remittances shall not be insured by depositors. In this connection, attention is invited to Parts 260 and 261 of this chapter appearing also as Treasury Department Circulars Nos. 576 and 577.

[1945 Dept. Circ. 176, Rev., 11 F. R. 102, Jan. 3, 1946, as amended at 16 F. R. 2955, Apr. 5, 1951]

§ 202.9 *Uncollected and lost checks in connection with deposits for credit to the account of the Treasurer of the United States.* Except as otherwise authorized by the Secretary of the Treasury in specific cases, the following procedure shall apply in the event any check is not paid for any reason by the bank on which it is drawn (irrespective of whether advice of such nonpayment is received prior or subsequent to the date the applicable certificate of deposit is executed):

(a) The Federal Reserve Bank or general depository, all hereinafter referred to as the "depository", will immediately execute a debit voucher, Form 5504 (Revised), and deliver or forward to the depositor the triplicate and quadruplicate copies thereof, together with each unpaid check included in such voucher. The charge for such uncollectible checks will

not be entered in the Treasurer's account, however, prior to the credit of the deposits in which the uncollectible checks are included. If an unpaid check is not recovered by the depository, a notification to the depositor to that effect citing the reason the check was not returned should accompany the copies of the voucher.

(b) The depositor should immediately review the data recorded on the reverse of the copies of the Form 5504 (Revised) and if such data are correct, the quadruplicate copy should be signed in the space provided on the reverse of the form and immediately returned to the depository.

(c) If any correction of the information recorded on the executed debit voucher is necessary, the depositor should make such correction on the copies of the form in his possession over initial, before returning the depository's copy; the depository will advise the Treasurer of the United States by letter of the corrections to be made on the debit voucher.

(d) At the request of the depository and upon receipt therefrom of the unpaid check or checks, or in case an unpaid check is not recovered by the depository, a notification to that effect, citing the reason therefor, the depositor shall complete (except affixing his signature) the reverse side of a full set of the debit voucher, Form 5504 (Revised), and transmit at once the full set of the form to the depository for execution and for return to the depositor of the triplicate and quadruplicate copies thereof. Thereafter, the procedure will be the same as set forth under paragraphs (b) and (c) of this section.

(e) Two or more uncollectible checks, if included in the same deposit, should be recorded on the same debit voucher. Checks of the same class of receipt should be consolidated and recorded on the debit voucher by class of receipt and certificate of deposit. Space permitting, data pertaining to more than one certificate of deposit submitted by the same depositor may be recorded on a single debit voucher provided the certificates of deposit are of the same form number; however, separate debit vouchers must be prepared for uncollectible checks included in deposits for credit in disbursing officers' checking accounts bearing different symbol numbers or in other cases upon specific instructions.

(f) In the case of failure for any reason to collect checks deposited by the Treasurer of the United States, the procedure and forms set forth in § 202.12 (1) will be followed and used.

(g) If an unpaid check is returned by the depositary, the depositor will adjust his accounts and proceed at once to collect the amount involved as though no check had been received.

(h) If a check is lost, whether before or after deposit, the depositor will adjust his accounts and immediately request that the drawer stop payment on the check and forward a duplicate thereof. If a duplicate check or other payment is not received in due course, the depositor will proceed to make collection as if no check had been received. (See § 202.10.)

(1) When a new payment is received under either paragraph (g) or (h) of this section, the depositor will treat such payment as new business and deposit the check accordingly.

§ 202.10 *Agreement of indemnity in connection with the replacement of checks, drafts, and other documents.* Section 3 (b) of the Government Losses in Shipment Act, as amended (5 U. S. C. 134b-2), reads as follows:

3 (b). The Secretary of the Treasury is hereby authorized to execute and deliver, on behalf of the United States, such binding agreements of indemnity as he may deem necessary and proper to enable the United States to obtain the replacement of any instrument or document received by the United States or any agent of the United States in his official capacity which, after having been so received, became lost, destroyed, or so mutilated as to impair its value: *Provided, however,* That no such agreement of indemnity shall operate to obligate the United States in any case in which the obligee named therein makes any payment or delivery not required by law on the original of the instrument or document covered thereby. The fund shall be available for the payment of any obligation arising out of any agreement executed by the Secretary of the Treasury under this section.

The procedure outlined in paragraphs (a), (b) and (c) of this section should be followed in connection with the replacement of any instrument or document covered by the foregoing amendment:

(a) Immediately upon discovery of the loss, destruction, or mutilation, the drawer should be so advised and request be made that payment of or delivery on

the original instrument or document be stopped.

(b) Every effort should be made to obtain replacement of the instrument or document without the execution of an agreement of indemnity.

(c) In the event it is not possible to obtain replacement without giving an agreement of indemnity, the case should be transmitted to the Treasury Department, for attention of the Division of Deposits, together with the following:

(1) A complete description of the instrument or document, together with certified copies of all correspondence relating to the loss and to the effort made to obtain replacement;

(2) A statement clearly demonstrating the necessity for replacing the instrument or document; and

(3) A recommendation of the administrative head of the executive department, independent establishment, agency, or wholly owned corporation of the United States, that the Secretary of the Treasury execute and deliver an agreement of indemnity.

The Secretary of the Treasury will take such action in regard to the execution and delivery of the agreement of indemnity as he may deem necessary and proper.

FOR SPECIAL ATTENTION OF FEDERAL RESERVE BANKS

§ 202.11 *Collection and credit—(a) Basis on which credit will be given.* Federal Reserve Banks will give credit in the Treasurer's account for deposits on such basis as may be agreed upon with the Secretary of the Treasury. Certificates of deposit covering items deposited for credit in the Treasurer's account should be issued at the time of credit in the account.

(b) *Conditions under which checks will be collected.* Federal Reserve Banks are authorized to collect checks deposited for credit to the Treasurer's general account, which should be properly stamped as prescribed in § 202.8 in accordance with the regulations of the Board of Governors of the Federal Reserve System governing the clearing and collecting of checks by Federal Reserve Banks. The Federal Reserve Banks will exercise due diligence in collecting such checks.

(c) *Special arrangements.* The foregoing provisions of this section shall not be deemed to prohibit any Federal Re-

serve Bank from making special arrangements with the Treasury with respect to deposits of individual depositors of public money where the character of the deposits justifies special treatment. [1945 Dept. Circ. 176, 11 F. R. 176, Rev., 11 F. R. 102, Jan. 3, 1946, as amended at 22 F. R. 2200, Apr. 3, 1957]

§ 202.12 *Uncollected and lost checks in connection with deposits for credit to the account of the Treasurer of the United States.* Except as otherwise specified by the Secretary of the Treasury, the following procedure shall apply in the event any check is not paid for any reason by the bank on which it is drawn (irrespective of whether advice of such nonpayment is received prior or subsequent to the date the applicable certificate of deposit is executed):

(a) The Federal Reserve Bank, hereinafter referred to as the "depository", shall retain a record of the drawer, drawee and amount of each unpaid check returned to the depositor as uncollectible.

(b) The depository, except as provided under paragraph (e) of this section, will complete the data required on the face and reverse of the form and charge the Treasurer's account with the total amount of the uncollectible checks recorded on Form 5504 (Revised); such charge, however, shall not be entered in the Treasurer's account prior to the credit of the deposit in which the uncollectible checks are included.

(c) The original of the executed Form 5504 (Revised) should be transmitted to the Treasurer of the United States with the transcript of the Treasurer's account, Form 17, on the date the charge is made in such account. All other copies in the set will be distributed in accordance with instructions printed on the face thereof.

(d) Each unpaid check included in a voucher shall accompany the copies of Form 5504 that are returned to the depositor. In case an unpaid check is not recovered by the depository, a notification to the depositor to that effect citing the reason the check was not returned should accompany the copies of the voucher.

(e) If the depository is unable to provide accurately the data required on the reverse of the debit voucher Form 5504 (Revised), the depository should return each uncollectible check, or furnish ap-

propriate advice if the uncollectible check cannot be returned, and request the depositor to complete (except for the affixing of his signature) the reverse side of a full set of the voucher Form 5504 (Revised), and transmit such set of the voucher to the depository for execution.

(f) Upon receipt of the requested debit voucher, the depository will verify the information furnished to determine that it is complete and accurate with respect to the certificates of deposit described thereon and proceed as provided in paragraphs (b) and (c) of this section.

(g) The depository will see that the quadruplicate copy of each executed form is returned properly signed by the depositor. The copy should be examined and, if the depositor has indicated that correction of the data recorded on the form is necessary, the depository shall transmit a letter to the Treasurer of the United States, Accounting Division, Washington 25, D. C., fully describing the debit voucher, together with a statement of the corrections to be made thereon. The depository will maintain a permanent file of the signed quadruplicate copy of each Form 5504 (Revised) that it executes.

(h) Two or more uncollectible checks, if included in the same deposit, should be recorded on the same debit voucher. Checks of the same class of receipt should be consolidated and recorded on the debit voucher by class of receipt and certificate of deposit. Space permitting, data pertaining to more than one certificate of deposit submitted by the same depositor may be recorded on a single debit voucher, provided that the certificates of deposit are of the same form number; however, separate debit vouchers must be prepared for uncollectible checks included in deposits for credit in disbursing officers' checking accounts bearing different symbol numbers or in other cases upon specific instructions.

(i) Federal Reserve Banks, in the case of checks forwarded for collection by the Treasurer of the United States which are not paid for any reason by the drawee bank, should return the check or checks, if recovered, to the Cashier, Office of the Treasurer of the United States, with duplicate debit voucher, Form 5315, and the original Form 5315 should be transmitted with the transcript to support the charge. Such charge, however, shall not

be entered in the Treasurer's account prior to the credit of the deposit in which the uncollectible checks are included. In case the unpaid item or items are not recovered by the Federal Reserve Bank, a notation of the circumstances should be made on the reverse of Form 5315.

(j) A check is not considered paid within the meaning of this part until the proceeds thereof have been received in actually and finally collected funds. In case an exchange draft is tendered by the bank on which a check is drawn and the draft is not paid in actually and finally collected funds because of insolvency of the bank on which the check is drawn, the draft should be retained by the Federal Reserve Bank as the basis for a claim, and the Federal Reserve Bank will be expected in ordinary course to file a claim thereon for account of the Treasurer, though dividends on claims so filed should be accepted only upon specific authority from the Secretary of the Treasury. Immediately upon filing claim, the Federal Reserve Bank should notify the Secretary of the Treasury, Division of Deposits, giving a full description of the items included in the claim.

§ 202.13 *Certificates of deposit.* Federal Reserve Banks are requested to see that all certificates of deposit are duly executed in accordance with § 202.6. The date inserted on the certificate of deposit by the Federal Reserve Bank must, in all cases, be the same as the date of the transcript in which the amount is credited. Certificates of deposit should be numbered by the depositor if prepared by him, but in the event that the depositor fails to number the certificate, the Federal Reserve Bank will supply a number.

§ 202.14 *Acceptance of collateral.* Federal Reserve Banks, as fiscal agents of the United States, are authorized to accept and hold collateral of the classes outlined in § 202.20 when tendered by depositaries as security for Government deposits.

FOR SPECIAL ATTENTION OF GENERAL DEPOSITARIES

§ 202.15 *Classes of general depositaries.* There are two classes of general depositaries, namely, "active general depositaries" and "inactive general depositaries". An "active general depositary" is a depositary which is authorized to maintain on its books an account in the name of the Treasurer of the United

States and is authorized to accept deposits from Government officers for credit in that account. An "inactive general depositary" is a depositary that is authorized to maintain on its books an account in the name of the Treasurer of the United States but does not have authority to accept deposits from Government officers for credit in that account.

§ 202.16 *Certificates of deposit.* Active general depositaries are requested to see that all certificates of deposit are duly executed in accordance with § 202.6. The date inserted on the certificate of deposit by active general depositaries must, in all cases, be the same as the date of the transcript in which the amount is credited. Certificates of deposit should be numbered by the depositor if prepared by him, but in the event that the depositor fails to number the certificate, the active general depositary will supply a number.

§ 202.17 *Collection and credit.* Active general depositaries are required to give immediate credit in the Treasurer's account and to issue certificates of deposit for the full amount of all public moneys deposited with them for credit in the Treasurer's account in accordance with this part.

§ 202.18 *Uncollected and lost checks in connection with deposits for credit to the account of the Treasurer of the United States.* The procedure set forth in § 202.12 (except paragraphs (c), (i) and (j) shall apply in the event checks, drafts or other items included in deposits with active general depositaries are uncollectible or lost. In lieu of following the procedure set forth in § 202.12 (c), the depositary shall transmit on the date the charge is made in the Treasurer's account the original of each executed Form 5504 (Revised)—Debit Voucher to the Federal Reserve Bank or branch of the district in which the depositary is located, under cover of the prescribed transcript on which the debit appears. All other copies in the set will be distributed in accordance with instructions appearing on the face thereof. [19 F. R. 2520, Apr. 30, 1954]

§ 202.19 *Transfer of net receipts.* Each general depositary shall forward at the close of business each day on which there are transactions in the Treasurer's General Account, to the Federal Reserve Bank or branch of the district in which the depositary is located, the net amount

of the day's transactions in funds available for immediate credit to the Treasurer's account by such Federal Reserve Bank or branch, under cover of the prescribed transcript on which the transactions appear.

[19 F. R. 2520, Apr. 30, 1954]

§ 202.20 *Collateral security for deposits.* General depositaries must qualify before receiving deposits of public moneys by pledging collateral as security for such deposits. Until further notice, securities of the following classes, and no others, will be accepted as security for deposits hereunder and at the rates below, *Provided*:

(a) Bonds, notes, certificates of indebtedness, and Treasury bills of the United States, of any issue including outstanding interim certificates or receipts for payment therefor; at par for bonds, notes, and certificates and maturity value in the case of Treasury bills.

(b) Obligations fully and unconditionally guaranteed both as to principal and interest by the United States; all at face value.

(c) Obligations of the Federal Land Banks, Federal Intermediate Credit Banks, Federal Home Loan Banks, the Federal National Mortgage Association, the Central Bank for Cooperatives, the Banks for Cooperatives, and bonds of Puerto Rico; all at face value.

(d) Bonds of the Territory of Hawaii at market value, not to exceed par.

(e) Bonds and certificates of indebtedness of the Philippine Islands, issued prior to May 1, 1934, under authority of acts of Congress of the United States, all at market value, not to exceed face value.

(f) Obligations issued or guaranteed by the International Bank for Reconstruction and Development, all at face value.

(g) Obligations of (1) a local public agency (as defined in section 110 (h) of the Housing Act of 1949) or of a public housing agency (as defined in the United States Housing Act of 1937, as amended) which have a maturity of not more than eighteen months, if such obligations are secured by an agreement between the obligor agency and the Housing and Home Finance Administrator or the Public Housing Administration in which the

agency agrees to borrow from the Administrator or Administration, and the Administrator or Administration agrees to lend to the agency, prior to the maturity of such obligations, moneys in an amount which (together with any other moneys irrevocably committed to the payment of interest on such obligations) will suffice to pay the principal of such obligations with interest to maturity, which moneys under the terms of said agreement are required to be used for that purpose, and (2) such a public housing agency as are secured by a pledge of annual contributions under an annual contributions contract between such public housing agency and the Public Housing Administration if such contract shall contain the covenant by the Public Housing Administration which is authorized by subsection (b) of section 22 of the United States Housing Act of 1937, as amended, and if the maximum sum and the maximum period specified in such contract pursuant to said subsection 22 (b) shall not be less than the annual amount and the period for payment which are requisite to provide for the payment when due of all installments of principal and interest on such obligations. These obligations may be accepted at face value.

All securities to be pledged as collateral security for such deposits must be deposited with (1) the Federal Reserve Bank or Branch of the district in which the depository is located or, by the direction and subject to the order of the Federal Reserve Bank or Branch, with a custodian or custodians within the United States, designated by such Federal Reserve Bank or Branch, and under such terms and conditions as it may prescribe, or (2) the Treasurer of the United States, Division of Securities, and should be accompanied by a letter stating distinctly the purpose for which deposited. When registered bonds are to be deposited as collateral security hereunder, such bonds must be assigned to the Treasurer of the United States in trust for the bank by an officer of the bank, duly authorized by resolution of its board of directors to make such assignment, and the assignment must be duly acknowledged pursuant to the regulations of the Secretary of the Treasury governing assignments of registered bonds. A certified copy of the resolution of the board of directors must

accompany the registered bonds when forwarded for deposit.

[1945 Dept. Circ. 176, Rev., 11 F. R. 102, Jan. 3, 1946, as amended at 11 F. R. 10112, Sept. 12, 1946; 16 F. R. 2955, Apr. 5, 1951; 17 F. R. 3453, Apr. 18, 1952; 20 F. R. 51, Jan. 4, 1955]

§ 202.21 *Cashing and handling of checks drawn on the Treasurer of the United States.* Active general depositaries shall not charge any Government checks in the Treasurer's General Account maintained on their books and shall handle them as follows:

(a) Government checks (1) issued for the purpose of transferring funds from one disbursing officer to another, or from one account of a disbursing officer to another account; or (2) drawn by a disbursing officer for the purpose of depositing the amounts of such Government checks to the credit of the Treasurer of the United States; which are received in deposits of Government officers, shall be appropriately endorsed and used by depositaries as part or full payment in remitting the net amount of the day's transactions to the Federal Reserve Bank or branch of the district in which the depositary is located, without charging such checks in the Treasurer's General Account. This will be accomplished by listing the checks in the prescribed transcript and forwarding them, together with the related certificates of deposit included in the transcript to the Federal Reserve Bank or branch, in part or full payment of the net amount of the day's transactions. In effect, this will permit depositaries to receive immediate credit for these specific Government checks without charging them in the Treasurer's General Account.

(b) Government checks which are presented by disbursing officers in exchange for cash should be handled outside of the Treasurer's General Account through normal channels. The Treasurer of the United States, upon special request, will advise active general depositaries as to whether the balances to the credit of the disbursing officers are sufficient for the payment of the checks presented. In those cases in which active general depositaries deem it necessary to obtain immediate credit for such Government checks, the procedure outlined in § 202.22 may be followed.

(c) All other Government checks shall be handled outside of the Treasurer's General Account through normal channels.

(d) Shipments of Government checks to Federal Reserve Banks and branches under cover of the prescribed transcript will be covered under the Government Losses in Shipment Act, provided the depositary retains copies of the transcripts containing a description of the checks. [19 F. R. 2520, Apr. 30, 1954]

§ 202.22 *Obtaining immediate credit for Government checks presented by disbursing officers in exchange for cash.* In those cases in which active general depositaries deem it necessary to obtain immediate credit for Government checks presented by disbursing officers in exchange for cash, the following procedure may be followed: The depositary may request the Treasurer of the United States by wire (prepaid), stating the check number, symbol number and amount of the check, to place to the credit of the depositary an amount equal to the amount of the check. The Treasurer of the United States will place the funds to the credit of the depositary by either of the following methods, as may be requested by the depositary, by directing the appropriate Federal Reserve Bank by wire to credit (a) the depositary bank's reserve account, or (b) a correspondent bank in any city where a Federal Reserve Bank is located, for the account of the depositary bank. Immediately upon directing such transfer, the Treasurer will advise the depositary bank by wire (prepaid), and the depositary will take up the amount on the same date as a credit to the Treasurer's General Account on its books. The check presented by the disbursing officer will then be used as payment in remitting the amount of the deposit (transfer of funds) to the Federal Reserve Bank, in the manner described in § 202.21. [19 F. R. 2520, Apr. 30, 1954]

FOR SPECIAL ATTENTION OF LIMITED DEPOSITARIES

§ 202.23 *Scope of authority.* The term "limited depositaries" means depositaries that are designated by the Secretary of the Treasury for the sole purpose of receiving, up to specified maximum amounts, deposits made by United States courts and their officers, postmasters, and other duly authorized Government officers for credit in their official checking accounts with such depositaries. Limited depositaries are not authorized to accept deposits for credit to the account of the Treasurer of the United States.

§ 202.24 *Collateral security for deposits.* The provisions of § 202.20 are applicable to limited depositaries.

PAYMENT OF CHECKS DRAWN ON TREASURER OF THE UNITED STATES

§ 202.25 *Federal Reserve Banks.* (a) Federal Reserve Banks will make arrangements to cash Government checks drawn on the Treasurer of the United States for disbursing officers of the Department of the Army, Navy Department, and Treasury Department, and other Government disbursing officers, when such checks are drawn by the disbursing officers to their own order: *Provided*, That satisfactory identification of the officers shall be furnished. The Treasurer will, upon special request, advise Federal Reserve Banks as to whether the balances to the credit of disbursing officers are sufficient for payment of the checks presented.

(b) Federal Reserve Banks will not be expected to cash Government checks presented direct to the bank by the general public.

(c) Each Federal Reserve Bank will receive Government checks drawn on the Treasurer of the United States from its member banks, nonmember clearing banks, or other depositors, when indorsed by such banks or other depositors who guarantee all prior indorsements thereon, including the indorsement of the drawer when the check is drawn in his favor, and will give immediate credit therefor and charge the amount of the checks cashed or received in the account of the Treasurer, subject to examination and payment by the Treasurer of checks payable in Washington, D. C., or by the designated Federal Reserve Bank of checks payable through a Federal Reserve Bank.

(d) The Treasurer of the United States reserves the right to examine, and to refuse payment of, all Government checks handled by Federal Reserve Banks in accordance with this section: *Provided, however*, That Government checks cashed by Federal Reserve Banks in accordance with the first paragraph of this section, after having ascertained from the Treasurer that the balances to the credit of the signing officers are sufficient, will not be refused payment except for alteration or forged signature of drawer.

(e) Government checks cashed or otherwise received by Federal Reserve Banks will be handled as follows:

(1) Checks drawn on the Treasurer of the United States, other than checks payable through designated Federal Reserve Banks, will be handled as follows:

(i) The Federal Reserve Bank will forward all checks charged in his account to the Treasurer of the United States at Washington, D. C., for payment.

(ii) The Treasurer will return to the forwarding Federal Reserve Bank any check payment of which is refused upon first examination. Such Federal Reserve Bank will be expected to give immediate credit therefor in the Treasurer's account, thereby reversing the previous charge in his account for such check; but, if the check is required for use in connection with a criminal investigation or legal proceeding, the check will be retained by the Treasurer for that purpose, and a photographic copy of the face and back will be forwarded to the Federal Reserve Bank.

(iii) In the event that any check which has been paid by the Treasurer is subsequently found to bear a forged indorsement, or to bear any other material defect or alteration which was not discovered upon first examination by the Treasurer, the amount of the check will be charged in the transit account of the Federal Reserve Bank from which received and a photographic copy thereof will be sent by the Treasurer to the bank or depositor which forwarded the check to the Federal Reserve Bank, with request that the amount thereof be paid to the Federal Reserve Bank for credit in the account of the Treasurer of the United States. If such payment is not made, the Treasurer will take such steps against such forwarding bank, or other depositor, and prior indorsers as he may deem necessary or advisable to protect the interests of the United States. Unless such payment is made, the Federal Reserve Bank will not give credit in the Treasurer's account for the amount of such check. If the check was cashed by a Federal Reserve Bank or the Treasurer is unable to determine the forwarding bank or depositor, a photographic copy of the check will be sent directly to the Federal Reserve Bank with request that an attempt be made to obtain refund. If refund is not made, the Treasurer will take such steps as he may deem necessary or advisable to protect the interests of the United States.

(iv) In cases of checks raised or bearing a forged signature of the drawer, not discovered upon first examination by the Treasurer, and in other cases where the Treasurer's right to reclaim is in question, the checks will be forwarded to the Federal Reserve Bank as collection items with no charge in the account of the Federal Reserve Bank and credit will be given in the Treasurer's account only when payments are made by the indorsers of the checks. A photographic copy may be returned in lieu of the check if the latter is required for use in connection with a criminal investigation or legal proceeding.

(2) Checks drawn on the Treasurer of the United States payable through Federal Reserve Banks will be handled as follows: (The term "Federal Reserve Bank" as used in this subparagraph has reference to the Federal Reserve Bank designated on the face of the check when one is named, or when the check is designated as payable through any Federal Reserve Bank the term has reference to the first Federal Reserve Bank, not a branch, at which the check is received.)

(i) The Federal Reserve Bank will, as agent and in behalf of the Treasurer, pay any such check or return it to the bank or other party from which it was received by such Federal Reserve Bank. The Federal Reserve Bank will be expected to give immediate credit in the Treasurer's account for any such check payment of which is refused on first examination, thereby reversing the previous charge in his account for such check; but if the check is required for use in connection with a criminal investigation or legal proceeding the check will be sent by the Federal Reserve Bank to the Treasurer for that purpose and a photographic copy of the face and back will be forwarded to the bank or other party from which such check was received.

(ii) Any such check payable through a designated Federal Reserve Bank which is cashed or otherwise received at a branch of the designated Federal Reserve Bank, or at some other Federal Reserve Bank, will be forwarded to the designated Federal Reserve Bank for payment in accordance with subdivision (i) of this subparagraph; and any check payable at any Federal Reserve Bank which is cashed or otherwise received at any branch of a Federal Reserve Bank will be forwarded to the Federal Reserve Bank of the Federal Reserve District in

which such branch is located, for payment in accordance with subdivision (i) of this subparagraph.

(iii) In the event that any check which has been paid by a Federal Reserve Bank in behalf of the Treasurer is subsequently found to bear a forged indorsement, or to bear any other material defect or alteration which was not discovered upon first examination, the Federal Reserve Bank or branch which first received such check will be notified and a photographic copy of the check will be sent to the bank or other depositor which forwarded the check to such Federal Reserve Bank or branch with the request that the amount thereof be paid to such Federal Reserve Bank or branch for credit in the account of the Treasurer of the United States. If such payment is not made, the Treasurer will take such steps against such forwarding bank, or other depositor, and prior indorsers as he may deem necessary or advisable to protect the interests of the United States. Unless such payment is made, the Federal Reserve Bank or branch will not give credit in the Treasurer's account for the amount of such check. If the check was cashed by a Federal Reserve Bank or branch or if the Treasurer is unable to determine the forwarding bank or other depositor, a photographic copy of the check will be sent to the Federal Reserve Bank or branch which first received such check with the request that an attempt be made to obtain refund. If refund is not made, the Treasurer will take such steps as he may deem necessary or advisable to protect the interests of the United States.

(iv) In cases of checks raised or bearing a forged signature of the drawer, not discovered upon first examination and in other cases where the Treasurer's right to reclaim is in question, the Federal Reserve Bank or branch which first received the check will be notified and a photographic copy of the check will be sent by the Treasurer to the bank or other depositor which forwarded the check to such Federal Reserve Bank or branch with request that the amount thereof be paid to such Federal Reserve Bank or branch for credit in the account of the Treasurer of the United States. If such payment is not made, the Treasurer will take such steps against such forwarding bank, or other depositor, and prior indorsers as he may deem necessary or advisable to protect the interests of

the United States. Unless such payment is made, the Federal Reserve Bank or branch will not give credit in the Treasurer's account for the amount of such check. If the check was cashed by a Federal Reserve Bank or branch or the Treasurer is unable to determine the forwarding bank or depositor, a photographic copy of the check will be sent to the Federal Reserve Bank or branch which first received the check with request that an attempt be made to obtain refund. If refund is not made, the Treasurer will take such steps as he may deem necessary or advisable to protect the interests of the United States.

(f) Each Federal Reserve Bank will be expected to use ordinary care in the performance of its duties in connection with Government checks as set forth in this part, and when acting as agent for the Treasurer of the United States will be liable only for its own negligence.

[1945 Dept. Circ. 176, Rev., 11 F. R. 102, Jan. 3, 1946, as amended at 14 F. R. 7377, Dec. 9, 1949]

§ 202.27 *Banks presenting checks direct to the Treasurer.* (a) Banks presenting checks payable in Washington, D. C., direct to the Treasurer of the United States, under special arrangements with the Treasurer, shall be deemed to guarantee all prior indorsements including that of the drawer when the check is drawn in the drawer's favor irrespective of whether a specific guaranty is incorporated in the bank's indorsement.

(b) Return will be made to the presenting bank of any check on which payment is refused, in which case the bank will make refund before the close of the next business day to the Treasurer of the United States, and if refund is not made by the bank the Treasurer of the United States is authorized to deduct the amount of the check from any amount that is due or may become due to the bank. If the check is required for use in connection with a criminal investigation or legal proceeding, it will be retained for that purpose and a photographic copy of the face and back will be furnished to the presenting bank.

(c) In the event that any check which has been paid by the Treasurer is subsequently found to bear a forged indorsement, or to bear any other material defect or alteration which was not discovered upon payment by the Treasurer, a photographic copy of the check will be

forwarded to the presenting bank with request for refund.

(d) In cases of checks raised or bearing a forged signature of the drawer not discovered upon payment by the Treasurer, and in other cases where the Treasurer's right to reclaim is in question, the check will be forwarded to the presenting bank with a request for refund or collection, if possible. A photographic copy may be returned in lieu of the check if the latter is required for use in connection with a criminal investigation or legal proceeding.

§ 202.28 *Limitation of time for payment—(a) Checks drawn on the Treasurer of the United States.* All checks heretofore or hereafter drawn on the Treasurer of the United States, including those drawn by wholly owned and mixed-ownership Government corporations, are payable without limitation of time: *Provided*, That where on presentation of any check for payment the Treasurer of the United States is on notice of a doubtful question of law or fact the payment of such check will be deferred pending settlement by the General Accounting Office.

(b) *Checks drawn on depositaries.* After the expiration of one year following the close of the fiscal year (ending June 30) in which they are drawn, checks drawn by authorized officers of the United States on designated depositaries are not payable by those depositaries and should be transmitted by the owner or holder to the General Accounting Office, Washington 25, D. C., for settlement, accompanied by a request for payment over the signature and address of the owner or holder of such checks. This paragraph does not apply to checks drawn by wholly owned or mixed-ownership Government corporations on designated depositaries.

(Sec. 1, 71 Stat. 464; 31 U. S. C. 132) [23 F. R. 10349, Dec. 25, 1958]

OTHER PROVISIONS

§ 202.30 *Deposits by Government officers.* Except as herein otherwise provided, nothing contained in this part shall be deemed to affect deposits by Government officers to the credit of their official checking accounts with general and limited depositaries.

§ 202.31 *Deposit of public moneys outside the forty-eight States and the District of Columbia.* The provisions of this part do not apply to or govern the deposit

of public moneys outside of the forty-eight States and the District of Columbia, except to the extent specifically extended by the Secretary of the Treasury from time to time.

§ 202.32 *Authority to waive, withdraw or amend the provisions of this part.* The Secretary of the Treasury may waive, withdraw, or amend at any time or from time to time any or all of the provisions of this part.

Part 203—Special Deposits of Public Moneys Under the Act of Congress Approved September 24, 1917, as Amended

Sec.

203.0 Introductory.

GENERAL PROVISIONS

- 203.1 Designation of banks and trust companies as Special Depositaries of public moneys.
- 203.2 Application; resolution forms.
- 203.3 Depositaries already qualified.
- 203.4 Discontinuance of depositaries; re-designation.
- 203.5 Amount of deposits for which application will be made.
- 203.6 Determination of maximum amount of deposits for which special depositary may qualify.

COLLATERAL SECURITY

- 203.7 Special Depositaries must pledge collateral security before receiving deposits; acceptable securities.
- 203.8 United States Government securities or obligations guaranteed by the United States may be required to be pledged as security.
- 203.9 Additional collateral.
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CUSTODY OF SECURITIES

- 203.11 Deposit of securities with Federal Reserve Bank or branch or designated custodian.

DEPOSITS IN TREASURY TAX AND LOAN ACCOUNT

- 203.12 Treasury Tax and Loan Account.
- 203.13 Funds which may be deposited into Treasury Tax and Loan Account.
- 203.14 Deposits not to exceed authorized amount.

HOW DEPOSITS ARE TO BE MADE

- 203.15 Payment by credit of amounts payable on subscriptions; certificate of advice.
- 203.16 Deposit of funds received by banks as Depositaries for Federal taxes; certificate of advice.

Sec.

203.17 Deposit of funds representing certain Federal taxes.

SPECIAL DRAFT FOR CREDIT IN TREASURY TAX AND LOAN ACCOUNT

- 203.18 Preparation by Federal Reserve Banks of Special Draft for Credit in Treasury Tax and Loan Account.
- 203.19 Optional deposit into Treasury Tax and Loan Account of amounts of special drafts.
- 203.20 Execution of special drafts.
- 203.21 Transmission of special drafts to Federal Reserve Banks.
- 203.22 Time for presentation of special drafts.

WITHDRAWAL OF DEPOSITS

- 203.23 Calls for withdrawal of deposits; payment.

AMENDMENT OF REGULATIONS

- 203.24 Right reserved to amend, supplement or revise regulations in this part.

AUTHORITY: §§ 203.0 to 203.24 issued under sec. 8, 40 Stat. 291, as amended; 31 U. S. C. 771.

SOURCE: §§ 203.0 to 203.24 contained in Department Circular 92 (Revised), 14 F. R. 7068, Nov. 23, 1949, except as otherwise noted.

NOTE: The forms mentioned in this part were filed as a part of the original document with the Federal Register Division. Copies may be obtained upon request from the Bureau of Accounts, United States Treasury Department, Washington 25, D. C.

§ 203.0 *Introductory.* Banks and trust companies designated and qualified pursuant to the terms of this part are given the title "Special Depositaries of Public Moneys" and are hereinafter referred to as "Special Depositaries." Special Depositaries are permitted to make payment in the form of a deposit credit for the purchase price of United States Government obligations purchased by such banks or trust companies for their own account or for the account of their customers, who enter their subscriptions through these banks or trust companies, when this method of payment is permitted under the terms of the circulars inviting subscriptions to such issues. Special Depositaries also are permitted to establish, subject to the conditions hereinafter prescribed, deposit credit on their books for funds representing income taxes withheld under section 1622 of the Internal Revenue Code (subchapter D of chapter 9 of the Internal Revenue Code) and employment taxes under the Federal Insurance Contributions Act, as amended (subchapter A of chapter 9 of the Internal Revenue Code). Special Depos-

aries also are permitted to establish, subject to conditions to be prescribed by the Secretary of the Treasury, deposit credit on their books for funds representing such other classes of internal revenue taxes as the Secretary of the Treasury may from time to time specifically designate. The deposit credits set up under this designation are called "Treasury Tax and Loan Accounts." Under this arrangement the large sums of money raised by the Treasury through financing operations and from deposits of certain taxes are left on deposit in local banking institutions until the Treasury needs to withdraw them to meet Government expenditures, thus avoiding the dislocations in the banking system which might result from immediate withdrawal of such funds.

[16 F. R. 1582, Feb. 15, 1951]

GENERAL PROVISIONS

§ 203.1 *Designation of banks and trust companies as Special Depositaries of public moneys.* All incorporated banks and trust companies in the United States (including the District of Columbia), the Territories of Alaska and Hawaii, Puerto Rico, the Virgin Islands, and the Panama Canal Zone, are hereby designated, subject to qualification in accordance with the provisions of this part, as Special Depositaries for receiving deposits of public moneys as authorized by the act of Congress approved September 24, 1917, as amended (Second Liberty Bond Act, as amended), referred to in this part as the act: *Provided*, That no bank or trust company shall perform any of the acts covered by this designation until it has qualified so to act in the manner herein prescribed.

§ 203.2 *Application; resolution forms.* Any incorporated bank or trust company desiring to participate in the deposit of public moneys as authorized by the act should apply for qualification through the Federal Reserve Bank of its district. Such application must be in Form H-5 and must be accompanied by a certified copy of a resolution, duly adopted by the Board of Directors of the applicant, in Form J-5. For the purpose of this part, banks and trust companies located in the Territories of Alaska and Hawaii will be considered as being located in the San Francisco Federal Reserve district, and banks and trust companies located in Puerto Rico, the Virgin Islands and the Panama Canal Zone will be considered as being located in the New York Federal

Reserve district. No incorporated bank or trust company which has made application for qualification shall act as a Special Depositary under the terms of this part until it receives from the Federal Reserve Bank notice of approval of the application.

§ 203.3 *Depositaries already qualified.* Special Depositaries already qualified to a sufficient amount pursuant to this part will not be required to file new formal applications or resolutions, but they will, by the acceptance or retention of deposits after December 31, 1949, be conclusively presumed to have assented to all the terms and provisions of this part, and to the retention of collateral security theretofore pledged as collateral security under this part.

§ 203.4 *Discontinuance of depositaries; redesignation.* A Special Depositary, heretofore or hereafter qualified, which having subscribed to an offering of United States bonds, notes, certificates of indebtedness, or Treasury Bills and having in due course received an allotment on its subscription refuses to receive the said allotment and to make payment therefor, or otherwise fails to comply with the provisions of this part, may be discontinued. A Special Depositary discontinued for any reason may be requalified by the Federal Reserve Bank of its district upon full compliance with the terms of this part.

§ 203.5 *Amount of deposits for which application will be made.* In fixing the maximum amount of deposits for which it will apply, the applicant bank or trust company should be guided by the amount of the payments which it expects to make, on subscriptions made by or through it for bonds, notes, certificates of indebtedness, and Treasury Bills of the United States issued under authority of the act, and deposits of taxes it expects to receive under Part 213 of this subchapter, and, as well by any statutory limitations upon the amount of deposits which the applicant bank or trust company may receive from any one depositor.

§ 203.6 *Determination of maximum amount of deposits for which special depositary may qualify.* Determination as to the maximum amount of deposits for which a Special Depositary may qualify is committed to the Federal Reserve Banks acting under the direction of the Secretary of the Treasury.

bonds, notes, certificates of indebtedness, and Treasury Bills of the United States issued under authority of the act of September 24, 1917, as amended, in the manner prescribed in this part.

(b) Deposit in the Treasury Tax and Loan Account, in the manner hereinafter prescribed, such funds representing deposits of income taxes withheld and employment taxes under the Federal Insurance Contributions Act, as may be made by employers with such bank when acting as a Depository for Federal Taxes, under Part 213 of this subchapter.

(c) Deposit in the Treasury Tax and Loan Account, subject to conditions to be prescribed by the Secretary of the Treasury, funds representing deposits by taxpayers with the bank of such other classes of internal revenue taxes as the Secretary of the Treasury may from time to time designate and which the bank has been duly authorized to receive.

(d) Deposit in the Treasury Tax and Loan Account, in addition to funds described in paragraphs (b) and (c) of this section, and subject to conditions to be prescribed by the Secretary of the Treasury, funds representing such classes of internal revenue taxes as the Secretary of the Treasury may from time to time designate, in an amount not exceeding the amount of checks drawn on the depository bank by taxpayers.

[Dept. Circ. 92 Rev., 14 F. R. 7058, Nov. 23, 1949, as amended at 16 F. R. 1582, Feb. 15, 1951]

§ 203.14 *Deposits not to exceed authorized amount.* The amount deposited with any Special Depository shall not in the aggregate exceed at any one time (a) the maximum amount for which it shall have been qualified as a depository, nor (b) the aggregate amount of the collateral security pledged by it taken at the rates hereinbefore provided, excepting that part of the deposits insured under section 12B of the Federal Reserve Act, as amended.

HOW DEPOSITS ARE TO BE MADE

§ 203.15 *Payment by credit of amounts payable on subscriptions; certificate of advice.* In order to make payment by credit to its Treasury Tax and Loan Account for amounts payable in transactions described in § 203.13 (a), the Special Depository must, on or before the date when such payment is due, notify the Federal Reserve Bank of the district of such intention and issue a certificate

of advice to such Federal Reserve Bank, stating that a sum specified has been deposited with such depository for the account of such Federal Reserve Bank, as fiscal agent of the United States, in the Treasury Tax and Loan Account. Such certificate of advice will be furnished in the form and manner prescribed by the Federal Reserve Bank.

§ 203.16 *Deposit of funds received by banks as Depositories for Federal taxes; certificate of advice.* Likewise, the Special Depository must issue a certificate of advice, in the manner outlined in § 203.15, and in accordance with the provisions of Part 213 of this subchapter, if it elects to deposit in its Treasury Tax and Loan Account funds representing deposits of taxes described in § 203.13 (b).

§ 203.17 *Deposit of funds representing certain Federal taxes.* Special Depositories may elect, at their option subject to the conditions prescribed in this section, to deposit in their Treasury Tax and Loan Accounts funds representing such classes of internal revenue taxes as the Secretary of the Treasury may from time to time designate, as referred to in § 203.13 (d). Such deposits shall be made on the basis of (a) certificates of advice to the Federal Reserve Bank of the district in which the depository is located, stating that a sum specified has been deposited for the account of such Federal Reserve Bank, as Fiscal Agent of the United States, in the Treasury Tax and Loan Account of the depository; or (b) documents entitled "Special Draft for Credit in Treasury Tax and Loan Account" (Form 453). Certificates of advice or special drafts, as the case may be, will be prepared and transmitted to the depositories by Federal Reserve Banks. The terms and conditions governing the use of special drafts are set forth in the following section.

[16 F. R. 1582, Feb. 15, 1951]

SPECIAL DRAFT FOR CREDIT IN TREASURY TAX AND LOAN ACCOUNT

§ 203.18 *Preparation by Federal Reserve Banks of Special Draft for Credit in Treasury Tax and Loan Account.* A Special Draft for Credit in Treasury Tax and Loan Account, in the form prescribed, representing such classes of internal revenue taxes as the Secretary of the Treasury may from time to time designate, as referred to in § 203.13 (d).

will be prepared daily by each Federal Reserve Bank for each Special Depository in its district, pursuant to instructions issued by the Secretary of the Treasury to the Federal Reserve Banks, as Fiscal Agents of the United States.

[16 F. R. 1582, Feb. 15, 1951]

§ 203.19 *Optional deposit into Treasury Tax and Loan Account of amounts of special drafts.* Pursuant to authority contained in this part, the Special Depository may exercise its option of depositing in its Treasury Tax and Loan Account moneys in an amount equal to the amount of the special draft by executing such draft and presenting it to the Federal Reserve Bank upon which it is drawn, in accordance with the terms and provisions appearing on the face of the special draft and described in this part. Upon proper execution and timely presentation according to the terms thereof, the special draft will be paid by the Federal Reserve Bank on which drawn, as Fiscal Agent of the United States, by charge to the General Account of the Treasurer of the United States.

[16 F. R. 1582, Feb. 15, 1951]

§ 203.20 *Execution of special drafts.* The Special Depository shall execute the special draft by signing and dating it in the spaces provided on the face thereof. Execution of the draft will constitute certification that the amount shown has been credited by the Special Depository to the Federal Reserve Bank on which drawn, as Fiscal Agent of the United States, Treasury Tax and Loan Account.

[16 F. R. 1583, Feb. 15, 1951]

§ 203.21 *Transmission of special drafts to Federal Reserve Banks.* The Special Depository, if a member of the Federal Reserve System, or non-member clearing bank, should transmit the executed special draft to a correspondent member bank or directly to the Federal Reserve Bank or Branch in which the depository's reserve or clearing account is maintained. Non-member depositories should transmit the special draft through their correspondent banks which are members of the Federal Reserve System or non-member clearing banks. All special drafts transmitted through a correspondent bank should be restrictively endorsed by the depository on the reverse thereof in favor of the correspondent bank. Such correspondent banks will endorse, date, and present for payment, the special draft to the

Federal Reserve Bank or Branch on which drawn. All risks of collection of special drafts shall be borne by the Special Depositories in whose favor they are drawn.

[16 F. R. 1583, Feb. 15, 1951]

§ 203.22 *Time for presentation of special drafts.* The special draft should be presented to the Federal Reserve Bank or Branch before the expiration of the number of business days specified on the face of the special draft, in order to receive credit therefor. The Federal Reserve Bank will specify on the face of the special draft, at the time of preparation, the number of business days within which it should be presented, which period of time will be based upon normal check collection schedules for the point at which the Special Depository is located. The Federal Reserve Bank may, in its discretion, reject any special draft not presented within the time specified on the face thereof.

[16 F. R. 1583, Feb. 15, 1951]

WITHDRAWAL OF DEPOSITS

§ 203.23 *Calls for withdrawal of deposits; payment.* All deposits will be payable on demand without previous notice. Calls for withdrawals of deposits with Special Depositories will be made by direction of the Secretary of the Treasury through the Federal Reserve Banks, and such depositories will be required to arrange for payments of such calls in funds that will be immediately available on the payment due date.

[Dept. Circ. 92 Rev., 14 F. R. 7058, Nov. 23, 1949, as amended at 15 F. R. 4770, July 26, 1950; 16 F. R. 1582, Feb. 15, 1951]

AMENDMENT OF REGULATIONS

§ 203.24 *Right reserved to amend, supplement or revise regulations in this part.* The right is reserved to amend or supplement or revise the provisions of this part at any time or from time to time.

[Dept. Circ. 92 Rev., 14 F. R. 7058, Nov. 23, 1949, as amended at 15 F. R. 4770, July 26, 1950; 16 F. R. 1582, Feb. 15, 1951]

Part 208—Public Moneys and Official Checks of United States Disbursing Officers

Sec.

208.1 Advances of funds.

208.2 Cash held by a disbursing officer at his personal risk.

- Sec.
208.3 Advances of funds in excess of penalties of official bonds.
208.4 Checks drawn to obtain cash for pay rolls and for other purposes.
208.5 Disposition of excess cash withdrawn for pay rolls and for other purposes.
208.6 Checks shall show object for which drawn.
208.7 Payee of check in certain cases.
208.8 Disbursing officer's advice of credit.
208.9 Disposition of checks paid by drawee.
208.10 Statement of checking account.
208.11 Deposits of public moneys.
208.12 Disbursing officer ceases to disburse.
208.13 Supply of blank checks and use of symbol numbers.
208.14 Official signatures.
208.15 Exceptions to part.
208.16 Transactions by disbursing officers under act approved December 23, 1944 (58 Stat. 921; 50 U. S. C. App., 1705-1707).
208.17 Withdrawal or amendment of part.

AUTHORITY: §§ 208.1 to 208.17 issued under R. S. 161, as amended; 5 U. S. C. 22.

SOURCE: §§ 208.1 to 208.17 contained in 1946 Revised Department Circular 195, 11 F. R. 5017, May 8, 1946.

NOTE: Transfer Order 11, 13 F. R. 2678, transferred to the Secretary of the Air Force and to the Department of the Air Force certain functions vested in disbursing officers of the Department of the Army and set forth in Part 208.

§ 208.1 *Advances of funds.* All funds advanced to Government disbursing officers for disbursement will be placed to their credit, subject to their official check, with the Treasurer of the United States in Washington (checks of certain accounts may be designated as payable only through a specified Federal Reserve Bank), except in cases where the Secretary of the Treasury specifically authorizes depository banks located outside the forty-eight States and the District of Columbia to accept and carry official accounts of disbursing officers or such funds as the Secretary of the Treasury specially authorizes disbursing officers to keep at their own personal risk.

§ 208.2 *Cash held by a disbursing officer at his personal risk.* A disbursing officer may obtain cash in a specific amount to be held at his personal risk under the following conditions:

(a) Any disbursing officer granted special authority by the Secretary of the Treasury may keep a specified amount of cash at his personal risk, under the provisions of section 3620 of the Revised Statutes of the United States (31 U. S. C.

492). In the case of disbursing officers not attached to the Treasury Department, applications for such special authority shall be made by the head of the department or establishment to which the officer is attached, except as provided in paragraphs (b) and (c) of this section, and must state the reasons why the authority is necessary.

(b) Any disbursing officer of the Department of the Air Force or the Department of the Army, specially authorized by the Secretary of the Air Force or the Secretary of the Army, who himself is stationed at a place remote from depositories of public moneys, or who has an agent officer, duly authorized pursuant to statute, so stationed, may keep at his personal risk such money as may be intrusted to him for disbursement.

(c) Any disbursing officer of the Navy Department, or Marine Corps, specially authorized by the Secretary of the Navy, who is serving afloat or who is assigned to duty at a place remote from depositories of public moneys, or who has an agent officer, duly authorized pursuant to statute, so stationed, may keep at his personal risk such money as may be intrusted to him for disbursement.

(d) Quarterly reports shall be made to the Secretary of the Treasury, Bureau of Accounts, Division of Bookkeeping and Warrants, by the heads of departments or establishments to which disbursing officers authorized to keep cash at their personal risk are attached, showing their names and stations, the amounts authorized and the balances on hand. The balances reported shall include all bank balances, United States and foreign currency and coin, checks, drafts, bills of exchange, and other instruments representing official funds which are available for expenditure and are kept at the risk of the disbursing officer. If foreign currencies are included in the balances reported, a separate analysis should be furnished showing the amount of each class of foreign currency and its dollar equivalent.

§ 208.3 *Advances of funds in excess of penalties of official bonds.* The application, approval, or recommendation from or by authority of the head of the department or establishment or office for which the disbursing officer is acting, for advances in excess of the penalty of his bond, will be regarded by the Secretary of the Treasury as a certificate to the

effect that advances of funds up to the amount named may with safety be made and placed to the official credit of the officer named, having regard to the conditions under which he acts, the needs of the public business, and other circumstances bearing upon the security of public funds intrusted to his hands.

§ 208.4 *Checks drawn to obtain cash for pay rolls and for other purposes.* (a) Any check drawn by a disbursing officer upon moneys deposited to his official credit must be in favor of the party, by name, to whom the payment is to be made, and payable to "order", with the following exceptions:

- (1) To make payments at a distance from the depository.
- (2) To make payments of fixed salaries due at a certain date,
- (3) To obtain funds necessary to make current cash payments authorized by law not included in subparagraphs (1) and (2) of this paragraph.

(b) In cases falling within any of these three classes, the disbursing officer may draw his check in favor of himself or "order" for such amount as may be necessary for the payment. The checks drawn under paragraph (a) (1) of this section may be cashed at such time as will enable the disbursing officer to make prompt payment for the purpose for which the check was drawn. The checks drawn under paragraph (a) (2) of this section may be cashed in advance of the salary payment date only when such action is necessary to enable the disbursing officer to make prompt salary payments, and ordinarily a period of not to exceed four work days prior to the salary payment date will be deemed sufficient for that purpose. The checks drawn under paragraph (a) (3) of this section must not be cashed more than three work days in advance of the date when such payments are due in cases where the disbursing officer is located at a point convenient to banking facilities, and not more than seven work days in advance of the date when payment is due when the disbursing officer is so located that it requires more than one-half day's time to reach available banking facilities and return to his station. In each of the above cases cash obtained must not be in excess of the amount estimated to cover the payments specified. In cases where the

funds are to be procured by an assistant disbursing officer or a deputy disbursing officer, the check shall be drawn by the assistant or deputy to his order.

(c) If the cash is to be obtained by an agent-cashier of the Chief Disbursing Officer, Treasury Department, or by an agent officer of a disbursing officer of the National Military Establishment, the check shall be drawn by the disbursing officer to the order of the agent-cashier, or the agent officer, and shall show under object for which drawn, the legend "Advance of Funds."

§ 208.5 *Disposition of excess cash withdrawn for pay rolls and for other purposes.* The Chief Disbursing Officer, Treasury Department, or disbursing officers of the National Military Establishment or other establishments who obtain cash for the purpose of paying the proper persons or employees in cash, in order to avoid carrying unnecessary balances of cash, are directed to deposit promptly, but not in any case later than ten days from and after the designated pay date, to their official credit, subject to their official check, on the books of the Treasurer of the United States or an authorized depository, any and all balances of cash drawn to meet pay rolls and remaining in their hands: *Provided*, That when such excess is needed to meet other current cash disbursements such amount may be held at personal risk for disbursement to the extent that such excess together with other amounts being held at personal risk does not exceed the total amount authorized to be so carried.

§ 208.6 *Checks shall show object for which drawn.* Any disbursing officer drawing checks against a balance to his official credit shall state on the face of each check the object or purpose for which drawn or shall give the voucher number for which the check is issued in payment. Such statement may be made in brief form, but shall clearly indicate the object of the expenditure, as, for instance, "pay," "subsistence," "supplies," "advance of funds," or, as above stated, shall give the number of the voucher (in his disbursing account) for which the particular check was issued in payment. Checks issued by disbursing officers to obtain cash to be held at their personal risk shall show under object for which drawn the legend "exchange for cash."

§ 208.7 *Payee of check in certain cases.* Checks issued by disbursing officers in exchange for cash may be drawn to the order of the person from whom the cash is received. Checks drawn on the Treasurer of the United States for credit of another disbursing officer should be drawn in the following form: Treasurer of the United States for credit of John Doe, symbol 62,103; checks drawn for credit to an appropriation should be drawn to the order of "Treasurer of the United States." Checks shall not be drawn to the order of "cash" or in any other form which renders them payable to bearer.

§ 208.8 *Disbursing officer's advice of credit.* A disbursing officer is not authorized to draw checks until he has received a signed certificate of deposit issued by the Treasurer of the United States, a Federal Reserve Bank, Federal Reserve Branch Bank, or a General Depository Bank, or has received appropriate advice from any such depository, showing that credit has been entered in the Treasurer's account for credit in the disbursing officer's checking account.

§ 208.9 *Disposition of checks paid by drawee.* Ordinarily checks will not be returned to the drawer after their payment. Checks paid by the Treasurer of the United States will be forwarded by him to the General Accounting Office. Checks drawn on and paid by depository banks will be forwarded, when not prohibited by law of the country in which the depository is located, to the Secretary of the Treasury, Bureau of Accounts, Division of Deposits, for transmittal to the General Accounting Office: *Provided, however,* That checks drawn against deposits of court funds with depository banks by United States courts and their officers, shall, at the intervals fixed by the applicable banking regulations or custom in the jurisdiction, be returned with a statement of the account, by the depository, to the issuing officer.

§ 208.10 *Statement of checking account.* The Treasurer of the United States, or other depository, as the case may be, will furnish each disbursing officer with a monthly statement of his account, supported by a list of credits therein and by a detailed list or lists of checks paid.

§ 208.11 *Deposits of public moneys.* Deposits to the credit of the Treasurer of the United States on account of repay-

ment of disbursing officers' unexpended balances or deposits for credit in disbursing officers' checking accounts shall be made in accordance with the provisions of Part 202 of this subchapter appearing also as Treasury Department Circular No. 176, Revised December 21, 1945. No allowance shall be made hereunder to any disbursing officer for expenses charged for collection of checks, drafts, et cetera.

§ 208.12 *Disbursing officer ceases to disburse.* Whenever any disbursing officer of the United States shall cease to act in that capacity he shall at once so inform the Treasurer of the United States. The disbursing officer shall deposit his unexpended balances, for personal credit, to the credit of the Treasurer of the United States, or transfer them to another disbursing officer of the same department if such action is authorized by the regulations of that department.

§ 208.13 *Supply of blank checks and use of symbol numbers.* All disbursing officers will, upon request, be supplied by the Treasury Department with blank checks under the provisions of Treasury Department Circular No. 8, as from time to time amended and supplemented, to which reference should be made in connection with the care and custody of blank checks. Any officer not receiving a supply of such checks may use the checks of another disbursing officer by canceling the symbol appearing thereon and inserting his own number unless the symbol number has been previously changed. The absence of a proper symbol number on a check in connection with the signature of a disbursing officer will be sufficient reason for refusing payment of a check drawn on the Treasurer of the United States.

§ 208.14 *Official signatures.* Each disbursing officer when opening his first account, before issuing any checks, shall furnish the Treasurer of the United States or other authorized depository (drawee) with his official signature, duly verified, in the form to be used when signing checks.

§ 208.15 *Exceptions to part.* This part does not apply to postal funds nor to court funds deposited under the provisions of sections 995 and 996 of the Revised Statutes of the United States, 28 U. S. C., 851 and 852, except as otherwise herein provided.

§ 208.16 *Transactions by disbursing officers under act approved December 23, 1944 (58 Stat. 921; 50 U. S. C. App. 1705-1707).* Transactions of disbursing officers effected under rules and regulations authorized by the act approved December 23, 1944, are not covered by this part.

§ 208.17 *Withdrawal or amendment of part.* The Secretary of the Treasury may waive, withdraw or amend at any time or from time to time any or all of the provisions of this part.

Part 210—Payment of Disbursing Officers' Checks Drawn on the Treasurer of the United States and Signed in the Names of Disbursing Officers by Designated Employees

- Sec.
- 210.0 Introductory.
- 210.1 When part applicable.
- 210.2 Designation of assistant disbursing officers.
- 210.3 Disposition of original and copy of designation; filing of official signature; notice of cancellation or termination of designation.
- 210.4 Bond required.
- 210.5 When new bond not required.
- 210.6 Manner of signing checks drawn by assistant disbursing officer.
- 210.7 Treasurer to honor checks drawn by assistant disbursing officers.
- 210.8 Disbursing officer not relieved of proper discharge of his duties.
- 210.9 Definition of terms.

AUTHORITY: §§ 210.0 to 210.9 issued under R. S. 161, as amended; 5 U. S. C. 22.

SOURCE: §§ 210.0 to 210.9 contained in Department Circular 423, Secretary of the Treasury, June 2, 1930, except as otherwise noted.

§ 210.0 *Introductory.* The regulations in this part apply to the heads of departments and independent establishments of the Government, the Treasurer of the United States, disbursing officers and others concerned.

§ 210.1 *When part applicable.* In cases not covered by specific provisions of law, the regulations in this part shall govern the payment by the Treasurer of the United States of disbursing officers' checks drawn on the Treasurer and signed in the names of disbursing officers by employees designated and authorized in accordance with this part.

§ 210.2 *Designation of assistant disbursing officers.* The designation of each employee as an assistant to a specified disbursing officer with authority to sign official checks drawn on the Treasurer of the United States in the name of such disbursing officer followed by his own signature, hereinafter referred to as "Assistant disbursing officer" or "Assistant disbursing officers," shall be made by the disbursing officer with the approval of the head of the department or establishment under which he serves. Forms for such designation may be obtained from the Treasurer of the United States.

§ 210.3 *Disposition of original and copy of designation; filing of official signature; notice of cancellation or termination of designation.* The original approved designation and a copy thereof of each assistant disbursing officer shall be deposited with the Treasurer of the United States, who shall forward the copy to the Comptroller General of the United States. Official signatures of assistant disbursing officers shall be filed as now required for disbursing officers. Every administrative officer having assistant disbursing officers under his jurisdiction shall furnish prompt advice by letter to the Treasurer of the United States of each cancellation or termination for any reason of the designation of the assistant disbursing officer, giving the effective date of such cancellation or termination.

§ 210.4 *Bond required.* Before signing any official checks, the assistant disbursing officer shall give bond to the United States in such penal sum as shall be considered by the head of the department or establishment to be sufficient to protect the funds involved. The bond shall be approved by the head of the department or establishment and filed in the Treasury Department, except in cases where the bond of the disbursing officer is now otherwise approved and filed, in which event the bond of the assistant disbursing officer shall be likewise approved and filed and the Treasurer notified with respect thereto. The bonds of the assistant disbursing officers shall be substantially in accordance with the form attached,¹ except that in the case of the Post Office Department and the Postal Service, the bond shall be on the form prescribed by the Postmaster General: *Provided, however,* That if the

¹ Bond Form 280-b attached to Dept. Circ. 423.

heads of departments or establishments desire to have assistant disbursing officers give continuing bonds covering their designations to act for successive disbursing officers, such bonds, substantially in accordance with the form attached (Form 280-C), may be used for this purpose. If the surety on the bond of the disbursing officer is a corporate surety, the same surety will be preferred for the bond of the assistant disbursing officer. This preference, however, will not apply in cases of assistant disbursing officers acting under single bonds as assistants to successive disbursing officers. [Dept. Circ. 423, as amended by Sup. 1, July 16, 1935]

§ 210.5 *When new bond not required.* In cases where assistant disbursing officers have already given bond to the United States or joint bond to the United States and the disbursing officers concerned covering the disbursement of funds, a bond on the prescribed form will not be required until a new bond is given by the assistant or the disbursing officer for whom the assistant is acting. In all such cases, however, compliance must be made with the provisions of § 210.3, and also with such part of the provisions of § 210.4 as relates to the filing of bonds of assistant disbursing officers.

§ 210.6 *Manner of signing checks drawn by assistant disbursing officer.* Official checks drawn on the Treasurer of the United States by an assistant disbursing officer shall be signed by the assistant below the printed, typed, or stamped name of the disbursing officer for whom he is acting, e. g.:

JOHN DOE
(Title)

By-----
(Signature of assistant)

§ 210.7 *Treasurer to honor checks drawn by assistant disbursing officers.* Upon receipt of the designation of an assistant disbursing officer, his official signature and notice of approval of the bond, the Treasurer of the United States will honor checks signed by him in accordance with the regulations in this part to the same extent as checks signed by the disbursing officer for whom he is acting.

§ 210.8 *Disbursing officer not relieved of proper discharge of his duties.* Nothing in this part shall be construed to relieve any disbursing officer of the proper discharge of his official duties.

§ 210.9 *Definition of terms.* The terms "disbursing officer" and "disbursing officers" as used in this part include disbursing agents, disbursing clerks, and other persons charged with disbursing duties.

Part 211—Delivery of Checks and Warrants to Addresses Outside the United States, Its Territories and Possessions

- Sec.
- 211.1 Authority for regulations.
 - 211.3 Withholding of delivery on checks or warrants.
 - 211.4 Reports of checks or warrants withheld.
 - 211.5 Claims for the release of withheld checks or warrants or for the proceeds of checks or warrants withheld and deposited in the account "Secretary of the Treasury, Proceeds of Withheld Foreign Checks."
 - 211.6 Advices as to nonreceipt or inability to cash checks abroad.
 - 211.7 Salaries and wages or goods purchased by Government abroad.

AUTHORITY: §§ 211.1 to 211.7 issued under sec. 5, 54 Stat. 1087; 31 U. S. C. 127.

SOURCE: §§ 211.1 to 211.7 contained in 1941 Department Circular 655, 6 F. R. 1534, Mar. 21, 1941, except as otherwise noted.

§ 211.1 *Authority for regulations.* The regulations in this part are prescribed and issued under authority of section 5 of the act approved October 9, 1940 (54 Stat. 1087; 31 U. S. C. 127). "To restrict or regulate the delivery of checks drawn against funds of the United States, or any agency or instrumentality thereof, to addresses outside the United States, its Territories and possessions, and for other purposes."

§ 211.3 *Withholding of delivery on checks and warrants.* (a) (1) The Secretary of the Treasury hereby determines that postal, transportation, or banking facilities in general or local conditions in Albania, Bulgaria, Communist-controlled China, Czechoslovakia, Estonia, Hungary, Latvia, Lithuania, Rumania, the Union of Soviet Socialist Republics, the Russian Zone of Occupation of Germany, and the Russian Sector of Occupation of Berlin, Germany, are such that there is not a reasonable assurance that a payee in those areas will actually receive checks or warrants drawn against funds of the United States, or agencies

or instrumentalities thereof, and be able to negotiate the same for full value.

(2) Except to the extent they have been authorized by appropriate unrevoked licenses, or are authorized by specific license issued by the Department of Justice, Office of Alien Property, remittances by United States Government agencies from any accounts in which a German or Japanese interest existed on or before December 31, 1946, will continue to be restricted by Executive Order No. 8389 (3 CFR, 1943 Cum. Supp.), as amended, and rules and regulations issued pursuant thereto, including in particular General Ruling 11A (8 CFR 511.211a), as amended. Attention is directed to the Foreign Assets Control Regulations issued by the Secretary of the Treasury on December 17, 1950 (Part 500 of this title), pursuant to Executive Order No. 9193 (3 CFR, 1943 Cum. Supp.), which prohibit transactions involving payments to nationals of China and North Korea except to the extent that they have been authorized by appropriate license.

(b) A check or warrant intended for delivery in any of the countries named in paragraph (a) of this section shall be withheld unless the check or warrant is specifically released. Before a check or warrant intended for delivery in one of the countries designated in Executive Order No. 8389 (3 CFR, 1943 Cum. Supp.), as amended, may be released, it will be necessary for a license authorizing the release to be issued pursuant to that Executive order, as amended.

(c) Checks or warrants referred to in paragraphs (a) and (b) of this section when withheld for the statutory period shall be transmitted to the drawee unless the Secretary of the Treasury shall otherwise direct.

(d) Powers of attorney for the receipt or collection of checks or warrants or of the proceeds of checks or warrants included within the determination of the Secretary of the Treasury set forth in paragraph (a) of this section will not be recognized.

[Dept. Circ. 655, 6 F. R. 1534, Mar. 21, 1941, as amended at 13 F. R. 9497, Dec. 31, 1948; Supp. 9, 16 F. R. 10017, Oct. 2, 1951; 22 F. R. 4134, June 12, 1957]

§ 211.4 *Reports of checks or warrants withheld.* (a) Separate reports shall be made for checks or warrants withheld solely pursuant to Executive Order No. 8389, as amended, or pursuant to both

such Executive order, as amended, and the determination of the Secretary of the Treasury under § 211.3, on the one hand, and for checks or warrants withheld solely pursuant to the determination of the Secretary of the Treasury under § 211.3 on the other hand. A separate tabulation shall be prepared for checks or warrants withheld under each disbursing officer's symbol applying to each administrative agency, in which report checks or warrants shall be segregated by countries.

(b) An original and 5 copies of each report will be required. The Reporting Officer will forward the original to the Bureau of Accounts, Treasury Department; one copy to the Administrative Office; 3 copies to the drawee for verification and distribution, as hereinafter provided; and will retain one copy for his files. After verification the drawee will forward one copy to the Bureau of Accounts, Treasury Department, together with a copy of the certificate of deposit; one copy to the General Accounting Office, together with a statement of the account; and will retain one copy for his files.

(c) Requests for forms should be addressed to the Bureau of Accounts, Treasury Building, Washington 25, D. C.

(d) Checks withheld from delivery pursuant to the provisions of this part are to be deposited in the general account of the Treasurer of the United States for credit to the deposit fund of the Secretary of the Treasury, 20X6048, Proceeds of Withheld Foreign Checks. The deposit will be made on Standard Form Certificate of Deposit No. 201, prepared in accordance with applicable Treasury instructions.

(e) Checks or warrants withheld shall be delivered or mailed to drawees, and the reports thereof forwarded, as indicated above, promptly at the close of each quarter.

[Dept. Circ. 655, 6 F. R. 1534, Mar. 21, 1941, as amended at 13 F. R. 9497, Dec. 31, 1948; 14 F. R. 183, Jan. 13, 1949; 20 F. R. 4947, July 12, 1955]

§ 211.5 *Claims for the release of withheld checks or warrants, or for the proceeds of checks or warrants withheld and deposited in the account "Secretary of the Treasury, Proceeds of Withheld Foreign Checks."* (a) Claims for the release of checks or warrants withheld from delivery pursuant to the determination of the Secretary of the Treasury

under section 1 of the act (54 Stat. 1086; 31 U. S. C. 123), approved October 9, 1940, or Executive Order No. 8389, as amended, or both, and claims for the proceeds of checks or warrants so withheld, which have been deposited in the account "Secretary of the Treasury, Proceeds of Withheld Foreign Checks," shall be filed with the Bureau of Accounts, Treasury Department, Washington, D. C., except that claims arising out of checks or warrants representing payments under laws administered by the Veterans Administration shall be filed with the Administrator of Veterans' Affairs, Veterans Administration, Washington, D. C. The Bureau of Accounts will obtain from the administrative agency concerned its report and recommendation upon each claim submitted prior to payment.

(b) Claims for the release of checks or warrants withheld solely pursuant to Executive Order No. 8389, as amended, or pursuant to both such Executive order, as amended, and the determination of the Secretary of the Treasury under section 1 of the act (54 Stat. 1086; (31 U. S. C. 123), approved October 9, 1940, as well as claims for the proceeds of checks or warrants so withheld which have been deposited in the account "Secretary of the Treasury, Proceeds of Withheld Foreign Checks" must be accompanied by an application for a license on Form TFE-1 (Revised), executed in the manner indicated in the Regulations of April 10, 1940, as amended, issued under Executive Order No. 8389, as amended. Such application should state, if possible: (1) The permanent and temporary residence of the claimant; (2) the citizenship of the claimant; (3) if applicant is someone other than the claimant, whether the payment has been specifically requested by the claimant; and (4) whether the funds are to be used for the necessary living expenses of the claimant, and if not, the purpose for which the funds are to be used. Applications for licenses will be transmitted by the Bureau of Accounts to the Office of Alien Property, Department of Justice.

§ 211.6 *Advices as to nonreceipt or inability to cash checks abroad.* It is requested that the Bureau of Accounts, Treasury Department, be advised promptly of any correspondence or information received indicating, with respect to countries other than those listed in § 211.3 (a) that checks are not being

received or that difficulty is being experienced in cashing checks for full value.

§ 211.7 *Salaries and wages or goods purchased by Government abroad.* The regulations in this part do not affect or apply to checks or warrants issued in payment of salaries or wages or for goods purchased by the Government of the United States in foreign countries.

Part 213—Deposit With Federal Reserve Banks and Depository Banks of Employer and Employee Taxes Under the Federal Insurance Contributions Act; Income Tax Withheld on Wages Under the Internal Revenue Code of 1954; Employer and Employee Taxes Under the Railroad Retirement Act; and Certain Federal Excise Taxes

Sec.	
213.1	Definition of terms.
213.2	Authorization of Federal Reserve Banks.
213.3	Designation of banks which may be qualified to act as Depositaries for Federal Taxes.
213.4	Qualification of designated banks as Depositaries for Federal Taxes.
213.5	Procedure to be followed by Depositaries for Federal Taxes.
213.6	Issuance of replacement receipts; inquiries from employers.
213.7	Termination of the qualification of a Depository for Federal Taxes.
213.8	Treatment by district director of internal revenue of validated depository receipts.
213.9	Functions to be performed by Federal Reserve Banks.
213.10	Amendment or revocation of regulations in this part.

AUTHORITY: §§ 213.1 to 213.10 issued under sec. 15, 38 Stat. 265, as amended, sec. 8, 40 Stat. 291, as amended, sec. 10, 56 Stat. 356, as amended, sec. 6302, 68 A Stat. 775; 12 U. S. C. 391, 31 U. S. C. 771, 12 U. S. C. 265, 26 U. S. C. 6302.

SOURCE: §§ 213.1 to 213.10 contained in Department Circular 848 (Second Revision) 23 F. R. 5166, July 8, 1958.

NOTE: Copies of the forms mentioned in this part may be obtained upon request from the several Federal Reserve Banks.

§ 213.1 *Definition of terms.* When used in this part, the terms listed below shall have the following meaning, unless otherwise expressly stated:

(a) "Federal Taxes" shall mean (1) income taxes withheld by employers pursuant to section 3402 of the Internal Revenue Code of 1954; (2) employer taxes under section 3111 of such Code and employee taxes withheld under section 3101 of such Code (Social Security employment taxes); (3) employer taxes under section 3221 of such Code and employee taxes withheld under section 3201 of such Code (Railroad Retirement taxes); and (4) certain Federal taxes specified in 26 CFR (1939) 477.2 (b) (Treasury Decision No. 6025) approved July 3, 1953.

(b) "Federal Reserve Bank" shall mean any of the several Federal Reserve Banks, as fiscal agent of the United States;

(c) "Depository for Federal Taxes" shall mean a designated bank or trust company that has qualified, in accordance with the provisions of this part as originally published, or in its present form, to receive from employers deposits of Federal Taxes, as defined in paragraph (a) of this section, and unless otherwise expressly stated the word "depository" when used in this part shall refer to a "Depository for Federal Taxes".

(d) "Depository receipt" shall mean (1) U. S. Treasury Department Forms 450 and 450-A (Rev. Feb. 1958)—"Federal Depository Receipt", for use by employers in making deposits of withheld income taxes and Social Security employment taxes; (2) U. S. Treasury Department Form 515 (Rev. Feb. 1958)—"Railroad Retirement Depository Receipt", for use by employers in making deposits of Railroad Retirement taxes; and (3) U. S. Treasury Department Forms 537 and 537-A (Rev. Feb. 1958)—"Depository Receipt for Federal Excise Taxes", for use by taxpayers in making deposits of certain Federal excise taxes.

(e) "Employer" shall include any taxpayer required or permitted to deposit Federal excise taxes in the manner provided for in this part.

§ 213.2 *Authorization of Federal Reserve Banks.* Pursuant to the authority contained in section 6302 (c) of the Internal Revenue Code of 1954 and the Federal Reserve Act, as amended, the several Federal Reserve Banks, in their capacity as fiscal agents of the United States, are hereby authorized and directed, subject to the provisions of this part, to receive from employers or other

persons, hereinafter referred to as employers, deposits of Federal Taxes and to perform such other functions as may be prescribed by the Secretary of the Treasury in connection with the handling and processing of such tax deposits. The functions to be performed by Federal Reserve Banks are outlined in § 213.9, and will be described in detail, together with the detailed procedure to be followed in performing the required functions, in instructions to the Federal Reserve Banks.

§ 213.3 *Designation of banks which may be qualified to act as Depositories for Federal Taxes.* (a) Pursuant to the authority contained in section 6302 (c) of the Internal Revenue Code of 1954, all insured incorporated banks, within the meaning of section 10 of the act of June 11, 1942, as amended, and all uninsured incorporated banks and trust companies designated as "Special Depositories of Public Moneys" under the provisions of the act of Congress approved September 24, 1917, as amended, are hereby designated, subject to the provisions of this part, as depositories and financial agents of the Government for receiving from employers deposits of Federal Taxes. No such bank or trust company shall perform any of the acts covered by this designation until it has qualified, in the manner prescribed in this part, to so act. Banks and trust companies that qualify for the purpose of receiving deposits of Federal Taxes from employers will be known as "Depositories for Federal Taxes".

(b) Banking institutions which have heretofore been designated as depositories for withheld income taxes, in accordance with the provisions of Part 212 of this subchapter or as depositories and financial agents of the Government for the performance of certain classes of fiscal duties, will be required to qualify under the terms of this part in order to act as Depositories for Federal Taxes. Banking institutions that have qualified as Depositories for Federal Taxes, in accordance with the provisions of this part, as originally published, 14 F. R. 7061, will not be required to requalify in accordance with the provisions of this part in its present form.

(c) Incorporated banks or trust companies located in the territories and insular possessions of the United States, which are not insured banks within the meaning of section 10 of the act of June

11, 1942, as amended, but which are otherwise eligible for designation as depositaries or financial agents of the United States, may be specifically designated by the Secretary of the Treasury under the act of June 19, 1922 (31 U. S. C. 473), governing depositaries outside of the continental United States, to act as Depositaries for Federal Taxes, upon qualification substantially in accordance with the provisions of § 213.4. Banks and trust companies located in the Territories of Alaska and Hawaii should transmit applications for such designation to the Federal Reserve Bank of San Francisco, and banks and trust companies located in Puerto Rico, the Virgin Islands and the Panama Canal Zone should transmit applications for such designation to the Federal Reserve Bank of New York.

§ 213.4 *Qualification of designated banks as Depositaries for Federal Taxes.* Any designated bank or trust company which desires to qualify, under the terms of this part, for receiving from employers deposits of Federal Taxes without compensation for its services, should apply for qualification through the Federal Reserve Bank of the district in which it is located. Such application shall be made on Application-Agreement, Depositary for Federal Taxes (Form No. 469—Revised). Copies of this form and instructions regarding the application may be obtained from the Federal Reserve Bank. No designated bank, which has made application for qualification, shall act as a Depositary for Federal Taxes under the terms of this part until it receives from the Federal Reserve Bank notice of approval of the application. Upon receipt of such notice, each designated bank is hereby authorized to receive deposits of Federal Taxes from employers.

§ 213.5 *Procedure to be followed by Depositaries for Federal Taxes.* There are outlined below the basic requirements of the procedure that will be observed by qualified Depositaries for Federal Taxes with respect to deposits of Federal Taxes. More detailed instructions will be furnished such depositaries, through the Federal Reserve Banks.

(a) Depositaries shall accept from employers, who desire to make deposits of Federal Taxes with such depositaries, cash or remittances in the form of check, money order, etc., covering the amount of the Federal Taxes, accompanied by an appropriate depositary receipt form

on which the employer has inscribed, by pen or by typewriter, his name, address, employer's identification number, and total amount of taxes. Depositaries will not be required to, but may at their own risk, accept from employers funds which are not immediately available to the depositary at the time of deposit. Depositaries shall not accept from employers any type of depositary receipt form, accompanying their remittances, other than the depositary receipt forms prescribed in this part. Depositaries shall not accept Treasury Savings Notes or other public debt securities of the United States as deposits of Federal Taxes under this part.

(b) If requested to do so by employers, depositaries will issue a memorandum or counter receipt to employers evidencing receipt of funds by the depositary. It is important that memorandum receipts issued by depositaries clearly state that employers must not attach such memorandum receipts to their tax returns as evidence of deposit of taxes, since only official depositary receipts, which have been validated by a Federal Reserve Bank, will be accepted by district directors of internal revenue. A suggested form of memorandum receipt, which shall be provided by the depositaries at their own expense, is shown as the appendix of this part.

(c) Depositaries shall place on each depositary receipt in the space provided on the face thereof: (1) The date on which the tax deposit was actually received by the depositary or its branches; and (2) the name and address of the depositary.

(d) Depositaries shall forward daily to the Federal Reserve Bank of their district the depositary receipts inscribed by and received from employers, together with payment in funds immediately available at the Federal Reserve Bank point or with advice that funds have been credited in the Treasury Tax and Loan Account of the depositary, covering the aggregate amount of all Federal Tax deposits received during that day. (Regulations governing deposits in Treasury Tax and Loan Accounts are contained in Part 203 of this subchapter.) Each transmittal will be accompanied by a transmittal letter in the form prescribed by the Federal Reserve Banks. It is important that the depositary receipts be forwarded daily in order that they may be validated by the Fed-

eral Reserve Bank and returned directly to the respective employers without delay, together with a blank depositary receipt for the employer's use in making his next deposit.

(e) Depositaries will establish, prior to transmittal to the Federal Reserve Bank, an adequate record of all deposits received from employers, so that the depositary will be able to identify deposits in the event depositary receipts are lost in shipment between depositaries and Federal Reserve Banks. For this purpose, it will only be necessary to maintain a record of the date of payment, the employer's identification number and the total amount of tax deposit; therefore, copies of memorandum receipts and copies of the depositary's transmittal letter, if individual deposits and employers' identification numbers are listed separately, could be used to provide the necessary information.

§ 213.6 *Issuance of replacement receipts; inquiries from employers.* (a) In the event a depositary receipt, which has been validated by a Federal Reserve Bank, is lost, stolen, or destroyed before it is forwarded to a district director of internal revenue with the employer's Federal tax return, the employer will be issued a replacement receipt upon proper application and submission of required evidence to the Federal Reserve Bank which validated the receipt. Such issuance of replacement receipts will be governed by requirements and procedure prescribed by the Secretary of the Treasury. Depositaries should instruct employers to execute "Application for issuance of Replacement Depositary Receipt", indicating thereon the type of taxes, the date and amount of deposit, employer's name, address, and identification number, and the serial number of the validated depositary receipt, and should indicate whether deposit was made with the Depositary for Federal Taxes or directly with the Federal Reserve Bank.

(b) In the event an employer makes inquiry of a depositary with respect to a deposit made with such depositary, for which he has not received a validated depositary receipt from the Federal Reserve Bank, the depositary should furnish the required information, stated in the preceding subsection, to the Federal Reserve Bank to enable it to investigate the matter.

(c) If a depositary receipt without the employer's identification number inscribed thereon is presented to a depositary by an employer when he makes his deposit of Federal Taxes, the depositary should request him to inscribe the identification number in the space provided. In the event the employer has not been assigned an employer's identification number, the depositary should nevertheless accept the deposit. If the employer has not made application for an identification number to the director of internal revenue for his district, the depositary should request him to do so.

§ 213.7 *Termination of the qualification of a Depositary for Federal Taxes.* The Secretary of the Treasury may terminate at any time the qualification of any Depositary for Federal Taxes. Failure upon the part of a depositary to comply with the provisions of this part, and any amendments or supplements thereof, or with instructions issued pursuant thereto, may, in the discretion of the Secretary of the Treasury, constitute grounds for termination of qualification. Likewise, any depositary may terminate its qualification upon formal notice to the Secretary of the Treasury, through the Federal Reserve Bank of its district.

§ 213.8 *Treatment by district director of internal revenue of validated depositary receipts.* (a) Deposits of Federal Taxes made by employers with Depositaries for Federal Taxes and Federal Reserve Banks shall be treated as payment of such taxes to district directors of internal revenue upon the filing of the employer's tax return and the presentation therewith to such district directors of properly executed and validated depositary receipts. District directors of internal revenue will treat all such depositary receipts as internal revenue collections and send them to the Federal Reserve Bank of the district in which the district director's head office is located. Each such transmittal shall be accompanied by an appropriate certificate which shall not include any items other than depositary receipts.

(b) In any case in which a depositary receipt is transmitted by a district director of internal revenue to a Federal Reserve Bank, and it is determined that the employer failed to pay to a depositary or a Federal Reserve Bank the amount stated thereon, the Federal Reserve Bank

may return such item to the district director of internal revenue, under procedure prescribed by the Secretary of the Treasury.

§ 213.9 *Functions to be performed by Federal Reserve Banks.* The functions to be performed by Federal Reserve Banks, as fiscal agents of the United States, with respect to Federal Taxes, will be prescribed in detailed instructions to such banks. The Federal Reserve Banks will perform such additional functions relating to the deposit of Federal Taxes as may be required from time to time by the Secretary of the Treasury. In general, Federal Reserve Banks will:

(a) Receive directly from employers deposits of Federal Taxes, accompanied by inscribed depositary receipts, and establish appropriate accounting control for such deposits. The requirements upon employers with respect to inscribing depositary receipts and use of the prescribed receipt forms described in § 213.5 (a) shall be applicable to tax deposits made directly with Federal Reserve Banks.

(b) Be responsible for the qualification of designated banks as Depositaries for Federal Taxes and for the general supervision of depositaries' operations under such qualification.

(c) Receive from depositaries remittances and inscribed depositary receipts, relating to tax deposits made with depositaries by employers, and establish appropriate accounting control for such tax deposits.

(d) Validate depositary receipts, relating to tax deposits made with depositaries, as well as directly with the Federal Reserve Bank, and return such validated receipts to employers, together with blank depositary receipt forms for use by the employers in making their next deposit of Federal Taxes.

(e) Perform the necessary functions to provide for crediting deposits of Federal Taxes in Treasury Tax and Loan Accounts of depositary banks, with respect to deposits of such taxes made by employers with banks acting in their capacity as Depositaries for Federal Taxes.

(f) Receive transmittals of validated depositary receipts from district directors of internal revenue for appropriate credit and clearance in the central accounts of the Treasury Department.

(g) Perform appropriate matching and auditing functions to verify that the

tax deposits, represented by the depositary receipts transmitted by district directors of internal revenue, were previously received by the Federal Reserve Bank from depositaries or directly from employers.

(h) Issue replacement receipts, referred to in § 213.6, for validated depositary receipts which are lost, stolen or destroyed.

§ 213.10 *Amendment or revocation of regulations in this part.* The Secretary of the Treasury may revoke or amend any or all provisions of this part at any time or from time to time.

Part 221—Surety Companies Doing Business With the Government Required To Furnish Powers of Attorney, Notice of Revocation of Same, and Certificates of Election of Home Officers

Sec.

221.1 Treasury Department to be furnished with evidence of authority of all agents.

221.2 Home officers; certified copy of minutes showing election; vacancies.

221.3 Home officers and agents; notice of revocation of authority.

AUTHORITY: §§ 221.1 to 221.3 issued under R. S. 161, as amended; 5 U. S. C. 22. Interpret or apply secs. 6, 7, 61 Stat. 648, as amended; 6 U. S. C. 6, 7.

SOURCE: §§ 221.1 to 221.3 contained in Department Circular 17, Apr. 1, 1912.

§ 221.1 *Treasury Department to be furnished with evidence of authority of all agents.* Surety companies will hereafter use card Form No. 272¹ in all cases when furnishing evidence to the Treasury Department showing the authority of all persons who may have been duly elected, constituted and appointed, in compliance with the charters and by-laws of the companies, to execute recognizances, stipulations, bonds and undertakings on behalf of the companies, and wherein the United States is obligee. This practice will obviate the necessity of surety companies filing with the Treasury Department, certificates of election, containing extracts from their

¹ Form No. 272 may be obtained from the Surety Bonds Branch, Bureau of Accounts, United States Treasury Department, Washington 25, D. C.

by-laws under which such elections are held.

§ 221.2 *Home officers; certified copy of minutes showing election; vacancies.* Hereafter, a certified copy of the minutes, under the seal of the company, of each annual meeting, showing the election of the home officers (including the president, first vice president, secretary and treasurer) thereat, for the ensuing year, should be promptly furnished to the Treasury Department. In the event of the occurrence of a vacancy for any cause, between annual elections, with respect to a home officer, that fact should also be promptly certified, under the seal of the company to the Treasury Department, and the name of the person given who may be elected to fill such vacancy. The certified copies of such minutes should be accompanied by card Form No. 272, properly executed, showing the authority of each home officer.

§ 221.3 *Home officers and agents; notice of revocation of authority.* Whenever the authority (as conferred and shown on card Form No. 272) of any officer, attorney or agent of a surety company, is revoked, the revocation should be promptly communicated in writing to the Treasury Department.

Part 222—State Licenses of Surety Companies Doing Business With the United States

§ 222.1 *Surety companies must show States wherein they are licensed to do business.* Hereafter Form No. 356,¹ published periodically by this Department, containing a list of acceptable surety companies certified under the act of July 13, 1947 (61 Stat. 646; 6 U. S. C., Sup., 6-13), and the qualifying power of each, will be amended so as to show the States in which the respective companies are regularly licensed to do a fidelity and surety business under the provisions of State laws, and should any bond be executed by a company or its agent in a State where it has not obtained a State's license, such bond shall not be accepted by any officer under this Department. This ruling shall not, however, interfere with the existing practice of the Department of accepting bonds

executed by any surety company at its home office or outside the boundaries of a State wherein it is not licensed for a principal residing in such State or for a contract to be performed therein.

(R. S. 161, as amended; 5 U. S. C. 22) [Dept. Circ. 56, Mar. 28, 1916]

Part 223—Surety Companies Doing Business With the United States

- | | |
|--------|---|
| Sec. | |
| 223.1 | Certificate of authority. |
| 223.2 | Application for certificate of authority; necessary papers. |
| 223.3 | Issuance of certificates of authority. |
| 223.4 | Deposits. |
| 223.5 | Business. |
| 223.6 | Regulations applicable to surety companies. |
| 223.7 | Investment of capital and assets. |
| 223.8 | Financial reports. |
| 223.9 | Valuation of assets. |
| 223.10 | Limitation of risk. |
| 223.11 | Limitation of risk; two or more companies as sureties. |
| 223.12 | Limitation of risk; shall not apply when liability is protected. |
| 223.13 | Full penalty of the obligation regarded as the liability; exceptions. |
| 223.14 | Schedules of single risks. |
| 223.15 | Paid up capital and surplus; how determined. |
| 223.16 | Financial statement to be published. |
| 223.17 | Revocation of certificate of authority. |
| 223.18 | Regulations may be amended. |

AUTHORITY: §§ 223.1 to 223.18 issued under R. S. 161, as amended; 5 U. S. C. 22.

SOURCE: §§ 223.1 to 223.18 contained in Department Circular 297, July 5, 1922, except as otherwise noted.

§ 223.1 *Certificate of authority.* The regulations in this part will govern the issuance by the Secretary of the Treasury of certificates of authority to bonding companies to do business with the United States as sureties on recognizances, stipulations, bonds, and undertakings, hereinafter sometimes called obligations, under the provisions of the act of July 30, 1947 (61 Stat. 646; 6 U. S. C., Sup., 6-13), and the acceptance of such obligations from such companies so long as they continue to hold said certificates of authority.

§ 223.2 *Application for certificate of authority; necessary papers.* Every company applying for such a certificate of authority will be required to submit to the Secretary of the Treasury an application in writing, signed by its president

¹ Form No. 356 may be obtained from the Surety Bonds Branch, Bureau of Accounts, United States Treasury Department, Washington 25, D. C.

and secretary, and accompanied by the following papers:

(a) A certified copy of its charter or articles of incorporation, together with the certificate of the Insurance Commissioner, or other proper officer of the State under whose laws the company was organized, showing that it is fully and legally incorporated and organized under the laws of said State, and is authorized to transact and is transacting therein a fidelity and surety business, and the period during which it has been engaged in the transaction of such business.

(b) A copy of its by-laws, certified by the secretary or assistant secretary of the company, and a certificate of either of such officers as to the election of its officers and directors.

(c) A list, signed and sworn to by its secretary or assistant secretary, and by its treasurer or assistant treasurer, of the names and post-office addresses of its stockholders; the number of shares held by each; the amount paid in on account of capital, and the amount, if any, paid in as surplus.

(d) A full statement, verified, signed, and sworn to by its president and secretary, in such form as the Secretary of the Treasury may prescribe, showing its assets and liabilities and such other information respecting its business as may be required.

§ 223.3 *Issuance of certificates of authority.* If, from the evidence submitted in the manner and form herein required, the Secretary of the Treasury shall be satisfied that such company has authority under its charter or articles of incorporation to do the business provided for by the act referred to in § 223.1, and if the Secretary of the Treasury shall be satisfied from such company's financial statement and from any further evidence or information he may require, and from such examination of the company, at its own expense, as he may cause to be made, that such company has a capital fully paid up in cash of not less than \$250,000, is solvent and financially and otherwise qualified to do the business provided for in said act, and is able to keep and perform its contracts, he will, subject to the further conditions herein contained, issue a certificate of authority to such company, under the seal of the Treasury Department, to qualify as surety on obligations permitted or required by the laws of the United States,

to be given with one or more sureties, for a term expiring on the last day of April next following. A new certificate of authority shall, so long as the company remains qualified under the law and the regulations in this part, be issued annually on the first day of May.

§ 223.4 *Deposits.* No such company will be granted authority to do business under the provisions of the act referred to in § 223.1 unless it shall have and maintain on deposit with the Insurance Commissioner, or other proper financial officer, of the State in which it is incorporated, or of any other State of the United States, for the protection of all its policyholders in the United States, legal investments having a current market value of not less than \$100,000.

§ 223.5 *Business.* The company must engage in the business of fidelity insurance and suretyship, whether or not also making contracts of insurance in other classes of insurance, but shall not be engaged in any type or class of business not authorized by its charter or by the laws of the state in which the company is incorporated. It must be the intention of the company to engage actively in the execution of fidelity and surety bonds in favor of the United States.

[16 F. R. 9861, Sept. 28, 1951]

§ 223.6 *Regulations applicable to surety companies.* Every company now or hereafter authorized to do business under the act of Congress referred to in § 223.1 shall be subject to the regulations contained in §§ 223.7–223.18.

§ 223.7 *Investment of capital and assets.* The cash capital and other funds of every such company must be safely invested in accordance with the laws of the State in which it is incorporated, and subject to the following general restrictions:

(a) No part of any said cash capital, or of any other assets or funds of any such company shall be invested in or loaned on its own stock. No part of said cash capital, or of any other assets or funds shall be loaned unless such loan shall be secured by mortgage on unencumbered improved or productive real estate within the United States, such loan not to exceed 60 percent of the current market value of the mortgaged premises; or by the pledge of bonds or stocks or other evidences of indebtedness, such loan at no time to be in excess of 90 percent of the current market

value of the securities pledged; or by pledge of bonds or other evidences of indebtedness of the United States, the market value of which is equal to at least the amount loaned thereon. No part of the capital of any such company shall be or remain invested in or loaned upon any security or real estate subject to any prior lien.

(b) The general restrictions outlined in paragraph (a) of this section shall not apply to assets acquired as salvage, if they are being liquidated with reasonable promptness.

§ 223.8 *Financial reports.* (a) Every such company will be required to file with the Secretary of the Treasury, on or before the last day of January of each year, a statement of its financial condition made up as of the close of the preceding calendar year upon the annual statement blank adopted by the National Association of Insurance Commissioners, signed and sworn to by its president and secretary. On or before the last days of April, July and October of each year, every such company will be required to file a financial statement with the Secretary of the Treasury as of the last day of the preceding month, on the form prescribed by the Secretary of the Treasury, and signed and sworn to by its president and secretary.

(b) Every such company shall furnish such other exhibits or information, and in such manner as the Secretary of the Treasury may at any time require.

[Supp. 3, 10 F. R. 2348, Mar. 1, 1945]

§ 223.9 *Valuation of assets.* In determining the financial condition of every such company, its assets and liabilities will be computed on the basis recommended by the National Association of Insurance Commissioners so far as practicable and consistent with the regulations in this part. Credit will be allowed for reinsurance in all classes of risks, subject in case of fidelity and surety risks, to the limitations contained in § 223.12 (a): *Provided*, That the reinsuring company is (a) any company authorized by the Secretary of the Treasury, or (b) any company described in § 223.12 (a) (2), (3) and authorized under its charter to reinsure the classes of risks for which credit for reinsurance is claimed by the ceding company: *And provided further*, That any such reinsuring company shall meet all other require-

ments imposed on reinsuring companies by § 223.12 (a).

The Secretary of the Treasury may in his discretion value the assets or other securities of such companies in accordance with the best information obtainable.

§ 223.10 *Limitation of risk.* Except as provided in this part, no company having authority, under the acts of Congress referred to in § 223.1 to do business with the United States, shall be accepted as sole surety on any obligation under this Department, which shall execute any obligation on behalf of any individual, firm, association, or corporation, whether or not the United States is interested as a party thereto, the penal sum of which is greater than 10 per centum of the paid up capital and surplus of such company.

§ 223.11 *Limitation of risk; two or more companies as sureties.* Two or more companies may be accepted as sureties on any obligation under this Department, the penal sum of which does not exceed the limitation herein prescribed of their aggregate qualifying power, as fixed and determined by the Secretary of the Treasury. In such cases each company shall limit its liability, in terms, upon the face of the bond, to a definite specified amount, such amount to be in all cases, however, within the limitations prescribed in this part. In cases where the law specially requires it, such obligation shall be executed by the principal and sureties jointly and severally.

§ 223.12 *Limitation of risk; shall not apply when liability is protected.* The limitation of risk as provided in § 223.10 shall not apply to any obligation when the liability in excess of the company's qualifying power, as fixed and determined by the Secretary of the Treasury, is protected as follows:

(a) In respect to obligations running to the United States, by reinsurance, effected simultaneously with the execution and delivery of the original obligation, or within 45 days thereafter, of such excess with any company holding a certificate of authority from the Secretary of the Treasury. In respect to obligations not running to the United States, by reinsurance, effected simultaneously with the execution and delivery of the original obligation, or within 45 days thereafter, of such excess with (1) any company holding a certificate of author-

ity from the Secretary of the Treasury, (2) with any company organized under the laws of the United States, or of any State thereof, and having a capital stock paid up in cash of not less than \$250,000, in the case of a stock insurance company or having net assets of not less than \$500,000 over and above all liabilities in the case of a mutual insurance company, or (3) any company of any foreign country holding a license from any State of the United States to do business in such State, and having a deposit capital in this country of not less than \$250,000 available to all of its policyholders and creditors in the United States: *Provided*, That any such reinsuring company as is described in subparagraphs (2) or (3) of this paragraph shall file with the Secretary of the Treasury a certified copy of its charter, articles of incorporation or articles of association, and, if it is a company of a foreign country, also, a certified copy of its license to do business in the State which has granted such license: *And provided further*, That any such reinsuring company shall file on or before the first day of March of each year with the Secretary of the Treasury such statement as he may require for the purpose of determining whether it has a capital stock, net assets or deposit capital, as the case may be, in accordance with the foregoing requirements, and whether it is solvent and able to keep and perform its contracts. No credit, however, will be allowed the ceding company for reinsurance ceded in excess of 10 percent of the reinsuring company's net assets over and above all its liabilities, exclusive of its capital stock, if any: *Provided, however*, That the provisions of this section shall not apply to bonds covering formal contracts with the United States for the construction of any building, or the prosecution and completion of any public work, or for repairs upon any public building or public work, which bonds, in order to comply with the limitation of risk as provided in § 223.10, shall be executed in the manner set forth in § 223.11.

(b) By the deposit with it in pledge, or by conveyance to it in trust, for its protection, of property the current market value of which is at least equal to the liability in excess of the company's qualifying power.

(c) In case such obligation was incurred on behalf of or on account of a fiduciary holding property in a trust capacity, by a joint control agreement

which provides that the whole or a sufficient portion of the property so held may not be disposed of or pledged in any way without the consent of the insuring company.

[Dept. Circ. 297, July 5, 1922, as amended July 6, 1934]

§ 223.13 *Full penalty of the obligation regarded as the liability; exceptions.* In determining the limitation prescribed in this part, the full penalty of the obligation will be regarded as the liability, and no offset will be allowed on account of any estimate of risk which is less than such full penalty, except in the following cases:

(a) Appeal bonds; in which case the liability will be regarded as the amount of the judgment appealed from, plus 10 percent of said amount to cover interest and costs.

(b) Bonds of executors, administrators, trustees, guardians, and other fiduciaries, where the penalty of the bond or other obligation is fixed in excess of the estimated value of the estate; in which cases the estimated value of the estate, upon which the penalty of the bond was fixed, will be regarded as the liability.

(c) Credit will also be allowed for indemnifying agreements executed by sole heirs or beneficiaries of an estate releasing the surety from liability.

(d) Contract bonds given in excess of the amount of the contract; in which cases the amount of the contract will be regarded as the liability.

(e) Bonds for banks or trust companies as principals, conditioned to repay moneys on deposit, whereby any law or decree of a court, the amount to be deposited shall be less than the penalty of the bond; in which cases the maximum amount on deposit at any one time will be regarded as the liability.

§ 223.14 *Schedules of single risks.* During the months of January, April, July, and October of each year every company will be required to report to the Secretary of the Treasury every obligation which it has assumed during the 3 months immediately preceding, the penal sum of which is greater than 10 percent of its paid up capital and surplus, together with a full statement of the facts which tend to bring it within the provisions of this part, on a form suitable for the purpose.

§ 223.15 *Paid up capital and surplus; how determined.* The amount of paid up

capital and surplus of any such company shall be determined from the financial and other statements of such company filed with the Secretary of the Treasury as provided in this part, or by reports of examinations made by the Insurance Departments of the several States, or by such examination of such company, at its own expense, as the Secretary of the Treasury may deem necessary or proper.

§ 223.16 *Financial statement to be published.* A statement (Treasury Form 356) showing the underwriting limitation established for each company holding a Certificate of Authority under the regulations in this part will be published annually as soon as practicable following the examination and audit of the annual financial statements of the companies submitted to the Treasury. If the Secretary of the Treasury shall take any exceptions to the annual financial statement submitted by a company, he shall, before issuing Treasury Form 356, give the company due notice of such exceptions.

[16 F. R. 9861, Sept. 28, 1951]

§ 223.17 *Revocation of certificate of authority.* Whenever, in the judgment of the Secretary of the Treasury, any such company is no longer sufficient security, he shall revoke its certificate of authority.

§ 223.18 *Regulations may be amended.* The Secretary of the Treasury may amend or supplement this part at any time.

Part 224—Federal Process Agents of Surety Companies

- Sec.
- 224.1 Statutory provision.
 - 224.2 Appointment of process agents.
 - 224.3 Powers of attorney appointing process agents; with whom filed.
 - 224.4 Power of attorney; form.
 - 224.5 Surety companies shall forward certificates of acknowledgment to Treasury; form of certificate.
 - 224.6 Index cards (Form No. 366) should be furnished by the company.
 - 224.7 Process agents; termination of authority; notice.
 - 224.8 United States district courts; location of divisional offices.

AUTHORITY: §§ 224.1 to 224.8 issued under E. S. 161, as amended; 5 U. S. C. 22. Interpret or apply sec. 7, 61 Stat. 648; 6 U. S. C. 7.

SOURCE: §§ 224.1 to 224.8 contained in Department Circular Letter 4, Nov. 15, 1930, except as otherwise noted.

NOTE: For redesignation of Department Circular Letter 4 of Nov. 15, 1930 as Department Circular 901 of March 20, 1952, see 17 F. R. 2605, Mar. 26, 1952.

§ 224.1 *Statutory provision.* The rules and regulations in this part are prescribed for carrying into effect section 1 of the act approved July 30, 1947 (61 Stat. 646; 6 U. S. C., Sup., 7).

§ 224.2 *Appointment of process agents—(a) Generally.* Companies should especially note that the law prohibits the doing of business under the provisions of this act beyond the State under whose laws it was incorporated and in which its principal office is located until an agent is appointed to accept Federal process on behalf of the company. An agent for the service of Federal process should be appointed: (1) In the district where the principal resides; (2) in the district where the obligation is to be undertaken and performed; and (3) also in the District of Columbia where the bond is returnable and filed. The appointment of process agents pursuant to a local State statute is not compliance with the Federal law. Although one and the same agent may serve under both the State and Federal appointments, he must, nevertheless, be especially designated to accept Federal process. It should also be noted that the agent so designated must reside within the jurisdiction of the court for the judicial district wherein such suretyship is to be undertaken, and must be a citizen of the State, Territory, or District of Columbia in which such court is held. Consequently an agent residing in the northern district of New York could not at the same time serve as the company's Federal process agent for the southern district of that State.

(b) *Agent required in District of Columbia.* Every company must, immediately upon receipt of its initial authority from the Secretary of the Treasury, appoint a suitable person resident in the District of Columbia on whom may be served all lawful process issued by the Federal Courts in said district. This appointment is required whether or not the company contemplates the writing of bonds in favor of the United States to be undertaken within the District of Columbia.

(c) *Agent not required in State of incorporation where principal office is located.* The law does not require the appointment of Federal process agents

for the State under whose laws the company is incorporated, and in which its principal office is located.

[Dept. Circ. 901, 17 F. R. 2605, Mar. 26, 1952]

§ 224.3 Powers of attorney appointing process agents; with whom filed. The clerk of the United States district court at the main office in each judicial district must be furnished with a sufficient number of authenticated copies of the power of attorney appointing an agent for the service of process to enable him to file a copy in his office, and at each other place where a divisional office of the court is located within the judicial district for which the process agent has been appointed. Such copies may be authenticated at the home office of the company by its officers duly authorized, and sworn to before an officer legally authorized to administer oaths. Where the charter or bylaws of the corporation do not confer authority on its executive officers to give such powers of attorney, the authenticated copy filed with the clerk of the court must be accompanied by a certified copy of the resolution duly adopted by its board of directors or other governing body showing that the officer making the appointment had authority to do so.

[Dept. Circ. 901, 17 F. R. 2606, Mar. 26, 1952]

§ 224.4 Power of attorney; form. In making such appointments a power of attorney should be used substantially in the following form:

Know all men by these presents, that the _____ a corporation existing under and by virtue of the laws of the State of _____ and having its principal office at _____, desiring to comply with section 1 of the act approved July 30, 1947 (61 Stat. 646; 6 U. S. C., Sup., 7), hereby constitutes and appoints _____ of _____, its true and lawful attorney and agent in and for the _____ judicial district of _____, upon whom all lawful process in any action or proceeding against the company in said district may be served in like manner and with the same effect as if the company existed therein, and who is authorized to enter an appearance in its behalf.

In witness whereof the said company, pursuant to proper authority of its board of directors or other governing body, has caused these presents to be subscribed by its _____ president and its corporate seal to be affixed hereto this _____ day of _____, A. D. 19--

[CORPORATE SEAL]

President.

State of _____

County of _____, ss:

On this _____ day of _____, A. D. 19____, before me appeared _____ president of the _____ Company, with whom I am personally acquainted, who being duly sworn, says that he is _____ president of the _____ Company; that he knows the corporate seal of the company; that the seal affixed to the foregoing instrument is such corporate seal; that it was affixed by order of the board of directors or other governing body of said company, and that he signed said instrument as _____ president of said company by like authority.

[NOTARIAL SEAL]

§ 224.5 Surety companies shall forward certificates of acknowledgment to Treasury; form of certificate. In order that the Treasury may have an official record of such appointments, the company making the appointment will secure and forward to the department a certificate of acknowledgment, by the clerk of the court for such district in which an agent is designated, that properly authenticated powers of attorney have been filed with him by the appointing company. Such certificate should be in form substantially as follows:

----- Company, -----

Gentlemen: In accordance with your request of the _____, I caused to be filed on the _____ of _____, 19____, at each of the following-named places, _____ in the _____ judicial district of _____, an authenticated copy of the power of attorney appointing _____ of _____ as your agent upon whom process may be served in your behalf, as provided in section 2 of the Act of Congress of August 13, 1894.

[CLERK'S SEAL]

Clerk, U. S. District Court,
----- Judicial District of -----

§ 224.6 Index cards (Form No. 366) should be furnished by the company. An index card on Treasury Form No. 366, completely filled out, should be furnished by the company along with each certificate forwarded to the department. A supply of card Form 366 will be furnished upon request therefor. The index card should be prepared so as to show the agent's surname first.

§ 224.7 Process agents; termination of authority; notice. Whenever the authority of a process agent is terminated by reason of revocation, disability, re-

moval from the district, or any other cause, it shall be the duty of the company to notify the department at once, and immediately make a new appointment as in the first instance.

§ 224.8 *United States district courts; location of divisional offices.* A list of the divisional offices of the court in each judicial district for which copies of powers of attorney should be furnished the clerk of the court at the main office for filing may be obtained from the Administrative Office of the United States Courts, Supreme Court Building, Washington 13, D. C.

[Dept. Circ. 901, 17 F. R. 2606, Mar. 26, 1952]

Part 225—Acceptance of Bonds, Notes, or Other Obligations Issued or Guaranteed by the United States as Security in Lieu of Surety or Sureties on Penal Bonds¹

Sec.	
225.1	Bond-approving officers; definition.
225.2	Bonds or notes acceptable as security; power to sell.
225.3	Obligor must be owner; registration.
225.4	Risk of loss; receipt.
225.5	Application of proceeds in case of default; forms.
225.6	Facts to be determined by bond-approving officers.
225.7	Substitutions.
225.8	Authorized depositaries; withdrawal.
225.9	Risk of loss or destruction.
225.10	Delivery to the depository.
225.11	Payment of interest to obligor; coupons.
225.12	Return to obligor upon termination of bond; materialman's bond.
225.13	Return to obligor; risk of loss.
225.14	Withdrawal.
225.15	Receipt for return.
225.16	Penal bonds; form to be used with bonds or notes as security.
225.17	Penal bonds; existing practice or duties of administrative offices in handling not modified.
225.18	Acceptance by collectors of customs.
225.19	Special instructions for acceptance by collectors of internal revenue.
225.20	All Government bond-approving officers governed by the provisions of this part.
225.21	Other authority to take bonds and notes not affected by this part.

¹The forms mentioned in this part may be obtained from Surety Bonds Branch, Bureau of Accounts, U. S. Treasury Department, Washington 25, D. C.

Sec.

225.22 Foregoing rules and regulations may be amended.

AUTHORITY: §§ 225.1 to 225.22 issued under sec. 15, 61 Stat. 650; 6 U. S. C. 15.

SOURCE: §§ 225.1 to 225.22 contained in Department Circular 154, revised, Feb. 6, 1935.

§ 225.1 *Bond-approving officers; definition.* The term "bond-approving officers" as used in this part means the head of an executive department or Government establishment or an officer designated either by law or regulation to approve "penal bonds." The Treasury of the United States assumes no responsibility or liability on account of the acts of bond-approving officers. The term "bond-approving officer" shall be deemed to include the officer's successors in office.

§ 225.2 *Bonds or notes acceptable as security; power to sell.* Any individual, partnership, or corporation required by the laws of the United States or regulations made pursuant thereto to furnish any recognizance, stipulation, bond, guaranty, or undertaking (hereinafter called penal bond), with surety or sureties, may, in lieu of such surety or sureties, deposit as security with the official having authority to approve such penal bond (hereinafter called the bond-approving officer), United States bonds, Treasury notes, or other public debt obligations of the United States, or obligations which are unconditionally guaranteed as to both interest and principal by the United States (all of which classes of obligations are hereinafter called "bonds or notes"), in a sum equal at their par value to the amount of the penal bond required to be furnished, together with an irrevocable power of attorney and agreement in the form prescribed, authorizing the bond-approving officer to collect or sell, assign and transfer such bonds or notes so deposited in case of any default in the performance of any of the conditions or stipulations of such penal bond. The acceptance of such bonds or notes in lieu of surety or sureties required by law shall have the same force and effect as individual or corporate sureties, or certified checks, bank drafts, post-office money orders, or cash, for the penalty or amount of such penal bond. The term "par value" as applied in this part to bonds or notes not issued on a discount basis means the stated

dollar amount thereof; i. e., the denominational amount, such as \$100, \$500, and \$1,000; and as applied to bonds or notes issued on a discount basis means the dollar amount which the holder is entitled to receive at maturity or the next following date of redemption at the option of the holder, whichever amount is less. In order to avoid the frequent substitution of bonds or notes, bond-approving officers will not receive a bond or note which matures or, at the option of the holder, may be redeemed within 30 days of the date of deposit; and any bond-approving officer may refuse to receive bonds or notes which mature or, at the option of the holder, may be redeemed within a year of the date of deposit, in cases where he rules that deposit of such bonds or notes might lead to frequent substitutions.

§ 225.3 *Obligor must be owner; registration.* The individual, partnership, or corporation required to furnish any penal bond, who deposits bonds or notes as security in lieu of surety or sureties in accordance with the provisions of this part, must be the owner of the bonds or notes deposited, and is hereinafter called the obligor. Bonds or notes may be deposited with bond-approving officers pursuant to the provisions of this part in either coupon or registered form. Coupon bonds or notes shall have attached thereto all coupons unmatured at the date of such deposit, and all matured coupons should be detached. Registered bonds or notes must be registered in the name of the obligor. They need not be assigned, and must not be assigned to the bond-approving officer. Bonds registered in the name of the obligor may, however, bear assignment in blank or to the Secretary of the Treasury for exchange for coupon bonds.

§ 225.4 *Risk of loss; receipt.* The bonds or notes to be deposited must in every case be delivered to the bond-approving officer at the obligor's risk and expense. Coupon bonds or notes and registered bonds or notes assigned in blank or for exchange for coupon bonds or notes cannot safely be forwarded by registered mail unless insured by the obligor against risk of loss in transit. Registered bonds or notes, unless assigned in blank or for exchange for coupon bonds or notes, need not be so insured when forwarded by registered mail, unless the obligor so elects. The

bond-approving officer shall issue a receipt in duplicate, substantially in Form A, for the bonds or notes so deposited, the original of the receipt to be given to the obligor and the duplicate to be retained by the bond-approving officer for his files.

§ 225.5 *Application of proceeds in case of default; forms.* At the time of the deposit of any bonds or notes with a bond-approving officer in accordance with the provisions of this part, the obligor shall deliver to the bond-approving officer a duly executed power of attorney and agreement, in favor of the bond-approving officer, authorizing such officer to collect or sell, assign, and transfer, such bonds or notes so deposited in case of any default in the performance of any of the conditions or stipulations of the penal bond, and to apply the proceeds of such sale or collection, in whole or in part, to the satisfaction of any damages, demands, or deficiency arising by reason of such default. The power of attorney and agreement shall not be revocable by the obligor; and, in the case of an individual, shall be substantially in Form C, in the case of a partnership, substantially in Form D, and in the case of a corporation, substantially in Form E.

§ 225.6 *Facts to be determined by bond-approving officers.* In connection with the acceptance of bonds or notes hereunder as security in lieu of surety or sureties, bond-approving officers must satisfy themselves as to the ownership of the bonds or notes deposited and the sufficiency of the power of attorney and agreement, and in the case of registered bonds or notes, as to the regularity of the assignments as well, and, in general, that the deposit is made in conformity with the provisions of this part.

§ 225.7 *Substitutions.* Any obligor who deposits bonds or notes in accordance with the provisions of this part may, upon written application to and with the approval of the bond-approving officer, substitute for the bonds or notes so deposited (a) other bonds or notes in a sum equal at their par value to not less than the par amount of the bonds or notes to be withdrawn, upon compliance with all the provisions of this part applicable to an original deposit of bonds or notes in lieu of surety or sureties, or (b) a penal bond with surety or sureties or such other security as may be allowed by law. The bonds or notes withdrawn

shall be returned in the manner herein-after provided for the return of bonds and notes deposited.

§ 225.8 *Authorized depositaries; withdrawal.* Bonds or notes deposited with bond-approving officers as security in accordance with the provisions of this part and such other bonds or notes as may be substituted therefor from time to time as such security, may be deposited by bond-approving officers with the Treasurer of the United States, a Federal Reserve bank or any branch Federal Reserve bank having the requisite facilities, or other depositary duly designated for that purpose by the Secretary of the Treasury: *Provided, however,* That bond-approving officers shall deposit with the Treasurer of the United States all bonds or notes received by them in the District of Columbia pursuant to the provisions of this part. Depositaries of public moneys are not authorized to act as depositaries for bonds or notes accepted under this part, unless specifically designated for that purpose by the Secretary of the Treasury. Any authorized depositary receiving deposits of bonds or notes from bond-approving officers in accordance with this part shall give receipt therefor in duplicate, describing the bonds or notes so deposited, substantially in Form B, the original to be delivered to the bond-approving officer and the duplicate to be retained by the depositary for its own files. The bond-approving officer will hold the original receipt subject to the instructions of his administrative superior. Bonds or notes so deposited with an authorized depositary may be withdrawn only by or on the written order of the bond-approving officer. Bonds or notes accepted by or on behalf of any United States court, under this part may also be deposited as aforesaid under a duly authenticated order of the court, and bonds or notes so deposited may be withdrawn only by or on the duly authenticated order of such court.

§ 225.9 *Risk of loss or destruction.* Bonds or notes accepted by bond-approving officers from obligors under this part and not deposited by them with authorized depositaries, will be held at the risk of the respective bond-approving officers, subject to such regulations and instructions as may be prescribed for their guidance by their respective administrative superiors. Coupon bonds or notes and registered bonds or notes

assigned in blank or for exchange for coupon bonds or notes are in effect bearer obligations and must be kept in safe custody; registered bonds or notes not assigned in blank or for exchange for coupon bonds or notes must also be kept in safe custody, but in the event of loss or destruction may be replaced upon compliance with the provisions of law and the regulations of the Treasury Department applicable thereto.

§ 225.10 *Delivery to the depositary.* Bond-approving officers desiring to deposit bonds or notes received by them with authorized depositaries must deliver such bonds or notes to the depositary, without risk or expense to the depositary. Coupon bonds or notes and registered bonds or notes assigned in blank or for exchange for coupon bonds or notes cannot safely be shipped by registered mail unless covered by insurance. Registered bonds or notes not assigned in blank or for exchange for coupon bonds or notes may be forwarded by registered mail uninsured.

§ 225.11 *Payment of interest to obligor; coupons.* The obligor shall be entitled to receive the interest accruing upon bonds or notes deposited in accordance with this part, in the absence of any default in the performance of any of the conditions or stipulations of the penal bond. The interest on any registered bonds or notes which the obligor is entitled to receive hereunder will be paid by check in regular course to the registered holder. The coupons for any interest on coupon bonds or notes which the obligor is entitled to receive hereunder will, upon written application from the obligor to the bond-approving officer, be detached, as they mature, from the bonds or notes deposited and forwarded to the obligor at the obligor's risk and expense, either by the bond-approving officer or upon his written order by the depositary with which the bonds or notes may be deposited, or, at the direction of the bond-approving officer, collected by the depositary and check therefor forwarded to the obligor. In the absence of written application therefor by the obligor, coupons for interest on coupon bonds or notes to which the obligor may be entitled under this part shall remain attached to the bonds or notes deposited, subject to the provisions of this part.

§ 225.12 *Return to obligor upon termination of bond; materialman's bond.* As soon as security for the performance

of the penal bond is no longer necessary, the bonds or notes deposited in lieu of surety or sureties on such penal bond, together with the power of attorney and agreement accompanying such bonds or notes, shall be returned to the obligor by the bond-approving officer, without application therefor from the obligor. The determination of the question whether security is any longer necessary for the performance of the penal bond shall rest with the bond-approving officer and such other officers as shall have jurisdiction in the premises under the provisions of law and administrative regulations which may be applicable: *Provided, however,* That in case a person or persons supplying labor or material as provided by the act approved February 24, 1905 (33 Stat. 811; 40 U. S. C. 270), entitled "An act to amend an act approved August 13, 1894, entitled 'An act for the protection of persons furnishing materials and labor for the construction of public works,'" shall file with the obligee, at any time after a default in the performance of any contract subject to said acts, the application and affidavit therein provided, neither the obligee nor the bond-approving officer shall deliver to the obligor the deposited bonds or notes or any surplus proceeds thereof until the expiration of the time limited by said acts for the institution of suit by such person or persons (*viz*, 1 year from the date of final settlement of the contract for the performance of which the bonds or notes were pledged), and, in case suit shall be instituted within such time, shall hold said bonds or notes or proceeds subject to the order of the court having jurisdiction thereof: *Provided further,* That nothing herein contained shall affect or impair the priority of the claim of the United States against the bonds or notes deposited or any right or remedy granted by said acts or under this part to the United States for default upon any obligation of said penal bond.

§ 225.13 *Return to obligor; risk of loss.* Bonds or notes to be returned to the obligor will be forwarded at the obligor's risk and expense, either by the bond-approving officer, or upon his written order by the depository with which the bonds or notes may be deposited, and unless delivered direct to the obligor, will be forwarded, in the absence of other written instructions and remittance to cover expenses, by express, collect, except that registered bonds or notes not as-

signed in blank or for exchange for coupon bonds or notes may be forwarded by registered mail, uninsured.

§ 225.14 *Withdrawal.* Any obligor who desires to withdraw a portion only of the bonds or notes deposited, by reason of reduction in liability under the penal bond, shall make written application for such withdrawal to the bond-approving officer, who shall, if he approve such application, return such portion of the bonds or notes to the obligor.

§ 225.15 *Receipt for return.* Upon the complete or partial return to the obligor of bonds or notes deposited as security under the provisions of this part, the bond-approving officer shall require from the obligor a receipt in duplicate, substantially in Form G, and shall further require the obligor, in case of complete return, to surrender the original receipt on Form A.

§ 225.16 *Penal bonds; form to be used with bonds or notes as security.* Penal bonds on which bonds or notes are accepted as security in lieu of surety or sureties may be substantially in Form F. Administrative officers of the Government may, however, use other forms of penal bonds appropriate to the work of their respective offices: *Provided,* That upon the execution of the penal bond the principal shall indorse on the face thereof and sign the following statement:

The securities described in the annexed schedule are hereby pledged as security for the performance and fulfillment of the foregoing undertaking in accordance with section 1126 of the Revenue Act of 1926, as amended, and Treasury Department Circular No. 154, dated February 6, 1935.

Principal on the above bond.

§ 225.17 *Penal bonds; existing practice or duties of administrative offices in handling not modified.* Nothing contained in this part shall be construed as modifying the existing practice or duties of administrative offices in handling penal bonds, except to the extent made necessary under the terms of this part by reason of the acceptance of bonds or notes as security in lieu of surety or sureties thereon.

§ 225.18 *Acceptance by collectors of customs.* The acceptance by collectors of customs of bonds or notes in lieu of surety or sureties on penal bonds shall be governed by the general rules and regulations contained in this part, except as

modified with the approval of the Secretary of the Treasury to cover special cases.

§ 225.19 *Special instructions for acceptance by collectors of internal revenue.* Special instructions for the guidance of collectors of internal revenue in accepting bonds or notes in lieu of surety or sureties on penal bonds will be issued through the office of the Commissioner of Internal Revenue, upon the approval of the Secretary of the Treasury.

§ 225.20 *All Government bond-approving officers governed by the provisions of this part.* Bond-approving officers of other departments and establishments of the Government accepting bonds or notes in lieu of surety or sureties under the provisions of section 1126 of the Revenue Act of 1926, as amended, shall be governed by the provisions of this part. This part may be modified or amended only upon the approval of the Secretary of the Treasury.

§ 225.21 *Other authority to take bonds and notes not affected by this part.* Nothing contained in this part shall affect the authority of courts over the security when bonds or notes are taken as security in judicial proceedings, or the authority of any administrative officer of the United States to receive United States bonds or notes for security in cases authorized by provisions of law other than section 1126 of the Revenue Act of 1926, as amended.

§ 225.22 *Foregoing rules and regulations may be amended.* The Secretary of the Treasury may withdraw or amend at any time or from time to time any or all of the foregoing rules and regulations in this part, subject, however, to the provisions of section 1126 of the Revenue Act of 1926, as amended, approved February 26, 1926.

Part 226—Purchase of Surety Bonds to Cover Civilian Officers and Employees and Military Personnel in Executive Branch of the Federal Government

Sec.	
226.1	Definitions.
226.2	General.
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226.9	Bond premium period.
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226.13	Cancellation of bonds; limitations on recoveries thereunder.
226.14	Transmittal of bonds to Treasury; filing.
226.15	Bonds procured before January 1, 1956.
226.16	Reports.
226.17	Reservation of right to amend.
226.18	Effective date.

AUTHORITY: §§ 226.1 to 226.18 issued under sec. 14, 69 Stat. 618; 6 U. S. C. 14.

SOURCE: §§ 226.1 to 226.18 contained in 1955 Department Circular 969, 20 F. R. 8288, Nov. 4, 1955.

§ 226.1 *Definitions.* As used in this part, the term—

(a) "Agency" means each department and independent establishment in the executive branch of the Federal Government, but does not include government corporations;

(b) "Act" means the act entitled "An Act to provide for the purchase of bonds to cover civilian officers and employees and military personnel of the Federal Government," approved August 9, 1955 (Pub. Law 323, 84th Cong.; 69 Stat. 618; 6 U. S. C. 14);

(c) "Employee" means a civilian officer or employee, or an individual within the category of military personnel, of an agency;

(d) "Head of the agency" and "head of each agency" includes a designee authorized pursuant to law by such head of the agency to act under this part for such head of the agency;

(e) "Bond" or "surety bond" includes individual, name schedule, blanket, position schedule and other types of surety bonds covering an employee or employees;

(f) An "individual bond" covers a single employee in a specified amount;

(g) A "name schedule bond" covers, in a specified amount, each employee whose name is listed in a schedule attached to such bond;

(h) A "position schedule bond" covers, in a specified amount, each employee who holds an office or position the title of which is listed in a schedule attached to such bond; and

(i) A "blanket bond" (1) covers a group of employees without the necessity of having attached to such bond any schedule or list of the names of the employees in such group or the titles of the offices or positions held by them, and (2) is either (i) a multiple penalty bond, which permits recovery in an amount equal to as many times the penalty for each employee covered by the bond as there are employees so covered who are involved in the loss, or (ii) an aggregate penalty bond, which limits recovery to the amount of the penalty of the bond regardless of the number of employees involved in the loss.

§ 226.2 *General.* The head of each agency shall obtain, in accordance with the authority contained in the act and in conformity with this part, surety bonds covering those employees of such agency who are required by law or administrative ruling to be bonded.

§ 226.3 *Corporate sureties required; underwriting limitation.* (a) Each bond shall be obtained only from a corporate surety company holding a certificate of authority from the Secretary of the Treasury under the Act of July 30, 1947 (6 U. S. C. 1-15), as an acceptable surety on Federal bonds.¹

(b) The penal amount applicable to any employee covered by a bond executed by any such corporate surety company shall not exceed the underwriting limitation established for such company unless the excess is protected as provided by Treasury Department regulations contained in § 223.12 of this title.

§ 226.4 *Selection and review of surety bond coverage.* (a) The head of each

and under this part and the administrative expenses incident to the processing and filing thereof. The preceding sentence, however, does not preclude the procurement of individual bonds where individual bonds are clearly more economical or advantageous.

(b) If, in a particular location, region, or district, the number of employees to be bonded is, in the opinion of the head of the agency concerned, sufficient from an operating standpoint to warrant the procurement of a blanket or schedule bond to cover such employees, such head of the agency shall obtain a separate blanket or schedule bond to cover such employees, unless he determines that, by reason of considerations of economy or administrative efficiency or both, it is in the best interests of the Federal Government to include such employees in a bond or bonds covering all employees of such agency or covering employees in more than one particular location, region, or district.

(c) Before the initial procurement of a bond or bonds under the Act and under this part and from time to time after such initial procurement (but not less frequently than every second year thereafter), the head of each agency shall review the number of employees of such agency, who are bonded, in order to decrease or increase the amounts of bond coverage if he deems such action appropriate and in order to eliminate the bonding of employees in those cases where he deems that no need therefor exists. In each review conducted after such initial procurement, the head of the agency also shall review the particular type or types of bonds procured for employees of such agency in order to determine whether the future procurement of such particular type or types of bonds best serves the needs of such agency and is in the best interests of the Federal

for the number and type of employees to be bonded. As an aid to the head of each agency in the procurement of bonds under the act and under this part, the attention of each such head of the agency is directed to the following portion of the legislative history of the bonding bill (H. R. 4778, 84th Cong.) contained in the conference report on the bill ((1955) H. Rept. 1568, 84th Cong.) which sets forth the intent of the Congress with respect to this provision:

• • • It is not the intent of this provision that a bond or bonds obtainable at the lowest premium rate per annum shall constitute in all cases a bond of the "most economical type." Such would seem to be the case as a general rule, all other factors and considerations being equal. However, in many cases, variations in such factors and considerations as differences in the relative financial standing and reliability of the surety, the terms of the respective surety bond contracts available, and the number and types of personnel to be bonded may require, in the interests of the Federal Government other than in the strictly financial sense, the purchase of such bonds at premium rates per annum which are higher than the lowest premium rates per annum actually obtainable, • • • .

§ 226.6 *Bonds of which the penalties are fixed by statute; bonds of certifying officers.* (a) Positions for which the penalty of the bond is fixed by statute may be included in a blanket, position schedule, name schedule, or other type of bond, provided the penalty applicable to such positions is equal to the statutory requirement.

(b) The head of each agency may provide bond coverage under this part for those employees who are the certifying officers of such agency (1) by obtaining a name schedule or position schedule bond limited to such certifying officers alone, (2) by including such certifying officers in a blanket or other type bond also covering other bonded employees, or (3) by obtaining individual bonds for such certifying officers where circumstances warrant.

§ 226.7 *Bond obligee and condition.* (a) Each bond shall run solely in favor of the United States as obligee, except where a specific statutory provision requires that the bond shall run in favor of the United States and an additional obligee or in favor of an obligee other than the United States.

(b) Each bond shall be conditioned upon the faithful performance of the

duties of the individual or individuals so bonded. Each bond also shall expressly provide that the term "faithful performance of the duties" shall include the proper accounting for all funds or property received by reason of the position or employment of the individual or individuals so bonded and the discharge of all duties and responsibilities now or hereafter imposed upon such individual or individuals by law or by regulation issued pursuant thereto and shall also expressly provide that the term "regulation" shall include any written rule, order or instruction issued pursuant to law.

§ 226.8 *Bond penalties.* (a) The head of each agency shall fix the bond penalty applicable to employees and positions of such agency included in a bond procured under this part, except where the penalty is prescribed by statute or by other authority.

(b) The penalty in a blanket bond shall be in the minimum amount estimated by the head of the agency as sufficient to protect the interests of the United States. The penalty for each position designated in a schedule bond, in cases not specified by law or other authority, shall be fixed in the minimum amount consistent with the duties and degree of responsibility of the position. In fixing the penalties of bonds, due regard should be given to past loss experience and the effectiveness of related internal control.

(c) The bond penalties applicable to disbursing officers, assistant disbursing officers, agent officers, agent cashiers, and imprest fund cashiers operating under delegation by the Secretary of the Treasury or the Division of Disbursement, Treasury Department, shall be fixed only with the concurrence of the Chief Disbursing Officer, Treasury Department.

§ 226.9 *Bond premium period.* The bond premium may cover a period not exceeding two years. In view of the economies to be derived, premiums should be paid for a period of two years to the extent funds are available, except where a shorter period is more advantageous to the Federal Government.

§ 226.10 *Procurement of new bond coverage.* The head of each agency shall procure under the act and under this part new bond coverage at least every two years. Timely steps should be taken

for such procurement in advance of the expiration of the prior premium period.

§ 226.11 *Advertising for proposals for furnishing of bonds.* (a) If, in the opinion of the head of the agency concerned, the premium cost for any bond procured under the act and under this part will exceed the rate of \$150 per annum, such head of the agency shall procure such bond only after advertising for proposals for the furnishing of such bond.

(b) The following recognized methods of advertising are examples of appropriate methods of advertising under this part: Publication in the FEDERAL REGISTER, publication in newspapers, posting of notices in public places, and the sending of invitations to bid to parties engaged in the business of furnishing surety bonds. In connection with the last method above specified, a notice sent to the head office of each company appearing on the Treasury Department list² of approved surety companies (other than those shown thereon as having authority to do a reinsurance business only) will be regarded as a satisfactory method of advertising under this part.

(c) If, in the opinion of the head of the agency concerned, the premium cost for any bond will not exceed the rate of \$150 per annum, procurement of the bond may be made without advertising, but informal bids should be solicited by the agency from at least three competitive sources.

(d) Specifications of alternate types of bond coverage may be included in invitations of the agency to bid in order to enable the head of the agency concerned to procure the most economical type of bond.

(e) Advertising for proposals for the furnishing of any bond will not be required under this part in any case in which the head of the agency concerned determines that the public exigencies require the immediate procurement of such bond.

§ 226.12 *Place of execution of bonds by surety company.* Bonds procured under this part shall be executed by the surety company in a state or other jurisdiction wherein it has obtained a license to transact a fidelity and surety business and the place of such execution shall be

set forth in the bond. This requirement shall not, however, preclude an agency from accepting bonds covering an employee or employees located where the surety is not licensed if the bond is executed by the surety at its home office or within a state or other jurisdiction where it has obtained a license.

§ 226.13 *Cancellation of bonds; limitations on recoveries thereunder.* (a) No bond procured under the act and under this part shall contain (1) any provision for cancellation of such bond at the option of the surety company prior to the expiration of the term of such bond, (2) any limitation upon the time within which a loss must be discovered to be recoverable under such bond, or (3) any limitation upon the time within which recovery may be made on account of any loss arising under such bond.

(b) In connection with the matter immediately foregoing, the attention of the head of each agency is directed to the provisions of 6 U. S. C. 5, as follows:

If, upon the statement of the account of any official of the United States, or of any officer disbursing or chargeable with public money, by the accounting officers, it shall thereby appear that he is indebted to the United States, and suit therefor shall not be instituted within five years after such statement of said account, the sureties on his bond shall not be liable for such indebtedness.

§ 226.14 *Transmittal of bonds to Treasury; filing.* All surety bonds obtained under the Act and under this part shall be transmitted, with a transmittal letter in duplicate listing the bond or bonds transmitted, to the Treasury Department, Bureau of Accounts, Surety Bonds Branch, for approval of the authority of the surety executing the bond. Thereafter, the transmitting agency will be advised as to the sufficiency of execution by the surety. The bond will be returned to the agency concerned, or, at its request, will be held in the files of the Surety Bonds Branch.

§ 226.15 *Bonds procured before January 1, 1956.* (a) The head of each agency may permit the continuance in effect, until the expiration of its premium period, of any bond procured prior to January 1, 1956, with funds of such agency.

(b) In this connection, the attention of the head of each agency is directed to the fact that a provision of 6 U. S. C. 14, as amended by the act, operates to

² See footnote 1 on page 410 of this volume.

terminate the liability of a surety on a bond existing prior to the procurement of bond coverage under the act, for any default occurring subsequent to the date of the new coverage, regardless of whether an existing bond was paid for from agency funds or from the personal funds of the employee concerned. The above-mentioned provision is as follows:

Whenever any civilian officers or employees or military personnel are covered by a bond under authority of this section, the surety or sureties on any existing bond of any such civilian officers or employees or military personnel shall not be liable for any defaults occurring subsequent to the date of the new coverage.

§ 226.16 *Reports.* (a) In order for the Secretary of the Treasury to transmit to the Congress on or before June 30, 1956, a comprehensive report of the operations of each agency as required by the act, the head of each agency procuring a bond or bonds under the act and under this part shall transmit to the Treasury Department, not later than June 1, 1956, an initial report with respect to the operations of such agency prior to April 30, 1956, under the act and under this part.

(b) Thereafter, in order for the Secretary of the Treasury to transmit to the Congress, on or before October 1 of each year, beginning with the year 1957, a comprehensive report of the operations of each agency as required by the act, the head of each agency procuring a bond or bonds under the act and under this part shall transmit to the Treasury Department, not later than August 15 of each year, beginning with the year 1957, a report with respect to the operations of such agency, during the preceding fiscal year, under the act and under this part.

(c) The initial report and each subsequent report of each agency shall contain the following information with respect to bonds obtained and related operations under the act and under this part:

- (1) The number of employees of such agency covered by such bonds.
- (2) The number and types of bonds procured by such agency and the individual penal sums thereof.
- (3) The amounts of the premiums paid for bonds of such agency.

sums, classified by the duties for which bonded (such as disbursing, certifying, collecting).

(5) The amounts of losses covered by bonds procured by such agency and the number of employees involved, classified by type of duties. There should be shown in this connection the amounts of claims filed with surety companies, the amounts recovered, and the amounts of pending claims subject to adjustment by the surety companies.

(6) The direct costs of administration of the bond procurement and related operations of such agency.

(7) Such other information relating to the subject matter of the regulations contained in this part as may be requested by the Fiscal Assistant Secretary of the Treasury or as the head of such agency may consider necessary or desirable to enable the Secretary of the Treasury fully to advise the Congress with respect to the results of operations under the act.

(d) The Fiscal Assistant Secretary of the Treasury will issue instructions to each agency covering the form and classification of the information to be contained in the reports to be transmitted by each agency to the Treasury Department.

§ 226.17 *Reservation of right to amend.* The right is expressly reserved to amend, revise, or waive, from time to time, any or all of the provisions of this part, to such extent not inconsistent with law as the Secretary of the Treasury may deem necessary.

§ 226.18 *Effective date.* The foregoing provisions of this part shall take effect on January 1, 1956. The action of each agency should however be taken prior to January 1, 1956, if necessary to obtain bonds effective on January 1, 1956, or thereafter as may be practicable.

Part 240—Office of Claims and Title 31

Sec. 240.0 General.

By order of June 1, 1956 with...

Sec.

- 240.1 Compromise with General Counsel's recommendation forwarded to Secretary of the Treasury.
- 240.2 Remittances on account of offers in compromise.
- 240.3 Deposit of sums offered in compromise.
- 240.4 Power to withdraw or amend regulations.

AUTHORITY: §§ 240.0 to 240.4 issued under R. S. 161, as amended; 5 U. S. C. 22. Interpret or apply R. S. 3469, as amended; 31 U. S. C. 194.

SOURCE: §§ 240.0 to 240.4 contained in Department Circular No. 39, Third Revision, 23 F. R. 9920, Dec. 23, 1958.

§ 240.0 *General.* The rules and regulations in this part are prescribed in connection with section 194, Title 31, United States Code (R. S. 3469), which provides as follows:

Upon a report by a United States attorney, or any special attorney or agent having charge of any claim in favor of the United States, showing in detail the condition of such claim, and the terms upon which the same may be compromised, and recommending that it be compromised upon the terms so offered, and upon the recommendation of the General Counsel for the Department of the Treasury, the Secretary of the Treasury is authorized to compromise such claim accordingly. But the provisions of this section shall not apply to any claim arising under the postal laws.

§ 240.1 *Compromise with General Counsel's recommendation forwarded to Secretary of the Treasury.* The report of the special attorney or agent having charge of any claim in favor of the United States, which has not been referred to the Department of Justice for prosecution or defense in the courts, in which an offer in compromise is made, except claims arising under the postal laws, must be presented to the General Counsel for the Department of the Treasury, who will forward the report, with his recommendation, to the Secretary of the Treasury for final action.

§ 240.2 *Remittances on account of offers in compromise.* Remittances on account of such offers in compromise will not be accepted unless they are free of all conditions. Remittances in the form of checks, drafts or money orders should be made payable to the order of the Treasurer of the United States. No offer of a specific sum of money in compromise of any claim will be considered under the above statute until such sum

shall have been received by the Treasury and credited to Deposit Fund Account "20X6870—Offers in Compromise, Office of the Secretary of the Treasury", and the General Counsel is notified of such credit.

§ 240.3 *Deposit of sums offered in compromise.* Moneys received in Washington, D. C., on account of offers in compromise should be submitted by the attorney or special agent having charge of the claim along with the related documents to the General Counsel for the Department of the Treasury. Moneys received outside of Washington, D. C., on account of offers in compromise should be deposited with a Federal Reserve bank or branch, or with a bank designated as a general depository for public moneys by the Secretary of the Treasury, under regular procedures by the attorney or special agent having charge of the claim, for credit to the Deposit Fund Account "20X6870—Offers in Compromise, Office of the Secretary of the Treasury". Certificate of Deposit, Standard Form No. 219, should be prepared to show that the deposit is made for account of the Investments Branch, Division of Deposits and Investments, Treasury Department, Washington 25, D. C. At the time of the deposit the related documents, including copy of the Certificate of Deposit, should be forwarded to the General Counsel for the Department of the Treasury. However, if the attorney or agent having charge of the claim elects to deposit the proceeds of the offer in compromise in the Treasury to the credit of a suspense account under the control of his agency, a check drawn on such account payable to the Treasurer of the United States in the amount of the offer in compromise should be forwarded with the related documents to the General Counsel for the Treasury Department. If the offer in compromise is rejected, the money will be returned to the proponent; if accepted, it will be covered into the Treasury.

§ 240.4 *Power to withdraw or amend regulations.* The Secretary of the Treasury may withdraw or amend at any time or from time to time any of the foregoing rules and regulations with or without previous notice, and may make such special orders as he may deem proper in any case.

Part 250—Payment on Account of Awards of the Foreign Claims Settlement Commission of the United States

GENERAL PROVISIONS

- Sec.
250.1 Authority for regulations.
250.2 Forms.
250.3 Authentication.

EXECUTION OF VOUCHERS

- 250.4 Voucher applications.
250.5 Method of signature.

PAYMENTS

- 250.6 Persons entitled to payment.
250.7 Manner of payment.

POWERS OF ATTORNEY

- 250.8 Powers of attorney.

ADDITIONAL EVIDENCE

- 250.9 Additional evidence.

AMENDMENT OF REGULATIONS

- 250.10 Reservation of power to revoke or amend.

AUTHORITY: §§ 250.1 to 250.10 issued under R. S. 181, as amended sec. 7, 64 Stat. 16, as amended; 5 U. S. C. 22, 22 U. S. C. 1626.

SOURCE: §§ 250.1 to 250.10 contained in Department Circular 881, 16 F. R. 457, Jan. 18, 1951, except as otherwise noted.

GENERAL PROVISIONS

§ 250.1 *Authority for regulations.* The following regulations governing payment on account of awards of the Foreign Claims Settlement Commission of the United States are issued under authority contained in section 161 of the Revised Statutes (5 U. S. C. 22) and section 7 (a) of the International Claims Settlement Act of 1949 (Public Law 455, 81st Congress, approved March 10, 1950 (64 Stat. 16; 22 U. S. C. 1626)).

[Dept. Circ. 881, 16 F. R. 457, Jan. 18, 1951, as amended at 23 F. R. 9921, Dec. 23, 1958]

§ 250.2 *Forms.* The forms referred to in this part should be used in connection with the payment of awards hereunder. Voucher applications and other necessary forms for all payments will be mailed to awardees by the Investments Branch, Bureau of Accounts, Treasury Department, without request therefor by awardees.

§ 250.3 *Authentication.* All copies of records and documents submitted in connection with the execution of voucher applications must be properly authenticated.

EXECUTION OF VOUCHERS

§ 250.4 *Voucher applications.* No payment of any part of the amount due on account of an award will be made unless a voucher application therefor properly executed (preferably in ink or indelible pencil) is received by the Treasury Department. A voucher application for each payment on account of an award must be executed by each person whose name appears on such voucher application as payee. Each such person must sign the voucher application and verify it by an affidavit sworn to before an officer authorized by law to administer oaths. If executed abroad the affidavit must be sworn to before a diplomatic or consular officer of the United States or, if such officer is not available, before any officer authorized by the laws of the foreign country to administer oaths, whose official character and jurisdiction must be certified by a United States diplomatic or consular officer. In the case of a corporation the voucher application must be signed by the appropriate officer or officers thereof having authority to do so, who must verify the application as above prescribed and the voucher application must also be accompanied by a duly executed certificate under the seal of the corporation certifying to the authority of such officer or officers to execute such voucher application and affidavit on behalf of the corporation. In the case of a legal representative, or of a receiver or trustee for a partnership or corporation, the existence of which has been terminated, the voucher application must be accompanied by a certified copy of the order or letters of his appointment and a certificate of the clerk of the appointing court dated within six months of the date of the execution of the voucher application that such appointment is still in full force and effect.

§ 250.5 *Method of signature.* The voucher application must be signed by each person exactly as his name appears as payee thereon. If any difference occurs between the name of the payee on the voucher application and the signature to the voucher application, appropriate evidence explaining the discrepancy must be furnished. Affidavits of two disinterested credible persons stating of their own knowledge that the person signing the voucher application is the person designated therein as payee and

indicating the reasons for the discrepancy will ordinarily be sufficient. A signature by mark (X) must be witnessed by two persons in addition to the officer before whom the affidavit is executed and the signature and address of each such witness must appear on the voucher application and the affidavit.

PAYMENTS

§ 250.6 *Persons entitled to payment.* Payment will be made only to the person or persons on behalf of whom the award is made, except in the following circumstances:

(a) If such person is under a legal disability payment will be made to his legal representative.

(b) If such person is deceased, payment will be made to the legal representative of his estate, except as provided in paragraph (c) of this section.

(c) If such person is deceased and the total award is not over \$500 and no legal representative of his estate has been appointed, payment may be made to the person or persons found by the Comptroller General of the United States to be entitled thereto. In this circumstance the person or persons claiming payment should execute and submit General Accounting Office Form No. 1055 to the Investments Branch, Bureau of Accounts, Treasury Department, Washington 25, D. C.

(d) In the case of a partnership or corporation, the existence of which has been terminated, if a receiver or trustee has been duly appointed by a court of competent jurisdiction in the United States and has not been discharged prior to the date of payment, payment will be made to such receiver or trustee in accordance with the order of the court, or in the event a receiver or trustee duly appointed by a court of competent jurisdiction in the United States makes an assignment of the claim or any part thereof with respect to which an award is made or makes an assignment of such award or any part thereof payment will be made to the assignee as his interest may appear. In the latter circumstance, certified copies of the court orders showing the authority of the receiver or trustee to make the assignment should be submitted with the assignment. No particular form of assignment is prescribed, but the original assignment must be submitted, and will be retained by the Treasury Department.

(e) In the case of a partnership or corporation, the existence of which has been terminated, if no receiver or trustee has been duly appointed by a court of competent jurisdiction in the United States or if such a receiver or trustee has been discharged prior to the date of payment without having made an assignment, payment may be made to the person or persons found by the Comptroller General of the United States to be entitled thereto. In this circumstance, the person or persons claiming payment should submit to the Investments Branch, Bureau of Accounts, Treasury Department, Washington 25, D. C., such documentary evidence as is appropriate to show his or their right to the payment.

(f) In the case of an assignment of an award or any part thereof which is made in writing and duly acknowledged and filed after such award is certified to the Secretary of the Treasury, payment may in the discretion of the Secretary of the Treasury be made to the assignee as his interest may appear. No particular form of assignment is prescribed, but the original assignment must be submitted, and will be retained by the Treasury Department.

§ 250.7 *Manner of payment.* Payment will be made by check drawn on the Treasurer of the United States. Checks will be mailed to the payee at the address indicated on the voucher application unless subsequent to the issue of the voucher application the Treasury Department receives a written request from the payee to deliver the check to him at some other address. Where the award has been entered in favor of more than one person, only one check will be drawn in making payment unless the payees specify the share of each and request separate checks.

POWERS OF ATTORNEY

§ 250.8 *Powers of attorney.* No power of attorney to sign a voucher application will be recognized but a power of attorney executed subsequent to the certification of an award to the Secretary of the Treasury to receive, endorse and collect a check given in payment on an award may be recognized. An appropriate form for such a power of attorney may be obtained from the Accounting Division, Office of the Treasurer, Treasury Department, Washington, 25 D. C.

ADDITIONAL EVIDENCE

§ 250.9 *Additional evidence.* The Secretary of the Treasury or the Comptroller General of the United States may in any case require such additional information and evidence as may be deemed necessary.

AMENDMENT OF REGULATIONS

§ 250.10 *Reservation of power to revoke or amend.* The regulations in this part may be revoked or amended at any time.

Part 254—Payments on Account of Awards and Appraisals in Favor of Nationals of the United States on Claims Against the Government of Mexico

- Sec.
 254.1 General provisions.
 254.2 Execution of vouchers.
 254.3 Payments.
 254.4 Powers of attorney.
 254.5 Additional evidence and bonds of indemnity.
 254.6 Reservation of power to revoke or amend.

AUTHORITY: §§ 254.1 to 254.6 issued under sec. 9, 56 Stat. 1062; 22 U. S. C. 668.

SOURCE: §§ 254.1 to 254.6 contained in 1943 Department Circular 706, 8 F. R. 1489, Feb. 4, 1943.

§ 254.1 *General provisions—(a) Authority for and scope of regulations.* The following regulations governing payments in respect of the awards and the appraisals in favor of American nationals on claims against the Government of Mexico are issued under authority contained in section 161 of the Revised Statutes (5 U. S. C. 22), the act of April 10, 1935 (49 Stat. 149), the Joint Resolution of August 25, 1937 (50 Stat. 783), and the Settlement of Mexican Claims Act of 1942 (56 Stat. 1058; 22 U. S. C. 661-672).

(b) *Forms to be used.* Forms of vouchers, affidavits and certificates prescribed by the Secretary of the Treasury should be used in connection with payments of awards and appraisals hereunder. Copies of such forms may be obtained from the Commissioner of Accounts, Treasury Department, Washington 25, D. C.

(c) *Authentication of documents.* All copies of records and documents submitted in connection with the execution of vouchers must be properly authenticated.

§ 254.2 *Execution of vouchers—(a) Necessity for signature of vouchers.* No payment of any part of the amount due in respect of an award or appraisal will be made unless a voucher therefor properly executed (preferably in ink or indelible pencil) is received by the Secretary of the Treasury. A single voucher for each part of an award or appraisal as funds become available for payment must be signed by each person in whose favor the award or appraisal was made. Each such person must sign the voucher and verify it by an affidavit sworn to before an officer authorized by law to administer oaths. If executed abroad, the affidavit must be sworn to before a diplomatic or consular officer of the United States, or, if such officer is not available, before any officer authorized by the laws of the foreign country to administer oaths, but his official character and jurisdiction must be certified by a United States diplomatic or consular officer under seal of his office. In the case of a corporation, the voucher must be signed by the appropriate officer or officers thereof having authority to do so, which officer or officers shall verify the voucher by affidavit sworn to as above prescribed, and the voucher must also be accompanied by a duly executed certificate, under the seal of the corporation, certifying to the authority of such officer or officers to execute such voucher and affidavit on behalf of the corporation.

(b) *Method of signature.* (1) The voucher must be signed by each person exactly as his name appears as "payee" therein. If any difference occurs between the name of the "payee" in the voucher and the signature to the voucher, appropriate evidence explaining the discrepancy must be furnished. Affidavits of two other persons in position to know the facts, stating of their own knowledge that the person signing the voucher is the person designated therein as "payee," and indicating the reasons for the discrepancy, will ordinarily be sufficient.

(2) A signature by mark (X) must be witnessed by two persons in addition to the officer before whom the affidavit is executed and the signature and address

of each such witness should appear on the voucher and the affidavit.

§ 254.3 *Payments*—(a) *To whom made.* Payments shall be made only to the person or persons on behalf of whom the award or appraisal is made except in the following circumstances:

(1) If such person is deceased and if the amount to be disbursed at any one time is in excess of \$500.00, or, if such person is under a legal disability, payment shall be made to his legal representative. The voucher shall be executed by such legal representative and he shall verify the voucher by an appropriate affidavit. In addition, such legal representative shall submit with the voucher a copy of the order or letters of his appointment and a certificate of the clerk of the appointing court, dated not more than six months prior to the date of execution of the voucher, to the effect that such legal representative has not been discharged.

(2) If such person is deceased, the amount to be disbursed at any one time is not over \$500.00 and there is no qualified executor or administrator, or, if an award or appraisal has been made to the estate of a deceased person and there has been no administration of such person's estate, payment may be made to the person or persons found by the Secretary of the Treasury to be entitled thereto. Evidence should be submitted to establish that administration of the estate of the decedent is not required under the laws of the decedent's domicile, that the debts of the decedent and of his estate have been paid or provided for, and that the person or persons who signed the voucher are entitled to receive payment on the award or appraisal. Such evidence will, in general, include affidavits of the person or persons claiming to be entitled to the award or appraisal setting forth the facts in detail, supported by affidavits of at least two other persons having personal knowledge of such facts, and by the official certificate or other proof of the death of the decedent. Wherever possible such supporting affidavits should be executed by public officers of the United States, or executive officers of incorporated banks or trust companies, and where this is not possible the affidavits of the person or persons claiming to be entitled to payment should so state. Upon request there must also be submitted an affidavit or certificate from a practicing attorney

or judicial officer of the State of the decedent's domicile, showing that administration of the estate of the decedent is not required under the laws of the decedent's domicile and that the person or persons signing the voucher are entitled to receive payment on the award or appraisal, and referring specifically to any pertinent statutes and judicial decisions of the courts of such State.

(3) If an award or appraisal has been made to the estate of a deceased person and the administration of such person's estate has been terminated, payment may be made to such person or persons found by the Secretary of the Treasury to be legally entitled thereto. In such case, there should be submitted with the voucher a copy of the order of distribution or any other pertinent orders in administration proceedings sufficient to prove the authority and interest of the person or persons executing the voucher, together with an appropriate affidavit verifying that the person executing the affidavit is the person who signed the voucher and is entitled under such order to receive the payment described in the voucher.

(4) In the case of a partnership or corporation, the existence of which has been terminated, payment shall be made (except as provided in subparagraphs (5) and (6) of this paragraph) to the person or persons found by the Secretary of the Treasury to be entitled thereto. In such case, the voucher should be accompanied by complete evidence of the authority and interests of the person or persons signing it.

(5) If a receiver or trustee for the partnership or corporation on behalf of which the award or appraisal was made has been duly appointed by a court of competent jurisdiction in the United States and has not been discharged prior to the date of payment, payment shall be made to the receiver or trustee or in accordance with the order of the court. In such case, the voucher should be accompanied by a certified copy of the order of the court appointing such receiver or trustee and a certificate of the clerk of such court, dated not more than six months prior to the date of execution of the voucher, to the effect that such receiver or trustee has not been discharged.

(6) In the case of an assignment of an award or appraisal, or any part thereof, or an assignment (prior to the making of the award or the appraisal) of the

claim, or any part thereof, in respect of which the award or appraisal was made, by a receiver or trustee for any such partnership or corporation, duly appointed by a court of competent jurisdiction in the United States, such payment shall be made to the assignee, as his interest may appear. In such case, the voucher should be accompanied by certified copies of the court's orders appointing the receiver or trustee and authorizing or confirming the assignment and by the original instrument of assignment.

(7) In the case of an assignment of an award or appraisal, or any part thereof, after its certification to the Secretary of the Treasury, made in writing and duly acknowledged and filed, payment may, in the discretion of the Secretary of the Treasury, be made to the assignee, as his interests may appear.

(b) *Forwarding of vouchers.* The voucher and all related papers should be transmitted to the Commissioner of Accounts, Treasury Department, Washington 25, D. C.

(c) *Manner of payment.* Payment will be made by check drawn on the Treasurer of the United States. Checks will be mailed to the payee at the address indicated in the voucher unless subsequent to the execution of the voucher the Treasury Department receives a written request from the person entitled to receive payment to deliver the check to him at some other address. Where the award has been entered in favor of more than one person, only one check will be drawn in making payment, except that if the persons entitled to receive payment specify the share of each, and so request, separate checks will be drawn in accordance therewith.

§ 254.4 *Powers of attorney.* No power of attorney to sign a voucher will be recognized, but a power of attorney, executed subsequent to the certification of an award or appraisal to the Secretary of the Treasury, to receive, endorse, and collect a check given in payment on an award or appraisal may be recognized. An appropriate form for such a power of attorney may be obtained from the Office of the Treasurer of the United States.

§ 254.5 *Additional evidence and bonds of indemnity.* The Secretary of the Treasury may in any case require such additional information and evidence as

may be deemed necessary and may also require a bond of indemnity with satisfactory sureties.

§ 254.6 *Reservation of power to revoke or amend.* The regulations in this part may be revoked or amended at any time.

Part 260—Shipment of Valuables Pursuant to the Government Losses in Shipment Act

NOTE: The Secretary of the Treasury has ordered that any shipment of gold and silver coin or bullion to, from, between, or within foreign countries under the provisions of the Gold Reserve Act of 1934, as amended (48 Stat. 337; 31 U. S. C. 440-446), and the Silver Purchase Act of 1934 (48 Stat. 1178; 31 U. S. C. 448-448e) is excepted from the prohibitions contained in the first sentence of section 4 of the Government Losses in Shipment Act (50 Stat. 480; 5 U. S. C. 134c) if, and to the extent that, adequate insurance at satisfactory rates can, in the opinion of the Secretary of the Treasury, be obtained to cover such shipment. The Secretary of the Treasury may at any time supplement, amend, or revoke this order. [Amended Order, Sept. 20, 1938; 3 F. R. 2281, Sept. 22, 1938]

Sec.

260.0 Introductory.

260.1 Definition of terms.

260.2 Shipping procedure.

260.4 Right to amend.

AUTHORITY: §§ 260.0 to 260.4 issued under sec. 1, 50 Stat. 479; 5 U. S. C. 134.

SOURCE: §§ 260.0 to 260.4 contained in Department Circular 576, 2 F. R. 1475, July 17, 1937, except as otherwise noted.

§ 260.0 *Introductory.* The provisional regulations in this part are prescribed pursuant to section 1 of the Government Losses in Shipment Act, Public No. 192, 75th Congress, First Session, relative to shipments of valuables made pursuant to that act.

§ 260.1 *Definition of terms.* All terms used in this part have the same meaning as when used in said act. Section 7 of said act (50 Stat. 480; 5 U. S. C. 134f) defines in part the term "valuables" as "any article or thing * * * which is of or is similar to a class or kind of article or thing or representative of value which it has been the practice heretofore of the United States to insure, as the insured party * * *", and the term "shipment" as "the transportation or the effecting of transportation of valuables without limitation as to the means or facilities used * * *."

§ 260.2 *Shipping procedure.* After the effective date of the regulations in this part (August 15, 1937), shipments of valuables shall be made (a) in the same manner and at such time as those of the same class or kind were made, when insured, immediately preceding the effective date of the regulations in this part, or (b) in such other manner and at such other time consonant with the greatest possible protection against risk of loss and destruction of and damage to such valuables as the respective heads of the various executive departments, independent establishments, agencies and wholly-owned corporations of the United States may from time to time direct, after notice to the Secretary of the Treasury. [Dept. Circ. 576, 2 F. R. 1475, July 17, 1937, as amended at 13 F. R. 9497, Dec. 31, 1948]

§ 260.4 *Right to amend.* The Secretary of the Treasury and the Postmaster General, with the approval of the President may, at any time, or from time to time, revoke or amend the regulations in this part or prescribe and issue supplemental or amendatory rules and regulations pursuant to section 1 of the said Government Losses in Shipment Act.

Part 261—Claims for Replacement of Valuables, or the Value Thereof, Shipped Pursuant to the Government Losses in Shipment Act

Sec.	
261.0	Introductory.
261.1	General instructions.
261.2	Method of shipment.
261.3	Preparation of shipment.
261.4	Record of shipment.
261.5	Advice of shipment.
261.7	Report of loss, destruction, or damage.
261.8	Claim for replacement.
261.9	Proof of claim.
261.10	Recoveries.

AUTHORITY: §§ 261.0 to 261.10 issued under sec. 6, 50 Stat. 480; 5 U. S. C. 134e.

SOURCE: §§ 261.1 to 261.10 contained in 1937 Department Circular 577, 2 F. R. 1679, Aug. 17, 1937, except as otherwise noted.

§ 261.0 *Introductory.* The regulations in this part are prescribed pursuant to section 6 of the Government Losses in Shipment Act, 50 Stat. 479, as amended Aug. 10, 1935, 53 Stat. 1358, approved July 8, 1937, referred to in

this part as the "act." All terms used in this part shall have the same meaning as when used in said act, unless otherwise indicated.

§ 261.1 *General instructions.* To facilitate the reporting of loss or destruction of, or damage to valuables and submission of proofs of claim for relief, under the provisions of section 3 of the act, in the event of loss or destruction of, or damage to valuables shipped pursuant to the regulations prescribed under section 1 of said act, executive departments, independent establishments, agencies, wholly owned corporations, officers, employees, Federal Reserve banks when acting on behalf of the United States or agencies thereof, and others concerned, hereinafter sometimes referred to as "consignors," should observe strictly the following requirements, except as the Secretary of the Treasury, being satisfied that observance thereof is not necessary to carry out the purposes of the act and of the regulations in this part, may waive or modify any such requirement. Failure on the part of any consignor or agent or employee thereof to comply with these requirements may retard recoveries and may under the circumstances preclude reimbursement from the fund or other relief under the act, and render the consignor responsible for any loss occurring through such negligence.

[Supp. 1, 2 F. R. 1715, Aug. 24, 1937]

§ 261.2 *Method of shipment.* All shipments shall be made in accordance with the terms of Treasury Department Circular No. 576—Post Office Department Circular No. Reg. 1, dated July 16, 1937 (Part 260 of this subchapter), and such amendments and supplements thereto as may, from time to time, be promulgated.

§ 261.3 *Preparation of shipment.* Each shipment must be inspected and verified by two responsible employees before final preparation for delivery to the carrier (to wit, before sealing, locking, etc.) and must be finally prepared for such delivery in their presence and before leaving their immediate control. In the case of any class of shipments with respect to which it is not possible or practicable to comply strictly with the foregoing requirement, it shall be the duty of administrative officers to make adequate provision, through the establishment of accounting controls, or otherwise, for the maintenance of basic records from which they will be in a

position to prove to the satisfaction of the Secretary of the Treasury the exact extent of loss, destruction or damage, in the event that claim for replacement out of the fund, or otherwise, shall be made. The foregoing requirements will apply irrespective of the carrier or method of transportation employed in making shipments.

§ 261.4 *Record of shipment.* (a) A permanent record of each shipment must be maintained by the consignor which record must include: (1) The name and address of the consignee; (2) a complete description of the contents (if the shipment comprises securities, the record must be maintained by issue, series, denomination and serial number, and a description of the coupons, if any, attached to such securities at the time of shipment); (3) face or par value of shipment in the case of securities, currency, etc., or replacement value in the case of other valuables; (4) the registry number or the lock and rotary numbers, if any, under which shipped; (5) the number of the registry receipt or other receipt of carrier; (6) the date and hour of delivery to the carrier; (7) a record of the signatures of the employees who verified the contents of the package and witnessed sealing; (8) a record of the signatures of the employee or employees who thereafter had custody thereof, until delivered at the post office for registration or deposited with the post office or other carrier for shipment; and (9) the name of the carrier.

(b) In addition the consignor must preserve for a reasonable time all registry receipts or other carriers' receipts, and such other documents as may be incidental to the shipments.

§ 261.5 *Advice of shipment.* (a) In the event the value of any one shipment to one consignee at one time, by one consignor, except in the case of an intra-city shipment, equals or exceeds \$10,000, immediate notice thereof must be forwarded by the consignor to the consignee by separate mail. There should be included in such notice: (1) A complete record of the contents of the shipment; (2) the method of transportation employed and the name of the carrier; (3) the date of delivery to such carrier.

(b) The consignee should be requested to arrange: (1) That the shipment, when received, be opened and inspected by one or more responsible employees of

the consignee; (2) that immediate advice of any difference between the amounts or quantity indicated in such notice and in the shipment when opened be forwarded to the consignor; (3) that the consignor and the post office, or office of other carrier through which delivery would be made, be notified immediately in the event of the failure of the shipment to arrive in due course; (4) that consignor be advised immediately concerning any damage to the shipment; and (5) that all findings of the consignee in such cases be made a matter of record which may be subject to the call or inspection of the Secretary of the Treasury or other duly authorized Government officer in connection with any investigation which may be necessary in connection therewith.

§ 261.7 *Report of loss, destruction, or damage.* (a) As soon as it shall come to the attention of the consignor that loss or destruction of, or damage to valuables shipped in accordance with the act has occurred, an immediate report thereof shall be forwarded in writing by the consignor to the Secretary of the Treasury, for attention of the Division of Deposits. If the loss, destruction or damage represents a value equal to or in excess of \$10,000, or if delay is likely to retard the Government in its effort to recover such valuables, such report should be transmitted by wire and promptly confirmed in writing.

(b) Such report should indicate: (1) Date of shipment; (2) the amount and character of the valuables lost, destroyed, or damaged; (3) the name and address of consignee; (4) the method of transportation, name of carrier and location of office of carrier from which shipment was made; (5) the registry receipt or other receipt number; and (6) a statement of the cause of the loss, destruction or damage, if known.

(c) An immediate report of the loss, destruction or damage should also be made by the consignor to the agent in charge of the nearest United States Secret Service office and to the local post office or local office of other carrier. Government officers reporting losses to such agencies will be expected to cooperate therewith to the fullest extent in facilitating investigations and recovery.

(d) As expeditiously as possible and without further instructions from the Secretary of the Treasury, the consignor should proceed to place a tracer on the

shipment and to take such other action as may be deemed necessary or advisable to facilitate recovery.

§ 261.8 *Claim for replacement.* Claim for replacement shall be made in writing to the Secretary of the Treasury and shall be supported by "Proof of Claim" pursuant to § 261.9. Such claim accompanied by a recommendation with respect to the manner of replacement thereof shall be submitted through the head of the executive department, independent establishment, agency, or wholly-owned corporation concerned, or, in the case of officers or employees under the Treasury Department, through their respective administrative heads. The manner of replacement shall be subject to the determination of the Secretary of the Treasury in accordance with the provisions of section 3 of the act.

§ 261.9 *Proof of claim.* The Secretary of the Treasury may require proof of claim in such form and in such manner as may from time to time be deemed necessary. In general, the requirements of the Secretary of the Treasury will be as follows:

(a) Satisfactory proof of shipment as claimed, which should be supported by the original "Record of Shipment" required to be maintained pursuant to § 261.4. The original record will be returned after adjustment of the claim.

(b) Satisfactory proof of loss, destruction or damage. The consignor will be required to submit a statement concerning the loss or destruction of, or damage to shipment or any part thereof; and, if received by the consignee with contents not intact, all the circumstances must be set forth with respect to the condition in which such shipment was received and the manner of the inspection and verification of its contents. Whenever possible to do so, affidavits covering the loss, destruction or damage should be obtained from the consignee and the carrier. Such proof of claim must be accompanied by the recommendation of the head of the executive department, independent establishment, agency or wholly-owned corporation concerned, or in the case of officers or employees under the Treasury Department of their respective administrative heads.

(c) Statement and recommendation of investigating officer or officers.

§ 261.10 *Recoveries.* (a) In the event of loss or destruction of, or damage to

valuables for which relief shall have been granted, under section 3 of the act, the consignors are required to take such steps as are necessary and reasonable for the defense, safeguard or recovery of the valuables or the value thereof, as the case may be, and the Secretary of the Treasury will take such further steps to that end as he may deem necessary in the particular circumstances.

(b) All recoveries and repayments on account of loss, destruction, or damage to valuables of which replacement shall have been made out of the Fund shall be forwarded to the Secretary of the Treasury and shall be credited to the Fund.

(c) The Secretary of the Treasury may at any time, or from time to time, with the approval of the President, prescribe supplemental or amendatory rules and regulations governing claims for replacement of valuables shipped pursuant to the Government Losses in Shipment Act.

Part 262—Declaration of Valuables Under the Government Losses in Shipment Act

Sec.

262.1 Declaration of "valuables".

262.2 Amendments.

AUTHORITY: §§ 262.1 and 262.2 issued under sec. 6, 50 Stat. 480; 5 U. S. C. 134e. Interpret or apply sec. 7, 50 Stat. 480, as amended; 5 U. S. C. 134f

SOURCE: §§ 262.1 and 262.2 appear at 4 F. R. 3796, Sept. 1, 1939, as amended at 5 F. R. 2653, July 25, 1940.

§ 262.1 *Declaration of "valuables".* It is determined that replacements, in accordance with the procedure established under section 3 of the Government Losses in Shipment Act (50 Stat. 479, as amended; 5 U. S. C. 134b), of the articles or things or representatives of value enumerated and referred to in this section would be in the public interest; accordingly, they are hereby declared to be "valuables" within the meaning of the act.

(a) *Money of the United States and foreign countries.* Currency, including mutilated currency and canceled currency, coins, including uncurrent coins, and specie.

(b) *Securities and other instruments or documents, private and public.*

Abstracts of title.
Assignments.

Bills.
 Bonds.
 Certificates of deposit.
 Certificates of indebtedness.
 Checks, drafts and money orders.
 Coupons.
 Debentures.
 Deeds.
 Equipment trust certificates.
 Mortgages.
 Notes.
 Stamps, including postage, revenue, license, food order and public debt.
 Stamped envelopes and postal cards.
 Stock certificates.
 Trust receipts.
 Voting trust certificates.
 Warehouse receipts.
 Warrants.

And other instruments or documents similar to the foregoing and whether complete, incomplete, mutilated, cancelled, in definitive form or represented by interim documents.

(c) *Precious metals and stones.* Diamonds and other precious stones. Gold, silver and any other precious or rare metal, including articles composed thereof.

(d) *All other.* Works and collections of artistic, historical, scientific or educational value which are the property of the United States or which may be loaned to the United States at its request, or which may be shipped on authority of the United States for its examination or acceptance as a gift.

§ 262.2 *Amendments.* The Secretary of the Treasury may, at any time, or from time to time, make supplemental or amendatory declarations of valuables.

Part 270—Availability of Records

- Sec.
 270.1 Availability of final opinions and orders.
 270.2 Public records.
 270.3 Fees for copying, certifying and search of records.

AUTHORITY: §§ 270.1 to 270.3 issued under R. S. 161, as amended; 5 U. S. C. 22. Statutory provisions interpreted or applied are cited to text in parentheses.

§ 270.1 *Availability of final opinions and orders.* Final opinions and orders in the adjudication of cases falling within the jurisdiction of the Bureau of Accounts are made available to public inspection except those held confidential and not cited as precedents. The determination as to whether in a particular case a final opinion or order is confiden-

tial will be made in accordance with the standards set forth in § 270.2. All rules issued by the Bureau of Accounts will be made available upon request. Requests for such opinions, orders, or rules may be made to the Commissioner of Accounts, Treasury Department, Washington 25, D. C.

[11 F. R. 177A-88, Sept. 11, 1946. Redesignated at 13 F. R. 9497, Dec. 31, 1948]

§ 270.2 *Public records.* The official records on file in the Bureau of Accounts include appropriation accounting records, collection and disbursing accounting records, accounting records relating to investment accounts under the control of the Secretary of the Treasury, and various other accounting records. Certain of the information contained in these records is held confidential and is not available to the public because it relates to the personal financial transactions of individuals or corporations, or because the disclosure of the information would clearly be inimical to the public interest. All requests for information in respect to matters contained in the official records of the Bureau of Accounts should be addressed to the Commissioner of Accounts, Treasury Department, Washington 25, D. C. The request should set forth the interest of the applicant in the subject matter and the purpose for which information is desired. The determination as to whether the information is available for disclosure will be made by the Secretary, the Under Secretary, or the Fiscal Assistant Secretary. Whenever it is determined that a matter of official record is available for disclosure in a particular case, a copy of said official record will be furnished the party requesting the same, or the officer passing upon the request may, in his discretion, allow a personal inspection of the official record in question at the place where the document is normally kept. The regulations contained in this section shall supersede any other Treasury Department orders, rules, or regulations to the extent that they are in conflict with the regulations in this part.

[11 F. R. 177A-88, Sept. 11, 1946. Redesignated at 13 F. R. 9497, Dec. 31, 1948]

§ 270.3 *Fees for copying, certifying and search of records.* Fees for services performed by the Bureau of Accounts will be imposed and collected as set forth in paragraphs (a) to (e), inclusive, of this section:

(a) For searching of documents covering mortgages, releases, assignments, claims, loans, deeds, etc., \$2.00 per hour, with a minimum charge of \$1.00. This item will be applicable primarily to copies of documents furnished by the Investments Branch in connection with requests for copies of claim assignments and for searching the War Finance Corporation's records for mortgage releases.

(b) For furnishing special fiscal data that have not been published at the time of the request, \$2.50 per hour, with a minimum charge of \$1.00. This item will be applicable primarily to special repetitive reports requested at frequent intervals by publishers and compilers of economic data. Where individuals make occasional requests for published data or for unpublished data where the cost of compilation is not significant, no charge will be made.

(c) For furnishing facsimile copies of documents by photostatic or similar processes:

Size	First copy of each page (one side)	Additional copies of same page
	Cents, each	Cents, each
Up to 9" x 12".....	30	20
12" x 18".....	40	30
18" x 24".....	60	50

(d) Certifications and validations of reports and documents, with Treasury seal \$1.00, without Treasury seal 50 cents.

(e) No charge will be made for services performed at the request of agencies of the Federal Government.

(Sec. 501, 65 Stat. 290; 5 U. S. C. 140) [19 F. R. 3192, May 29, 1954]

Part 280—Administration of Foreign Currencies and Credits Under Dispositions of Surplus Property Abroad and Lend-Lease Settlements

Sec.

280.1 Authority.

280.2 Scope of this part.

280.4 Collection of accelerated payments.

280.7 Waiver, withdrawal, or amendment.

AUTHORITY: §§ 280.1 to 280.7 issued under sec. 3, 55 Stat. 31, as amended, sec. 32, 58 Stat. 782, as amended; 22 U. S. C. 412, 50 U. S. C. App. 1641.

SOURCE: §§ 280.1 to 280.7 appear at 11 F. R. 14687, Dec. 27, 1946; 12 F. R. 148, Jan. 9, 1947, except as otherwise noted.

§ 280.1 *Authority.* By virtue of the authority vested in the Secretary of the Treasury under section 32 (b) (1) of the Surplus Property Act of 1944 (58 Stat. 782; 50 U. S. C., App., Sup., 1641), as amended, the following regulation is hereby prescribed for the administration of foreign currencies or credits acquired by the Department of State from the disposal of United States Government surplus property located outside the continental United States, Hawaii, Alaska (including the Aleutian Islands), Puerto Rico, and the Virgin Islands, and, under Executive Order 9728, 3 CFR, 1946 Supp., this part is also prescribed for the accountability for funds payable under lend-lease settlements in accordance with the act of March 11, 1941 (55 Stat. 31; 22 U. S. C. 412), as amended.

§ 280.2 *Scope of this part.* This part applies to the administration of the obligations owing to the Government of the United States under agreements for the sale of surplus property located abroad and lend-lease settlements (hereinafter referred to as "agreements and settlements"), insofar as they are expressed in United States dollars or in foreign currencies, and the foreign currencies which the Government of the United States has acquired or may acquire from the disposal of surplus property located abroad or from lend-lease settlements. This part does not apply insofar as such agreements or settlements relate to the acceptance of property (other than foreign currency) or substantial benefits, or to the discharge of claims whenever the Secretary of State has determined that such considerations are in the interest of the United States.

§ 280.4 *Collection of accelerated payments.* (a) Where the agreement or settlement provides that, in lieu of deferred payments in United States dollars over a period of time, the Government of the United States may request accelerated payments in foreign currencies, such payments shall be requested only at such times and to the extent necessary in order to procure the foreign currencies required for the lawful discharge of authorized governmental functions or activities of the United States. The acquisition of foreign currencies as accelerated payments should therefore not be greater at any one time than the amounts required for governmental purposes over a period ordinarily not to exceed three months, except where the Secretary of

the Treasury, upon the advice of the Director of the Bureau of the Budget, shall provide otherwise.

(b) In cases where the Secretary of the Treasury informs the Secretary of State that the Government of the United States has substantial holdings of a particular foreign currency, no accelerated payments in such currencies shall be requested until such holdings shall have been used or committed.

(c) In cases where the Secretary of the Treasury informs the Secretary of State that any department or agency of the Government of the United States has need for a particular foreign currency and can make United States dollar payments therefor, he may advise the Secretary of State to request the foreign government concerned to make accelerated payments in its local currency in the amounts necessary and up to the extent authorized under the terms of the agreement or settlement, and within the framework of the foreign financial policy of the United States.

[11 F. R. 14687, Dec. 27, 1946, as amended by Dept. Circ. 799, 18 F. R. 6734, Oct. 23, 1953]

§ 280.7 *Waiver, withdrawal, or amendment.* The Secretary of the Treasury may waive, withdraw, or amend at any time or from time to time any or all of the provisions of the regulations in this part.

Part 281—Purchase, Custody, Transfer and Sale of Foreign Exchange by Executive Departments and Agencies of the United States

Sec.

- 281.1 Authority.
- 281.2 Transfer of unexpended balances.
- 281.3 Collections.
- 281.4 Guaranty funds.
- 281.5 Depositaries.
- 281.6 Withdrawals from Treasury accounts.
- 281.7 Limitations.
- 281.8 Reports.
- 281.9 General provisions.
- 281.10 Applicability to currencies received under the Agricultural Trade Development and Assistance Act of 1954.

AUTHORITY: §§ 281.1 to 281.10 issued under E. O. 10488, 18 F. R. 5899, 3 CFR, 1953 Supp., E. O. 10560, 19 F. R. 5927, 3 CFR, 1954 Supp.

SOURCE: §§ 281.1 to 281.10 contained in Treasury Department Circular 930, 18 F. R. 6734, Oct. 23, 1953, except as otherwise noted.

§ 281.1 *Authority.* By virtue of the authority vested in the Secretary of the Treasury by Executive Order No. 10488, dated September 23, 1953, (3 CFR, 1953 Supp.) the regulations in this part are prescribed for administration of the purchase, custody, transfer and sale of foreign exchange (including credits and currencies) by executive departments and agencies of the United States.

§ 281.2 *Transfer of unexpended balances.* All foreign exchange held by any accountable officer (and his agents) at the close of business November 30, 1953, for the account of any department or agency, except foreign exchange purchased with dollars, shall be transferred on the books of the accountable officer to a new account classification entitled "20FT 500, Foreign Exchange Account of the Secretary of the Treasury (name of currency)." All foreign exchange under this classification shall be held by the accountable officer for account of the Secretary of the Treasury, subject to disposition as directed by the Secretary. The accountable officer shall maintain classifications by source, indicating the miscellaneous receipt accounts or other accounts in the Treasury which should be credited with dollar proceeds from sale of the foreign exchange, and such further classifications as may be needed to indicate exchange which can be used only for restricted purposes.

§ 281.3 *Collections.* Foreign exchange collected by departments and agencies shall be delivered promptly into the custody of accountable officers for credit to account "20FT 500, Foreign Exchange Account of the Secretary of the Treasury (name of currency)", unless otherwise directed by the Secretary of the Treasury. The term "collections", for the purpose of the regulations in this part, shall not include foreign exchange acquired by the United States Government by purchase with dollars. Accountable officers shall be advised of the source of collections and any restrictions on the use of the foreign exchange in order that the classifications by source, required by § 281.2, may be maintained.

§ 281.4 *Guaranty funds.* The provisions of the regulations in this part shall be applicable to all foreign exchange acquired by the United States Government under guaranty provisions of section 111 (b) (3) of the Economic Cooperation Act

of 1948, as amended (22 U. S. C. Sup. V. 1509 (b) (3)) except that receipts of such foreign exchange shall be deposited in the foreign exchange accounts of the Treasurer of the United States referred to in § 281.5 (c).

§ 281.5 *Depositaries.* The following requirements shall be observed with respect to the use of depositaries:

(a) Except as provided in paragraph (b) of this section, foreign exchange which is held by accountable officers for account of the Secretary of the Treasury, and also foreign exchange acquired by accountable officers by purchase or otherwise which is not immediately disbursed but is held by such officers for their own account or for the account of any department or agency, shall be maintained only in depositaries designated by the Secretary of the Treasury. Unless directed by the Secretary of the Treasury, it is not required that accountable officers maintain separate depositary accounts for the foreign exchange they hold for account of the Secretary.

(b) Accountable officers may carry foreign exchange as cash outside of depositaries only pursuant to authority heretofore or hereafter granted in accordance with the provisions of Part 208 of this subchapter (appearing also as Treasury Department Circular No. 195).

(c) Foreign exchange accounts which are now maintained with depositaries, in the name of the Treasurer of the United States, shall not be subject to the provisions of § 281.2. Deposits in and withdrawals from these accounts will be made only as directed by the Secretary of the Treasury.

§ 281.6 *Withdrawals from Treasury accounts.* Foreign exchange shall be withdrawn from account "20FT 500, Foreign Exchange Account of the Secretary of the Treasury (name of currency)" on the books of accountable officers or from the foreign exchange accounts carried with depositaries in the name of the Treasurer of the United States, only for the purpose of (a) sale for dollars or (b) requisition by departments and agencies for authorized purposes, without reimbursement to the Treasury as provided by or pursuant to law. Such withdrawals, as well as transfers between foreign exchange accounts of the Secretary of the Treasury and the Treasurer of the United States, shall be made only by direction of the Secretary of the Treasury.

A department or agency requiring foreign exchange from the Treasury Department shall make request to the Secretary of the Treasury, indicating the amount of exchange required (in units of foreign currency) and the name and location of the accountable officer to receive the exchange. To the extent practicable and desirable, standing authorizations will be given for withdrawals from account "20FT 500, Foreign Exchange Account of the Secretary of the Treasury (name of currency)". The following conditions shall apply to the sale of exchange and to the requisition of exchange without dollar payment:

(a) *Sales.* With respect to the sale of foreign exchange by the Treasury Department, the amount of payment in dollars shall be calculated at the rate of exchange that would otherwise be available to the Government of the United States for the acquisition of the foreign exchange for its official disbursements. When the rate at which exchange would be available to the United States Government is not readily ascertainable, the Treasury will determine such rate in consultation with the agencies concerned. The dollar proceeds realized from the sale of exchange shall be credited to the appropriate miscellaneous receipt account or other account in the Treasury.

(b) *Requisitions.* When foreign exchange is to be obtained from the Treasury Department without payment of dollars, the department or agency concerned shall furnish written certification that the exchange may be used without reimbursement to the Treasury and citation of the relevant statutory or other legal authority.

§ 281.7 *Limitations.* The following limitations shall apply to the purchase and holding of foreign exchange:

(a) Unless authorized by the Secretary of the Treasury, no department or agency or accountable officer shall purchase, or direct the purchase of, foreign exchange from any source outside the Government of the United States other than to the extent that exchange for the purpose intended is not available for purchase from the Treasury Department.

(b) All foreign exchange acquired by departments and agencies by requisition from the Treasury Department, without payment of dollars, for the purpose of making authorized expenditures, shall be placed with accountable officers for

account of the departments or agencies concerned.

(c) Unless authorized by the Secretary of the Treasury, no accountable officer shall purchase foreign exchange which, together with the balance on hand at the time of purchase, would exceed estimated requirements for a thirty-day period.

(d) Departments and agencies shall return promptly to accountable officers, for credit to account "20FT 500, Foreign Exchange Account of the Secretary of the Treasury (name of currency)", any amounts of foreign exchange obtained without purchase with dollars, which are determined by the departments and agencies concerned to be excess to their needs.

§ 281.8 *Reports.* Each accountable officer shall furnish a report, in duplicate, forwarded by airmail direct to the Fiscal Assistant Secretary of the Treasury, Washington 25, D. C., showing, in units of foreign currency, (a) the opening balances transferred to the general classification "20FT 500, Foreign Exchange Account of the Secretary of the Treasury (name of currency)" according to the individual classifications by source referred to in § 281.2 and indicating the name and location of the depository in which the foreign exchange is on deposit and (b) amounts withdrawn therefrom simultaneously at date of transfer, on prior authorization, for the payment of unliquidated obligations incurred prior to July 1, 1953, and for any other payments not requiring deposit of dollars into the Treasury. The Treasury Department shall be furnished such other reports and information as may be required for the purpose of the regulations in this part from each department or agency which collects foreign exchange in behalf of the Government of the United States, or which acquires exchange for the purpose of making authorized expenditures; and from each accountable officer who holds foreign exchange for account of the Secretary of the Treasury.

§ 281.9 *General provisions.* The following are general provisions applicable under the regulations in this part:

(a) There is hereby revoked Central Reporting Regulation No. 1, dated June 27, 1951, requiring reports on foreign currencies which are and can be acquired without payment of dollars.

(b) Nothing contained in this part shall be construed as having the effect of superseding or amending the provisions of any regulations issued or approved by the Secretary of the Treasury pursuant to the act of December 23, 1944, as amended (67 Stat. 61).

(c) The Secretary of the Treasury may waive, withdraw, or amend at any time or from time to time any or all of the provisions of the regulations in this part.

(d) All communications pertaining to the administration of the regulations in this part shall be directed to the Fiscal Assistant Secretary of the Treasury.

(e) The provisions in this part shall be effective December 1, 1953.

§ 281.10 *Applicability to currencies received under the Agricultural Trade Development and Assistance Act of 1954.* By virtue of the authority vested in the Secretary of the Treasury by section 4 (b) of Executive Order No. 10560, dated September 9, 1954, 19 F. R. 5927 (3 CFR, 1954 Supp.), the regulations in this part and instructions issued thereunder shall, except as provided herein, apply to the purchase, custody, deposit, transfer and sale of all foreign currencies received by executive departments and agencies of the United States under the Agricultural Trade Development and Assistance Act of 1954 (Public Law 480, approved July 10, 1954, 68 Stat. 454). Collections under the act shall be deposited only with United States disbursing officers who are employees of the Department of State operating under delegation from the Chief Disbursing Officer of the Treasury Department.

[20 F. R. 4, Jan. 1, 1955]

Part 290—Loans to Public or Private Agencies Under Refugee Relief Act of 1953

Sec.	
290.1	Scope of part.
290.2	Definition of terms.
290.3	Applications.
290.4	Requirements.
290.5	Terms and conditions of loans.
290.6	Repayments.
290.7	Reservations.

AUTHORITY: §§ 290.1 to 290.7 issued under sec. 16, 67 Stat. 406; 50 U. S. C. App. 1971n, E. O. 10487, 18 F. R. 5635, 3 CFR, 1953 Supp.

SOURCE: §§ 290.1 to 290.7 contained in Department Circular 932, 18 F. R. 7793, Dec. 3, 1953.

§ 290.1 *Scope of part.* This part applies to the making of loans by the Secretary of the Treasury under section 16 of the Refugee Relief Act of 1953, Pub. Law 203, 83d Cong., to public or private agencies of the United States for the purpose of financing the transportation from ports of entry within the United States, to the places of their resettlement, of persons receiving immigrant visas under the said act and who lack the resources to finance the expenses involved.

§ 290.2 *Definition of terms.* For the purposes of this part:

(a) The word "Secretary" refers to the Secretary of the Treasury and, except for the purposes of § 290.7 (c), his designee.

(b) The word "act" refers to the Refugee Relief Act of 1953, approved August 7, 1953, Public Law 203, 83d Congress.

(c) The term "public agency" shall mean any executive department or agency of the United States or of any state of the United States, or municipality of such state.

(d) The term "private agency" shall mean a corporation or association organized and operated exclusively for religious, charitable, scientific, literary or educational purposes, no part of the net earnings of which inures to the benefit of a private shareholder or individual, and no substantial part of the activities of which is carried on for propaganda or otherwise attempting to influence legislation.

§ 290.3 *Applications.* Public or private agencies shall make application for loans on forms prescribed by the Secretary which may be obtained from the Fiscal Service, Bureau of Accounts, Treasury Department, Washington 25, D. C.

§ 290.4 *Requirements.* In order for an application to be given favorable consideration, the applying agency shall not be in default in the payment of any loan made to it pursuant to the provisions of the Displaced Persons Act of 1948, as amended, and shall:

(a) Establish to the satisfaction of the Secretary that it has authority to borrow money under its charter, articles of incorporation, or other enabling document for the purpose described in section 16 of the Refugee Relief Act of 1953 and that the person acting for it in this regard has the authority so to act;

(b) Set forth the manner and terms in which it proposes to repay the loan requested, if granted;

(c) Establish to the satisfaction of the Secretary that there is reasonable assurance the amount of the loan requested will be repaid.

§ 290.5 *Terms and conditions of loans.* In cases where applications for loans are approved, the applying agency shall:

(a) Execute a promissory note in such form and with such terms and conditions as the Secretary may deem appropriate; and

(b) Execute an agreement containing the following and such other provisions as the Secretary may require:

(1) All funds loaned to it will be used exclusively for the purpose of financing the transportation from ports of entry within the United States, to the places of their resettlement, of persons receiving immigrant visas under the act, and who lack resources to finance the expenses involved.

(2) A bank account or bank accounts for the borrowed funds will be established and maintained by the agency separately from other funds of the agency.

(3) Promissory notes will be obtained from the sponsor or the immigrant and held in trust for the Secretary as security for loans made to the agency.

(4) No interest, service or other charges will be made upon the sponsor or immigrant for the use of any funds made available under the act.

(5) Adequate books and records relating to the funds borrowed from the Secretary and loans made therefrom shall be maintained and shall be available for inspection during the life of the loan obtained from the Secretary.

(6) Reports will be made to the Secretary for such periods and in such form as he may prescribe of the balances available in and the sums disbursed from the accounts referred to in subparagraph (2) of this paragraph, the number of immigrants served by the borrowed funds, the recoveries on loans made, and such other information as the Secretary may require.

(7) All recoveries by the agency of advances to sponsors or immigrants out of funds borrowed from the Secretary shall be deposited in the special accounts re-

ferred to in subparagraph (2) of this paragraph, and shall be used only for the repayment of any unpaid balance of such loan or interest thereon so long as any such balance remains outstanding.

(8) If, in the judgment of the Secretary, there has been an improper use or other misapplication of the borrowed funds, or the agency has failed to meet the requirements of the act or this part, or any terms of the loan agreement, the loan or any unpaid balance due thereon, upon written notice by the Secretary to the agency, shall become due and payable immediately.

§ 290.6 *Repayments.* Repayments shall be made by check, draft or money order drawn in favor of the Treasurer of the United States and forwarded to the Fiscal Service, Bureau of Accounts,

Treasury Department, Washington 25, D. C., with an appropriate letter of transmittal identifying the loan to which such repayment applies.

§ 290.7 *Reservations.* (a) The Secretary may, in his discretion, reject in whole or in part any application of a public or private agency for a loan under the provisions of this part.

(b) Any determination by the Secretary that a corporation or association is a private agency for the purposes of this part shall not be construed in any manner as determining the status of such corporation or association under the provisions of the Internal Revenue Code.

(c) The Secretary may waive, withdraw or amend at any time or from time to time any or all of the provisions of the regulations in this part.

SUBCHAPTER B—BUREAU OF THE PUBLIC DEBT

Part 300—Distinctive Paper for United States Currency and Other Securities

- Sec.
- 300.1 Notice to the public.
- 300.2 Description of paper.
- 300.3 Use of paper.
- 300.4 Use of paper; interest-bearing securities of the United States.
- 300.5 Penalty for unauthorized control or possession.
- 300.6 Modification of Department Circular No. 121.

AUTHORITY: §§ 300.1 to 300.6 issued under R. S. 161, as amended; 5 U. S. C. 22. Interpret or apply sec. 1, 39 Stat. 277; 31 U. S. C. 418.

SOURCE: §§ 300.1 to 300.6 contained in Department Circular 894, Feb. 1, 1928, except as otherwise noted.

§ 300.1 *Notice to the public.* Notice is hereby given that the Secretary of the Treasury, by authority of law, has adopted a new distinctive paper for use in printing United States currency and other securities.

§ 300.2 *Description of paper.* The paper is cream-white bank-note paper which closely resembles in general appearance the paper now in use, and which must conform to specifications

prescribed by the Secretary of the Treasury, in which currency paper and bond paper may be differentiated. The distinctive feature, identical for all paper used for the production of paper currency and public debt issues of the United States, shall consist of small segments of fiber, either natural or synthetic, colored red and blue, incorporated in the body of the paper while in process of manufacture and evenly distributed throughout.

[Amdt. 2, 8 F. R. 2232, Feb. 20, 1943]

§ 300.3 *Use of paper.* The new distinctive paper shall be used for printing currency of the reduced size, including United States notes, gold certificates, silver certificates, Federal reserve notes, and national bank notes. The use of the present distinctive paper adopted on July 30, 1891, the distinctive feature of which consists of localized red and blue silk fiber incorporated in the body of the paper while in the process of manufacture so placed as to form perpendicular stripes, will be continued for any printing of currency of the present size hereafter required.

§ 300.4 *Use of paper; interest-bearing securities of the United States.* After the issue of the reduced size currency,

the new distinctive paper shall thereafter be used for the printing of interest-bearing securities of the United States, and for any other printing where the use of distinctive paper is indicated: *Provided, however,* That any then existing stocks of blank paper containing the present distinctive feature may be utilized.

§ 300.5 *Penalty for unauthorized control or possession.* The Secretary of the Treasury hereby gives notice that the new distinctive paper, together with any other distinctive paper heretofore adopted for the printing of paper currency or other obligations or securities of the United States is and will be subject to the provisions of section 474 of Public Law 772, 80th Congress, which provides, in part, as follows:

Whoever has or retains in his control or possession, after a distinctive paper has been adopted by the Secretary of the Treasury for the obligations and other securities of the United States, any similar paper adapted to the making of any such obligation or other security, except under the authority of the Secretary of the Treasury or some other proper officer of the United States, shall be fined not more than five thousand dollars, or imprisoned not more than fifteen years, or both.

§ 300.6 *Modification of Department Circular No. 121.* The provisions of Department Circular No. 121, dated July 30, 1891, are modified accordingly.¹

Part 306—General Regulations With Respect to United States Securities

Subpart A—General Information

Sec.	
306.0	Applicability of part.
306.1	Official agencies.
306.2	Definitions.
306.3	Distinctive features of registered and bearer securities.
306.4	Transportation charges and risks in the shipment of securities.

¹ Department Circular No. 121, July 30, 1891, provided for a new distinctive paper for all obligations except checks and drafts, the distinctive feature of which consisted of localized red and blue silk fiber incorporated in the body of the paper while in the process of manufacture so placed as to form perpendicular stripes on either side of the center portrait or vignette.

Subpart B—Registration

Sec.	General.
306.10	Forms of registration for transferable bonds.
306.11	Forms of registration for nontransferable securities.
306.12	Errors in registration.

Subpart C—Transfers, Exchanges and Reissues

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306.17	Denominational exchanges of registered securities.
306.18	Registered exchanges (exchanges of registered bonds for coupon bonds).
306.19	Reissue of nontransferable securities.
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306.21	Coupon exchanges (exchanges of coupon bonds for registered bonds).
306.22	Denominational exchanges of coupon securities.

Subpart D—Redemption or Payment

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306.26	Redemption of registered bonds at maturity or upon prior call.
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306.28	Optional redemption of Treasury Bonds at par (before maturity or call redemption date) and application of proceeds in payment of Federal estate taxes.

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306.49	Discrepancies in names.
306.50	Nontransferable securities.

Subpart G—Assignments by or in Behalf of Individuals

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Sec.
 306.56 Assignments of bonds registered in the names of two or more persons.
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 306.59 Attorneys in fact.
 306.60 Nontransferable securities.

Subpart H—Assignments in Behalf of Estates of Deceased Registered Owners

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 306.66 Temporary and special administrators.
 306.67 After settlement through court proceedings.
 306.68 Without administration.
 306.69 Special provisions applicable to small amounts of securities, interest checks or redemption checks.
 306.70 Nontransferable securities.

Subpart I—Assignments by or in Behalf of Fiduciaries and Legal Representatives

306.75 Individual trustees.
 306.76 Boards of trustees and trustees acting as a unit.
 306.77 Individual guardians.
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AUTHORITY: §§ 306.0 to 306.125 issued under R. S. 161, as amended, 3706, secs. 1, 4, 18, 40 Stat 288, as amended, 290, as amended, 1309, as amended, sec. 19, 48 Stat. 343, as amended, sec. 8, 50 Stat. 481, as amended; 5 U. S. C. 22, 31 U. S. C. 739, 752, 752a, 753, 754a, 738a.

SOURCE: §§ 306.0 to 306.125 contained in 1954 Department Circular 300 Revised, 20 F. R. 2393, Apr. 13, 1955; 20 F. R. 2581, Apr. 19, 1955, except as otherwise noted.

SUBPART A—GENERAL INFORMATION

§ 306.0 *Applicability of part.* The regulations in this part, except as otherwise specifically provided in this part, apply to all United States transferable securities heretofore or hereafter issued by the Secretary of the Treasury as evidence of the public debt of the United States, including (but not limited to) Treasury bonds, Treasury notes, Treasury certificates of indebtedness, Treasury bills, Postal Savings bonds and Panama

Canal bonds.¹ When other public debt securities are issued on an optional exchange basis to owners of any outstanding United States transferable securities, the provisions of the regulations in this part applicable to the exchange may be supplemented or modified by instructions issued in connection with the new offering. The Regulations in this part also apply to United States nontransferable securities, other than United States Savings Bonds, to the extent specified in the offering circulars or special regulations governing such securities. Their application to outstanding nontransferable securities is expressly set forth in, or indicated by the context of, each subpart or section.

§ 306.1 *Official agencies.* Securities subject to the regulations in this part 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, usually for subscription during a specified period. Banking institutions generally will handle subscriptions for customers, but only the Federal Reserve Banks and Branches and the Treasury Department are authorized to act as official agencies, and subscriptions may be made direct to these official agencies. The Secretary of the Treasury, through the Bureau of the Public Debt, Division of Loans and Currency, Washington 25, D. C., conducts transactions in securities after issue and answers inquiries concerning such transactions. However, the public will generally find it advantageous to make inquiries of, or submit securities to, the Federal Reserve Banks and Branches, which are official agencies for the receipt of securities for transactions after issue, and may be authorized to complete such transactions. The Federal Reserve Banks and Branches are

¹The bonds and other securities issued by certain agencies of the United States, the former government of Puerto Rico, and the former governments of the Philippine Islands for which the United States Treasury Department acts as transfer agency are subject to the regulations in this part, so far as applicable, under special arrangements with the issuing authorities. Information as to their application to any particular transaction in any designated agency or insular securities will be furnished by the Bureau of the Public Debt, Division of Loans and Currency, Washington 25, D. C., upon request.

located in the cities indicated by their names, as follows:

Federal Reserve Bank of Boston.
 Federal Reserve Bank of New York: Buffalo Branch.
 Federal Reserve Bank of Philadelphia.
 Federal Reserve Bank of Cleveland: Cincinnati Branch. Pittsburgh Branch.
 Federal Reserve Bank of Richmond: Baltimore Branch. Charlotte Branch.
 Federal Reserve Bank of St. Louis: Little Rock Branch. Louisville Branch. Memphis Branch.
 Federal Reserve Bank of Minneapolis: Helena (Mont.) Branch.
 Federal Reserve Bank of Kansas City: Denver Branch. Oklahoma City Branch. Omaha Branch.
 Federal Reserve Bank of Atlanta: Birmingham Branch. Jacksonville Branch. Nashville Branch. New Orleans Branch.
 Federal Reserve Bank of Chicago: Detroit Branch.
 Federal Reserve Bank of Dallas: El Paso Branch. Houston Branch. San Antonio Branch.
 Federal Reserve Bank of San Francisco: Los Angeles Branch. Portland (Oreg.) Branch. Salt Lake City Branch. Seattle Branch.

§ 306.2 *Definitions.* Certain words and terms, as used in the regulations in this part are defined as follows:

(a) "Treasury bonds" and "Treasury notes", or simply "bonds" and "notes", unless otherwise indicated by the context, refer only to transferable bonds or notes. Transferable Treasury notes are currently issued only in bearer form, but the provisions of the regulations in this part with respect to transferable registered Treasury bonds will apply equally to transferable registered Treasury notes, if any should be issued.

(b) "Transferable" applies only to securities which are transferable by delivery, or by assignment and delivery, as distinguished from those which by their terms are not so transferable or are transferable only by operation of law, such as United States Savings Bonds, to which these regulations do not apply, and Treasury Savings Notes, to which the regulations in this part apply only in part.

(c) "Registered securities" are those which are payable on their face to certain persons whose names and addresses are recorded by the issuing agency. For other features of registered securities see § 306.3 (a).

(d) "Bearer securities" are those which are payable on their face to "bearer" and the ownership of which is not recorded by the Department. Title to such securities may pass by delivery without endorsement and without notice to the Department. "Coupon securities" are bearer securities which are issued with interest coupons attached. For other features of coupon or bearer securities see § 306.3 (b).

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

(f) The words "face maturity" refer to the date of payment specified in the text of the securities, as distinguished, in the case of securities with a callable feature, from the date on which they may become redeemable at the option of the obligor pursuant to a call.

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

(h) A "proper court" is one which has jurisdiction over the parties and subject matter.

(i) The words "assigned in blank" refer to assignments of bonds by or on behalf of the owner, but without the space provided for the name of the assignee being filled in. The words "bonds so assigned as to become, in effect, payable to bearer," refer to bonds assigned in blank or to "bearer" or those on which the assignment form or forms have been signed by or on behalf of the owner, and the words "The Secretary of the Treasury for exchange for coupon bonds" (or substantially similar words), or in the case of Treasury Bonds, Investment Series B-1975-80, the words "The Secretary of the Treasury for exchange for the current Series EA or EO Treasury notes", have been inserted in the space provided for the name of the assignee, without inserting also the name of the person to

whom the bearer securities are to be delivered.

[1954 Dept. Circ. 300, Rev., 20 F. R. 2393, Apr. 13, 1955, as amended at 23 F. R. 10349, Dec. 25, 1958]

§ 306.3 *Distinctive features of registered and bearer securities*—(a) *Registered securities*. Transferable registered bonds are payable, according to their terms, only to the designated payees or "registered assigns" (including assignees or successors in title), and are transferable by delivery pursuant to assignments duly executed by them or their duly authorized representatives. Non-transferable securities, which are issued only in registered form, are payable according to their terms to the registered owners or recognized successors in title, but are not transferable by assignment or otherwise, except to the extent and in the manner provided in the offering circulars or applicable regulations. The interest due on registered bonds to which these regulations apply, in whole or in part, is paid by checks drawn on the Treasurer of the United States to the order of the owners of record. Bearer bonds may be exchanged for registered bonds and holders may wish to take advantage of this privilege for their own protection, particularly where adequate facilities for safekeeping are not available. Relief may be granted on account of the loss, theft or destruction of transferable or nontransferable registered securities upon compliance with the applicable provisions of Subpart L of this part.

(b) *Bearer securities*. Bearer securities include bonds, notes, certificates of indebtedness and Treasury bills. The interest on bearer bonds (usually referred to in these regulations as coupon bonds) is ordinarily payable by means of attached coupons, which may be detached and cashed as they mature. The interest on some issues of notes and certificates of indebtedness is payable in the same manner; the interest on other issues is payable with the principal at maturity, and no coupons are attached. The interest on Treasury bills, which are sold on a discount basis and are payable at par at maturity, is represented by the difference between the purchase price and the par value, and no coupons are attached. Relief may be granted on account of the loss, theft or destruction of bearer securities upon compliance with the applicable provisions of Subpart

L. of this part; but in case of loss or theft relief may be granted only if the securities were lost or stolen under such circumstances, and have been missing for such a period of time after they have matured or become redeemable pursuant to a call for redemption, as would indicate that they (1) have been destroyed or 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. [1954 Dept. Circ. 300, Rev., 20 F. R. 2393, Apr. 13, 1955, as amended at 23 F. R. 10349, Dec. 25, 1958]

§ 306.4 *Transportation charges and risks in the shipment of securities.* (a) The following rules will govern the transportation to, from and between the Treasury Department and the Federal Reserve Banks and Branches of securities issued on or presented for authorized transactions:

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

(2) 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.

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

(4) Owners of securities to be submitted for any transaction after original issue, if they do not present their securities in person, must forward them at their risk and expense, and for their protection they should ordinarily forward them by registered mail, covered by insurance, or by express prepaid; however, owners may deem it unnecessary to insure registered securities which have not been so assigned as to become, in effect, payable to bearer.

(5) Unless delivered in person, 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, and registered securities issued on such transactions will be delivered by registered mail at the risk of, but without expense to, the registered owner, except that in either case the securities will be delivered by express collect or by other means if written instructions to such effect are

duly received by the official agency to which the original securities were presented.

(b) Holders of securities should consult with their banks and trust companies regarding transportation arrangements between the latter and the Federal Reserve Banks.

SUBPART B—REGISTRATION

§ 306.10 *General.* Except as otherwise specifically provided in the regulations in this part, the registration used must express the actual ownership of the security, and may not include any restriction on the authority of the owner to dispose of it in any manner. The Treasury Department reserves the right to treat the registration as conclusive of ownership. In order to avoid difficulty in assigning securities or collecting interest thereon, it is very important that Requests for registration be clear, accurate and complete, that the registration requested conform substantially with one of the forms set forth in this subpart, and that the registration of all securities owned by the same person, organization or fiduciary estate be uniform. The post office address, which is required for delivery of interest checks, must include, where appropriate, the street and number, postal zone, rural route or any other local feature. Individual owners must 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." must be used when applicable. 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 authorizations and restrictions set forth in this subpart with respect to forms of registration apply to all registered securities issued after the effective date of these regulations, whether on original issue, transfer or coupon exchange.

§ 306.11 *Forms of registration for transferable bonds.* (a) The forms of registration described below are authorized for transferable bonds (subject to the general provisions of § 306.10):

(1) *Natural persons in their own right.* A bond may be registered in the name of a natural person or persons who are not under any legal disability, in their own right, substantially as follows:

(i) *One person.* In the name of one individual, for example:

John A. Doe
Mrs. Mary C. Doe
Miss Mary Ann Doe

If an individual is the sole proprietor of a business conducted under a trade name, his name may be followed by reference to the trade name, for example, "John Doe, doing business as Doe's Home Appliance Store".

(ii) *Two or more persons with right of survivorship.* In the names of two or more individuals in such manner as to provide for the right of survivorship, for example:

John A. Doe or Mrs. Mary C. Doe or the survivor.

John A. Doe and Mrs. Mary C. Doe or the survivor.

John A. Doe or Mrs. Mary C. Doe or Miss Mary Ann Doe or the survivors or survivor.

(iii) *Two or more persons without right of survivorship.* In the names of two or more individuals in such manner as to preclude the right of survivorship, for example:

John A. Doe and William B. Doe as tenants in common.

John A. Doe or Robert B. Doe without right of survivorship.

For information as to assignments of bonds and endorsements of interest checks under the examples given, see §§ 306.56 and 306.37 (d), respectively. Treasury bonds will not be registered in the name of one person payable on death to another, and can not be registered in the names of two or more persons in their own right in any form whereby assignments by less than all the persons named in the registration (or all the survivors) may be recognized before maturity or earlier redemption date, pursuant to a call.²

²Warning: Difference between Treasury bonds registered in the names of two or more persons and United States Savings Bonds in Coownership Form. Treasury bonds in the names of two or more persons are for many practical purposes decidedly different from United States Savings Bonds in coown-

(2) *Natural guardians of minors.* A bond may be registered in the name of a natural guardian of a minor for whose estate no legal guardian or similar representative has been appointed by a proper court or is otherwise legally qualified. 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 for the purposes of this paragraph, for example:

John Jones as natural guardian of Henry Jones, a minor.

The person recognized as natural guardian will be considered as a fiduciary. Registration in the name of a minor himself (as distinguished from registration in the name of a legal or natural guardian) as owner or coowner is not authorized, except to the extent provided in § 306.57 (a) (3) or (c).

(3) *Incompetents not under guardianship.* Registration in the name of an incompetent for whose estate no legal guardian has been appointed is not authorized, except to the extent provided in §§ 306.37 (e) and 306.58 (c) (2).

(4) *Executors, administrators, guardians and similar fiduciaries or representatives.* A bond may be registered in the names of the executors, administrators, guardians, conservators or similar fiduciaries or representatives of a single estate who have been appointed by a proper court or are otherwise legally qualified. The names of all the fiduciaries or representatives, in the form shown in their letters of appointment, must be included in the registration and must be followed by an adequate identi-

ership form. Owners of Treasury bonds may obtain cash for them before maturity or a call for redemption by the Secretary of the Treasury before maturity only by selling them. A sale involves an outright transfer of ownership, which may legally be made only upon assignment by or on behalf of all owners. These regulations, therefore, require such assignment. United States Savings Bonds, unlike Treasury bonds, are not transferable securities and are redeemable before maturity at the option of the owners virtually on demand to the Treasury Department. Redemption does not involve a transfer of ownership and, therefore, the Secretary of the Treasury has authority to provide, and has provided, for the redemption of savings bonds in coownership form upon the request of either of the coowners.

fyng reference to the estate, for example:

John Smith, executor of the will (or administrator of the estate) of Henry J. Smith, deceased.

William C. Jones, guardian (or conservator, etc.) of the estate of James D. Brown, a minor (or, an incompetent).

(5) *Private trust estates.* A bond may be registered in the name of the trustee or trustees of a duly constituted private trust estate, followed by the word "trustee" or "trustees", as the case may be, and by adequate identifying reference to the authority governing the trust. The names of all the trustees, in the form used in the trust instrument, must be included in the registration, except as follows:

(i) If there are several trustees constituting a board, their names should be omitted and the words "Board of Trustees" should be substituted for the word "Trustees".

(ii) If there are several trustees who are empowered to act as a unit, but are not designated as a board of trustees, their names should be omitted, but the word "trustees" should be retained.

(iii) If there are four or more trustees who do not constitute a board or otherwise act as a unit, only one should be named, followed by the words "et al." or "and others".

(iv) If the trustee or trustees are appointed or elected for a limited period, his or their names may be omitted.

The following examples illustrate the proper forms of registration in typical cases:

(An individual and a corporation as trustees under the will of a decedent): "John Jones and ---- Trust Company, Albany, N. Y., trustees under the will of Sarah Jones, deceased."

(Two individuals as trustees under an agreement with a third individual): "John Doe and Richard Doe, trustees under agreement dated 2/9/50 with Henry Jones."

(Several trustees designated as a board): "Board of Trustees of the ---- Company Retirement Fund under collective bargaining agreement dated 6/30/50."

(Several trustees acting as a unit but not designated as a board): "Trustees of Victory Post No. 1, American Legion, Department of Massachusetts, under Section 10 of its bylaws."

(Several trustees elected or appointed for a limited period of time): "Trustees of the Welfare Fund of ---- Company under agreement with its employees, dated 6/10/50."

(6) *States, public officers, corporations or bodies as trustees.* A bond 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, for example:

State Sinking Fund Commission, trustee of State Highway Certificates of Indebtedness Sinking Fund, under Section ----, Code of South Carolina.

Insurance Commissioner of the State of Pennsylvania, trustee for the benefit of the policyholders of the ---- Insurance Co., under Section ----, Penna. Statutes.

(7) *Private organizations (corporations, unincorporated associations and partnerships).* A bond 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, as the case may be, must be included in the registration, and may be followed, if desired by a parenthetical reference to a particular book account or fund other than a trust fund, in accordance with the rules and examples given below:

(i) *A corporation.* The name of a business, fraternal, religious or other private corporation must be followed by the words "a corporation", unless the corporate status is shown in the name or the name is that of an organization which is required by Federal law to be incorporated such as National banks, Federal building and loan associations, or Federal credit unions, for example:

Smith Manufacturing Company, a corporation.

The Standard Manufacturing Corporation.
Jones and Brown, Inc.
First National Bank of -----.

(ii) *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", for example:

American Legion Post No. ---, Department of the District of Columbia, an unincorporated association.

Local Union No. 100, Brotherhood of Locomotive Engineers, an unincorporated association.

Bonds 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 particular association funds with which the bonds are to be purchased, is held by trustees. In any such case the bonds should be registered in the title of the trustees in accordance with subparagraph (5) of this paragraph. The term "unincorporated association" should not be used to describe a trust fund, a partnership or a business conducted under a trade name.

(iii) *A partnership.* The name of a business partnership must be followed by the words "a partnership", for example:

Smith & Brown, a partnership.

Acme Novelty Company, a partnership.

The term "partnership" should not be used to describe a business owned by one person, even though it is conducted under a trade name. Bonds purchased by the owner of such a business should be registered in his name in accordance with subparagraph (1) (i) of this paragraph.

(8) *States, public corporations and bodies, and public officers.* A bond purchased with funds owned by any state or county, public corporation (including a city, town, or school district), or public body established by law (including a board, commission, administration, authority, or agency) in its own right may be registered in its name or in the title, without the name, of the officer having official custody of such funds, for example:

State of Maine.

Town of Rye, New York.

Maryland State Highway Commission.

Treasurer, City of Springfield, Ill.

(See subparagraph (6) of this paragraph for the proper registration of bonds held in trust.)

[1954 Dept. Circ. 300, Rev., 20 F. R. 2393, Apr. 13, 1955, as amended at 23 F. R. 10350, Dec. 25, 1958]

§ 306.12 *Forms of registration for nontransferable securities.* The forms of registration set forth in § 306.11 are authorized upon authorized reissue of Treasury Bonds, Investment Series B-1975-80.

[23 F. R. 10350, Dec. 25, 1958]

§ 306.13 *Errors in registration.* In no case should any erasure, alteration or correction be made in the inscription on the registered security. If an error has been made in the inscription, instructions regarding the procedure for correction of the error will be furnished by the Bureau of the Public Debt, Division of Loans and Currency, Washington 25, D. C., or a Federal Reserve Bank. Full particulars in regard to the error should be set out in the request for instructions.

SUBPART C—TRANSFERS, EXCHANGES AND REISSUES

§ 306.15 *General.* Transferable registered bonds are eligible for transfer, denominational exchange and exchange for coupon bonds, except that Panama Canal bonds are eligible for transfer and denominational exchange only. Treasury Bonds, Investment Series B-1975-80, are eligible for transfer by way of authorized reissue and denominational exchange, and for exchange for the current series of 1½ percent 5-year Treasury Notes. Coupon bonds and other bearer securities, other than Panama Canal bonds, are eligible for denominational exchange, except that Treasury bills may be exchanged only from higher to lower denominations. Coupon bonds of any loan or issue are eligible for exchange for registered bonds. The securities submitted for any transaction must be presented and surrendered to a Federal Reserve Bank or Branch or the Bureau of the Public Debt, Division of Loans and Currency, Washington 25, D. C. If the securities presented are in order for the transaction requested, they will be retired and new securities in an equal face amount in authorized denominations will be issued and delivered. Except as otherwise specifically provided, the new securities will be of the same loan and issue as those presented. Specific instructions for the issuance and delivery of the new securities, signed by the owner or his authorized representative, must accompany the securities presented. Securities presented for any transaction described in this section, except denominational exchange, must be received by the agency authorized to complete the transaction 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 or redemption-exchange if new securities are offered.

[23 F. R. 10350, Dec. 25, 1958]

§ 306.16 *Transfers of registered securities.* Registered bonds which are eligible for transfer from one person to another and presented for that purpose must be properly assigned in accordance with Subpart F, except that no assignment will be required for transfer to a succeeding fiduciary or other legal successor, including a guardian or equivalent representative, representative or distributee of a decedent's estate or a trust estate, or a corporation with which another corporation has merged or consolidated, but satisfactory proof of successorship will be required. Assignments for transfer should be made to the transferee. Assignments in blank will also be accepted, but should be used with caution; see § 306.42. Specific signed instructions for the issuance and delivery of the new bonds must accompany the bonds presented. (Form PD 1644 may be used.) The new bonds will bear interest from the interest payment date next preceding the date of presentation, except as provided in § 306.37 (b).

[23 F. R. 10350, Dec. 25, 1958]

§ 306.17 *Denominational exchanges of registered securities.* No assignment or endorsement will be required for the authorized exchange of registered Treasury bonds for like securities in the same names in other authorized denominations, as no change of ownership is involved. Specific signed instructions for the issuance and delivery of the new securities must accompany the securities presented. (Form PD 1827 may be used.)

[23 F. R. 10350, Dec. 25, 1958]

§ 306.18 *Registered exchanges (exchanges of registered bonds for coupon bonds).* Registered bonds eligible for exchange for coupon bonds and presented for that purpose must be properly assigned in accordance with Subpart F. Assignments for registered exchange should be made to "The Secretary of the Treasury for exchange for coupon bond(s) to be delivered to _____", inserting the name and address of the person to whom delivery of the coupon bond(s) is to be made. Assignments in blank or for exchange for coupon bond(s), or to "The Secretary of the Treasury for exchange for coupon bond(s)", will also be accepted, but

should be used with caution; see § 306.42. Specific signed instructions for the issuance and delivery of the coupon bonds must accompany the bonds presented, unless included in the assignment. (Form PD 1643 may be used.) The coupon bonds issued upon exchange will have all matured coupons detached and all unmatured coupons attached. For the effect of the closing of the transfer books, see § 306.37 (b).

§ 306.19 *Reissue of nontransferable securities.* Nontransferable securities governed by these regulations may be reissued only in the names of (a) successors in title, including, but not limited to, succeeding organizations, persons entitled upon the dissolution of an organization, and succeeding trustees or persons entitled upon termination of a trust, or (b) persons entitled upon the death of the owner as legal representatives or distributees of the estate, except that Treasury Bonds, Investment Series A-1965, may be reissued only as provided in Department Circular No. 815 (Part 326 of this chapter), and Treasury Bonds Investment Series B-1975-80, may also be reissued in the names of 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 properly assigned for that purpose in accordance with Subpart F and must be accompanied by specific signed instructions for the issuance and delivery of the new bonds.

[23 F. R. 10350, Dec. 25, 1958]

§ 306.20 *Exchange of Treasury Bonds, Investment Series B-1975-80.* Bonds of this series presented for exchange for 1½ percent five year Treasury notes must be properly assigned in accordance with Subpart F to "The Secretary of the Treasury for exchange for the current series of EA or EO Treasury notes to be delivered to _____", and, for the protection of the owner, the name and address of the person to whom the notes are to be delivered should be inserted. (If the bonds are owned by an organization as fiduciary or in its own right, see § 306.76 or § 306.80, for evidence required to support assignments for exchange for notes.) The notes will bear the April 1 or October 1 date next preceding the date the bonds are received by the Bureau of the Public Debt or a Federal Reserve Bank or Branch, prop-

erly assigned and accompanied by all required evidence. If the bonds when received are not properly assigned or are not supported by all required evidence, the notes when issued will bear the April 1 or October 1 date next preceding the date on which the proper assignment or evidence is received by the agency to which the bonds were presented. 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, to the owner, and the difference will be paid to the owner following the exchange.

§ 306.21 *Coupon exchanges (exchanges of coupon bonds for registered bonds)*. Coupon bonds presented for exchange for registered bonds should have all matured 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, as provided in § 306.37 (b). If any coupons which should be attached are missing, the bonds must be accompanied by a remittance in an amount equal to the face amount of the missing coupons. Specific signed instructions for the exchange must accompany the bonds presented. (Form PD 1642 may be used.) The new registered bonds will bear interest from the interest payment date next preceding the date on which the exchange is made.

§ 306.22 *Denominational exchanges of coupon securities*. Coupon securities presented for denominational exchange should have all matured coupons detached. All unmatured coupons should be attached, except that unmatured coupons which would mature before the exchange could be completed (allowing for time in transit) should also be detached. 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. Specific signed instructions for the exchange must accompany the bonds presented. (Form PD 1827 may be used.) The new coupon securities will have all unmatured cou-

pons attached and all matured coupons detached.

SUBPART D—REDEMPTION OR PAYMENT

§ 306.25 *General*. Bonds, notes, certificates of indebtedness and Treasury bills, whether in registered or bearer form, are payable in due course at maturity unless they may be and are called for redemption before maturity, in which case they will be payable on the redemption date fixed in the call. The Secretary of the Treasury may provide for the exchange of maturing or called securities for new securities. Instructions with respect to the presentation and surrender of the securities, the assignment or request for payment of registered securities, the adjustment of interest, if necessary, and other details of the transaction will be set forth in the circular authorizing the exchange. Bonds, which, according to their terms, are acceptable for redemption at par and application of the proceeds in payment of Federal estate taxes will be accepted for that purpose upon compliance with the provisions of § 306.28. Registered bonds to be submitted for redemption should be presented and surrendered to a Federal Reserve Bank or Branch or to the Bureau of the Public Debt, Division of Loans and Currency, Washington 25, D. C. Except as otherwise provided in § 306.28, bearer securities should be presented and surrendered to a Federal Reserve Bank or Branch or the Treasurer of the United States, Washington 25, D. C. If a bearer security, or a registered security assigned 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. A security shall be considered overdue within the meaning of the foregoing provision after the lapse of the following periods of time from its face maturity date:

- (a) One year in the case of bonds.
- (b) Six months in the case of Treasury notes and certificates of indebtedness.
- (c) Three months in the case of Treasury bills.
- (d) As to any other securities which are not specifically provided for in paragraphs (a), (b) and (c) of this section, the following will govern:
 - (1) One year in the case of securities issued for a term of five years or longer.

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

(3) Three months in the case of securities issued for a term of less than one year.

[1954 Dept. Circ. 300, Rev., 20 F. R. 2393, Apr. 13, 1955, as amended at 23 F. R. 9297, Dec. 2, 1958; 23 F. R. 10350, Dec. 25, 1958]

§ 306.26 *Redemption of registered bonds at maturity or upon prior call.* Registered bonds of any loan and issue which have become due and payable, whether at maturity or pursuant to call for redemption before maturity, are payable in due course upon presentation and surrender, properly assigned in accordance with Subpart F of this part. Assignments for this purpose should be made to "The Secretary of the Treasury for redemption", unless the assignor desires that payment be made to some other person, in which case assignments should be made to "The Secretary of the Treasury for redemption for the account of -----", inserting the name and address of the person to whom payment is to be made. Assignments in blank or other assignments having similar effect will be accepted, but should be used with caution, see § 306.42. Specific instructions for the issuance and delivery of the redemption check, signed by the owner or his authorized representative, must accompany the bonds, unless included in the assignment. (Form PD 1705 may be used.) Payment 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. Interest payable on the maturity date, or call redemption date unless otherwise provided in the notice of call, will be paid with the principal to the person entitled in accordance with the assignments on the bonds surrendered.

§ 306.27 *Redemption of bearer securities at maturity or upon prior call.* All interest coupons due and payable on or before the date of maturity or date fixed in the call for redemption before maturity, as the case may be, 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 should be left attached to the securities, as, if any such coupons are missing the full face amount thereof will be deducted from

the payment to be made upon redemption unless evidence satisfactory to the Treasury Department is submitted, establishing that they have been destroyed. Any amounts so deducted will be held in the Treasury 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 for the advice.) 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 proceeds in payment of Federal estate taxes—(a) General.* Treasury bonds of certain issues are redeemable at par and accrued interest upon the death of the owner, at the option of the representatives of, or persons entitled to, his estate, for the purpose of having the 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.* All bonds to be redeemed for this purpose must be presented and surrendered to a Federal Reserve Bank or Branch or the Bureau of the Public Debt, Division of Loans and Currency, Washington 25, D. C. They must be accompanied by Form PD 1782, fully completed and duly executed on Part I by the representatives of or persons entitled to the estate, and by proof of their appointment or entitlement. Proof of appointment or entitlement should comply with the provisions of Subpart H. Part II of the form should be executed by the appropriate persons as indicated thereon. 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

* A current list of eligible issues may be obtained from any Federal Reserve Bank or Branch or the Bureau of the Public Debt.

Bureau of the Public Debt 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 6 months' interest will be paid in due course. The proceeds of redemption will be deposited to the credit of the District Director of Internal Revenue designated in Form PD 1782, the representatives of the estate will be notified of the deposit, and the District Director will in due course forward a formal receipt for the payment.

(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 (which are established for the purposes of this section) in the case of partnership, coownership and trust holdings:

(i) *Partnership holdings.* 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 the fractional share of the bonds so held proportionate to his interest in the assets of the partnership.

(ii) *Coownership holdings.* Bonds held by the decedent at the time of his death in coownership with another person or persons will be deemed to have met the above conditions to the extent to which they actually became the property of the decedent's estate. They will also be deemed to have met those conditions in an amount not to exceed the amount of the Federal estate tax which the surviving coowner or coowners as such are required to pay.

(iii) *Trust holdings.* 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 tax 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 tax due from the estate.

(c) *Restriction on amount redeemable; transactions after death of owner.* The face amount of the bond or bonds which may be accepted for redemption at par, plus any accrued interest thereon,

may not exceed the amount of the tax. The entire proceeds of redemption of bonds at par, including any accrued interest, must be applied in payment of the Federal estate tax, but if the bond or bonds available are in excess of the amount of the tax and are not in the lowest authorized denominations, they may be exchanged for bonds of lower denominations in accordance with § 306.17 or § 306.22, as applicable, in order that the maximum amount may be selected for redemption at par. In addition to such denominational exchange, other transactions in bonds owned by the decedent and constituting part of his estate which may be conducted after the death of the owner without affecting the eligibility of the bonds for redemption at par, if no change of ownership is involved, include (1) exchange of registered bonds for coupon bonds, (2) transfer to the names of the representatives of his estate, and (3) exchange of coupon bonds for bonds registered in the names of the representatives of the estate, but all such transactions must be explained on Form PD 1782 or in a supplemental statement.

[1954 Dept. Circ. 300 Rev., 20 F. R. 2393, Apr. 13, 1955, as amended at 23 F. R. 10350, Dec. 25, 1958]

SUBPART E—INTEREST

§ 306.35 *Computation of interest.* The interest on Treasury bonds, Treasury notes and Treasury certificates of indebtedness accrues and is payable on a quarterly, semiannual or annual basis. Quarterly, semiannual or annual interest periods of exactly 3, 6 or 12 months, as the case may be, are used as the basis for computing the amount of the interest accruals. The offering circular and the text of the securities will state on which of these bases the interest accruals on a specific issue are to be computed. If the period of accrual is an exact 3, 6 or 12 months, the interest accrual is an exact one-quarter, one-half or one full year's interest, without regard to the number of days in the period. If the period of accrual is less than an exact 3, 6 or 12 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, as the case may be, but does include the day on which the next succeeding interest payment is due. A fractional part of an interest period likewise 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. (The appendix to this part as originally printed contained a complete explanation of the method of computing the interest on Treasury bonds, notes and certificates of indebtedness in any given situation, as well as tables for convenience in making such computations, and also outlined the method of computing the discount rate on Treasury bills.)⁴

[23 F. R. 10351, Dec. 25, 1958]

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

§ 306.37 *Interest on registered bonds—(a) Method of payment.* Except as otherwise provided in this part, the interest on registered Treasury bonds is payable by checks drawn on the Treasurer of the United States to the order of the respective registered owners. Interest checks are prepared by the Department in advance of the interest payment date and are ordinarily mailed in time to reach the addressee on that date. Upon receipt of notice of the death or incompetency of a registered owner, the removal, resignation or death of a fiduciary or trustee, or a change in name or status of a partnership, corporation

cessors in title is strongly urged. In case of a major error in the inscription of the bonds, delivery of interest checks likewise will be withheld pending reissue of the bonds in the correct registration. (See § 306.13.) The final installment of interest will be paid with the principal and in the same manner, at maturity or upon call, unless otherwise provided in the notice of call.

(b) *Closing of transfer books.* The transfer books of the Treasury Department are closed for one full month preceding interest payment dates for the purpose of preparing interest checks. If the date set for the closing of the transfer books falls on Saturday, Sunday or a legal holiday, the books will be closed at the close of business on the last business day preceding that date. Interest on outstanding registered bonds is paid on the interest payment date to the owners of record on the closing dates. Transactions in registered bonds of the loans involved, other than denominational exchanges (see § 306.17), may not be effected during the closed period except that exchanges of Treasury Bonds, Investment Series B-1975-80, for the current series of EA or EO 1½ percent 5-year Treasury notes, as provided in § 306.20, or optional redemption of bonds at par as provided in § 306.28, may be made at any time. If registered bonds forwarded for transfer or for exchange for coupon bonds or coupon bonds forwarded for exchange for registered bonds are actually received by the Bureau of the Public Debt after the day fixed for closing the books, the transfer or exchange thereof will not be made until the first business day following the date on which interest falls due, when the books are reopened for all purposes.

(c) *Change of address.* Notice of a change of address for the mailing of interest checks may be given on Form PD 345, or, if that form is not available, by letter, to the Bureau of the Public Debt.

representative. In the case of bonds registered in a trade name under which an individual does business, the notice must be signed by him in substantially the following form: "Doe's Home Appliance Store, by (signed) John Doe, sole owner." Notices on behalf of partnerships must be signed by general partners, in substantially the following form: "Smith & Brown, a partnership by (signed) Charles J. Smith, a general partner." Notices on behalf of corporations, unincorporated associations and corporate fiduciaries must be signed by authorized officers, in substantially the following forms: "Smith Manufacturing Company, a corporation, by (signed) Charles J. Smith, vice president"; "Local Union No. 100, Brotherhood of Locomotive Engineers, by (signed) James W. Henderson, treasurer"; and "Citizens Trust Company of -----, trustee under the will of Richard Coleman, by (signed) Albert H. Stone, trust officer". Notices by legal representatives of the estates of deceased, incompetent or minor owners, or by attorneys in fact, must be supported by proof of their appointment, except in the case of legal representatives of such estates who are named in the registration. (See §§ 306.-65, 306.58 (b), 306.57 (d), and 306.59 respectively.) A registered owner may direct that interest checks be sent in care of an attorney in fact, at the latter's address, without submitting the power of attorney to the Department. Notices by testamentary trustees with respect to bonds registered in the names of decedents must be supported by proof of the distribution of the bonds to them in the settlement of the decedents' estates. (See Subpart H.) If there are two or more individual co-owners, legal representatives, attorneys in fact or fiduciaries, a notice signed by one will be accepted unless another gives conflicting instructions. Notice should be given as promptly as possible in order to allow sufficient time for the account to be identified and the address changed before the next interest checks are prepared. If notice is not received at least six weeks before the interest payment dates, no assurance can be given that the checks will be mailed to the new address.

(d) *Endorsement of interest checks in general.* 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. In the case of checks drawn to the order of two or more persons, if "or" is used between the names, provision is made for endorsement by any one payee. If "and" is used, endorsement must be by or on behalf of all while all are living. Provision is also made for the acceptance of an endorsement by an attorney in fact for the payee, upon the guarantee of the presenting bank, without requiring that a copy of the power of attorney be submitted to the Department. See § 306.69 for special provisions applicable to small amounts of interest checks belonging to the estates of decedents.

(e) *Endorsement of interest checks by voluntary guardians of incompetents.* Any checks, drawn to the order of an incompetent (as defined in § 306.58 (a)) for whose estate no legal guardian or similar legal representative has been or is to be appointed, in payment of interest on bonds registered in the name of the incompetent, without reference to a voluntary guardian, should be returned to the Bureau of the Public Debt, Division of Loans and Currency, Washington 25, D. C., with a full explanation of the circumstances. The relative responsible for the incompetent's care and support, or some other proper person, may apply on Form PD 1461 for authorization to collect the interest. To facilitate the collection of future interest checks, the applicant should also request the reissue of the bonds in the name of the incompetent, followed by that of the voluntary guardian, in the form "A, an incompetent under voluntary guardianship of B."

(f) *Endorsement of interest checks by natural guardians of minors.* Any check in payment of interest on bonds registered before the effective date of these regulations in the name of a minor, alone or as coowner, who is not of sufficient age and competency to understand the act of endorsing and giving receipt may be endorsed by either parent with whom the minor resides, or, if the minor does not reside with either parents, by the person who furnishes his chief support. The parent or other person should present with the check a written statement (1) giving the minor's age, (2) setting out the fact that the payee resides with the parent or receives his chief support from the person endorsing

in his behalf, and (3) that the proceeds of the check will be used for the minor's benefit, as provided in § 360.7 (c) of this chapter.

(g) *Nonreceipt, loss, theft or destruction of interest checks.* If an interest check is not received within a reasonable period after an interest-payment date, or if a check is lost, stolen or destroyed after receipt, the fact of nonreceipt, loss, theft or destruction should be reported to the Bureau of the Public Debt, Division of Loans and Currency, Washington 25, D. C. This notification should include a description by loan, issue, serial number, denomination, and inscription of the securities upon which the interest check was due. If the check is subsequently received or recovered, advice to that effect should be sent to the Treasurer of the United States, Washington 25, D. C. Substitutes for lost interest checks may be obtained upon compliance with the Treasury Department regulations, as set forth in Part 365 of this title (Department Circular No. 1001).

[1954 Dept. Circ. 300 Rev., 20 F. R. 2393, Apr. 13, 1955, as amended at 23 F. R. 9297, Dec. 12, 1958; 23 F. R. 10351, Dec. 25, 1958]

§ 306.38 *Interest on bearer securities.* Interest on coupon securities is payable upon presentation and surrender of the interest coupons as they mature.^{*} Interest on Treasury bills and any other bearer securities which may be issued on a discount basis is represented by the difference between the issue price and the maturity value. Interest on other bearer securities is payable with the principal at maturity, in accordance with the terms of the securities. Interest coupons are payable at the Office of the Treasurer of the United States at Washington or at any Federal Reserve Bank or Branch. Banking institutions will usually cash interest coupons without charge as an accommodation to their customers.

SUBPART F—ASSIGNMENTS OF REGISTERED BONDS; GENERAL

§ 306.40 *Execution of assignments.* The assignment of a registered bond must be executed by the owner or his authorized representative in the presence of an officer authorized to witness

^{*}For information concerning any relief possible on account of the loss, theft, destruction, mutilation or defacement of detached interest coupons, see § 306.115.

the assignment. (See § 306.43.) The assignor must establish his identity to the satisfaction of the witnessing officer. An assignment by mark (X) must be witnessed not only by a witnessing officer but also by at least one other person, who should add an endorsement substantially as follows: "Witness to the above signature by mark," followed by his signature and address. All assignments must be correctly dated and all signatures must be in ink or indelible pencil.

§ 306.41 *Assignment forms.* Unless otherwise authorized by the Treasury Department or a Federal Reserve Bank, all assignments must be made on the backs of the bonds. Where all the assignment forms on the back of a bond have been used or spoiled and further assignment is to be made, a similar form, including the witnessing officer's certificate, may be written, typed or stamped in any convenient space on the back of the bond. If there is not sufficient space for an additional form, in any particular case, instructions may be obtained from the Bureau of the Public Debt, Division of Loans and Currency, Washington 25, D. C., or any Federal Reserve Bank or Branch.

[23 F. R. 10351, Dec. 25, 1958]

§ 306.42 *Form of assignment.* Assignments of registered bonds may be made to a specified transferee, to the Secretary of the Treasury for exchange for coupon bonds, to the Secretary of the Treasury for redemption or for exchange for other securities offered at maturity or upon call, or in blank, as provided in Subparts C and D. 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 signed by the assignor. Assignments in blank or to the Secretary of the Treasury for exchange for coupon bonds which do not restrict delivery of the coupon bonds to a designated person destroy the protection of registration and should be avoided unless it is desired to make the registered bonds, in effect, payable to bearer, whereby title thereto may pass by delivery without further assignment.

§ 306.43 *Officers authorized to witness assignments—(a) Officers authorized generally.* The following officers are authorized to witness assignments:

(1) Certain designated officers of the United States Treasury at Washington, D. C.

(2) Judges and clerks of United States courts.

(3) United States attorneys, collectors of customs, and regional commissioners and district directors of internal revenue.

(4) Officers of Federal Reserve Banks and their Branches. (See § 306.1 for locations.)

(5) Officers of Federal Land Banks, Federal Intermediate Credit Banks and Banks for Cooperatives, all located in Springfield (Mass.), Baltimore, Columbia (S. C.), Louisville, New Orleans, St. Louis, St. Paul, Omaha, Wichita, Houston, Berkeley and Spokane, and the Central Bank for Cooperatives, Washington, D. C.

(6) Officers of Federal Home Loan Banks, located in Boston, New York, Pittsburgh, Greensboro (N. C.), Cincinnati, Indianapolis, Chicago, Des Moines, Little Rock, Topeka, and San Francisco.

(7) Officers of banks and trust companies chartered by or incorporated under the laws of the United States or those of any State, Commonwealth or Territory of the United States who have been authorized generally to bind their respective institutions by their acts, and other officers of such corporations who may be specially authorized by their respective institutions to witness such assignments.

If an assignment is witnessed, under the corporate seal of an institution designated in subparagraph (7) of this paragraph, by the chairman of the board, the president, the assistant to the president, any vice-president or assistant vice-president, the cashier or any assistant cashier, the secretary or any assistant secretary, the treasurer or any assistant treasurer, any trust or assistant trust officer, or the manager or any assistant manager of a branch office, it will be presumed that he was acting within the scope of his authority. If any officer so authorized is not one of those designated in the preceding sentence or does not have access to the seal of the corporation, his signature and authority must be certified to the Treasury Department, under corporate seal, by the cashier, secretary or other officer having access to the corporate records, and will be recognized until notice is received that

his authority has terminated. Form PD 835-B may be used. The term "officers" will not be construed as including employees bearing such titles as "designated employee", "teller", "accountant" or "bookkeeper".

(b) *Officers having limited authority.* The following officers are authorized to witness 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, but only for assignments of securities for redemption for the account of the assignor or for redemption-exchange for securities to be registered in his name.

(2) Notaries public and justices of the peace in the United States, its territories, or the Commonwealth of Puerto Rico for assignments of securities of any class for redemption for the account of the assignor or for redemption-exchange for securities to be registered in his name.

(3) Commissioned officers and warrant officers of the Armed Forces of the United States for assignments of bonds 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.

(4) Officers of Federal Savings and Loan Associations or other organizations which are members of the Federal Home Loan Bank System who have been authorized generally to bind their respective organizations by their acts, under the corporate seal, for assignments by the organizations or any of their regular customers of bonds of any class for any authorized transaction.

If an assignment is witnessed, under the corporate seal of an organization designated in subparagraph (4) of this paragraph, by the chairman of the board, the president, any vice president, the secretary or assistant secretary, or the treasurer or assistant treasurer, it will be presumed he was acting within the scope of his authority.

(c) *Authorized officers in foreign countries.* The following officers are authorized to witness 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 the seal of his office.

(d) *Special provisions for witnessing assignments.* The Commissioner of the Public Debt, the Chief of the Division of Loans and Currency, or any Federal Reserve Bank is authorized to make special provisions for any case in which none of the officers authorized to witness certain assignments is readily accessible.

[1954 Dept. Circ. 300, Rev., 20 F. R. 2393, Apr. 13, 1955, as amended at 23 F. R. 10351, Dec. 25, 1958]

§ 306.44 *Duties of witnessing officers and responsibility for their acts.* The assignor must appear before the witnessing officer, satisfactorily establish his identity, execute the assignment, and acknowledge it to be his free act and deed. The officer must complete the certification provided, by inserting the date, his signature, and his official title and address, and must impress or imprint the proper seal or stamp, if any. An officer of a corporation must use the corporate seal except as provided in § 306.43 (a) (7). A clerk or judge of court must use the seal of the court. The signature of any post office official, other than a postmaster, must be in the following form: "John Doe, Postmaster, by Richard Roe, Superintendent of Station." Any post office official must use the official stamp of his office. Any other witnessing 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 Treasury Department. No officer of the United States, except a clerk of a United States court, is authorized to charge a fee for witnessing an assignment of a United States bond, and banking institutions generally impose no charge for the service. The witnessing officer, and, if he is an officer of a corporation, the corpora-

tion, will be held responsible for any loss which the United States may suffer as the result of his fault or negligence.

[23 F. R. 10351, Dec. 25, 1958]

§ 306.45 *Assignments executed before interested persons.* Neither the assignor, the assignee, nor any other person having an interest in a bond may act as witnessing officer or as witness to an assignment by mark. For example, the officer of a bank who assigns in the bank's name may not witness the assignment. However, a bank officer may witness an assignment to the bank, or an assignment executed by another officer in its behalf.

§ 306.46 *Assignments by assignees and other new owners.* The regulations governing assignments by or in behalf of registered owners, so far as applicable, shall govern any assignments by their assignees or legal successors.

§ 306.47 *Alterations and erasures.* No alteration or erasure should be made in any part of an assignment. If any such alteration or erasure has been made, an explanation satisfactory to the Treasury Department, usually in the form of an affidavit by the person responsible, will be required.

§ 306.48 *Voidance of assignments.* If an assignment to or for the account of another person has not been and is not to be completed by delivery of the security, the assignment may be voided by obtaining from that person a disclaimer of interest which should be executed in the presence of an officer authorized to witness assignments of bonds as provided in § 306.43. Unless otherwise authorized by the Treasury Department or a Federal Reserve Bank the disclaimer must be written, typed, or stamped on the back of the bond, in substantially the following form:

The undersigned as assignee of this bond hereby disclaims any interest therein.

(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 above disclaimer of interest.

[SEAL]

(Signature of witnessing officer)

(Official designation)

In the absence of a disclaimer, affidavits should be submitted explaining why a disclaimer could not be obtained, setting forth all other material facts and circumstances relating to the transaction, and stating specifically that the bond was not delivered to the person named as assignee and that he acquired no right, title, or interest in the bond. If an assignment to or for the account of another person was not properly witnessed or is otherwise imperfect, but has been completed by delivery, it cannot be considered void and must not be altered or erased. A new assignment must be executed in favor of the same assignee, unless the assignment can otherwise be perfected as directed by a Federal Reserve Bank or the Treasury Department. [23 F. R. 10351, Dec. 25, 1958]

§ 306.49 *Discrepancies in names—(a) Inscription and assignment or supporting evidence.* Where there is a slight discrepancy between the name of the registered owner as inscribed on the bond and as shown in the assignment or supporting evidence, the Department may require that it be explained by an affidavit by another person familiar with the facts, preferably one having no direct financial interest in the bond. (Fiduciaries may use Form PD 385 for this purpose and other persons may use it as a guide in preparing their affidavits.)

(b) *Signature and supporting evidence.* Where a slight discrepancy exists between the signature of any person acting in a representative or fiduciary capacity as it appears in the assignment and his name as it appears in the certificate of appointment or other evidence of authority, the Department may require that it be explained by an affidavit by another person familiar with the facts, preferably one having no direct financial interest in the security.

(c) *Bonds variously inscribed.* Where the variations in the name of the registered owner, as inscribed on bonds 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 bonds are inscribed and are duly certified by the same witnessing officer.

§ 306.50 *Nontransferable securities.* The provisions of this subpart, with the

exception of those of §§ 306.42 and 306.48, shall apply to Treasury Bonds, Investment Series B—1975–80, and Treasury Savings Notes, provided, that § 306.46 shall apply with respect to assignments of the bonds or requests for payment of the notes. In applying these provisions to Treasury Savings Notes appropriate substitutions in terms should be made, as follows: "Note(s)" or "Treasury Savings Note(s)" for "bond(s)" or "registered bond(s)"; "request(s) for payment" for "assignment(s)"; "requestor(s)" for "assignor(s)"; "certify" for "witness"; and "certifying officer" for "witnessing officer".

[23 F. R. 10351, Dec. 25, 1958]

SUBPART G—ASSIGNMENTS BY OR IN BEHALF OF INDIVIDUALS

§ 306.55 *Signatures, minor errors, and change of name.* The registered owner's signature to an assignment should be in the form in which his or her name has been inscribed on the face of the bond, unless the name as so inscribed is incorrect or has been changed since the bond was issued. In case of a minor error in inscription (not sufficient to raise any doubt in the mind of the witnessing officer in regard to the identity of the owner), the signature to the assignment should be in the following form, for example, "John Smythe, erroneously inscribed John Smith." In case of a more serious error in inscription, the procedure prescribed in § 306.13 should be followed. In case of a change in name, the signature to the assignment should show both names and the manner in which the change was made, for example "John Young, formerly John Jung (changed by court order)." Satisfactory proof of change of name will be required, but for reissue in the new name no assignment will be necessary. However, if the change resulted from marriage, no proof of the change is required to support an assignment if the signature is written, for example "Mrs. Mary J. Brown, before marriage Miss Mary Jones," and an authorized officer duly witnesses the assignment, thereby certifying that he is satisfied the assignor is the registered owner.

[23 F. R. 10352, Dec. 25, 1958]

§ 306.56 *Assignments of bonds registered in the names of two or more per-*

sons—(a) *For transfer or exchange.* The transfer or exchange of bonds registered in the names of two or more persons may be made during the lives of all the coowners only upon assignments by all of them or in their behalf by authorized representatives. Upon proof of the death of one of the coowners, the Treasury Department will accept an assignment by or in behalf of the survivor or survivors, unless the registration includes words which preclude the right of survivorship, or the words “or either of them”, in which case, in addition to an assignment by or in behalf of the survivor or survivors, an assignment in behalf of the decedent’s estate will be required.

(b) *For redemption or redemption-exchange (registration in alternative).* Bonds registered in the names of two or more persons in the alternative, as for example, “John Smith or Mrs. Mary Smith”, or “John Smith or Mrs. Mary Smith or the survivor”, may be assigned by one coowner, at maturity or upon call, for redemption or redemption-exchange (as defined in § 306.2 (g)), for his own account or otherwise, whether or not the other coowner or coowners are deceased and, if so, whether or not the Treasury has received notice of their deaths. This provision also applies to bonds registered in the form “John Smith and Mrs. Mary Smith or either of them”.

(c) *For redemption or redemption-exchange (joint registration).* Bonds registered in the names of two or more persons jointly (as distinguished from bonds registered in their names in the alternative), as, for example, “John Smith and Mrs. Mary Smith”, “John Smith and Mrs. Mary Smith or the survivor”, or “John Smith and Mrs. Mary Smith as tenants in common”, may be assigned by one coowner during the lives of all only (1) for redemption at maturity or upon call (and then only for redemption for the account of all

* It should be kept in mind that, unlike United States Savings Bonds, which are virtually redeemable on demand, transferable securities are redeemable only at maturity or upon prior call by the Secretary for redemption. Before maturity or call for redemption a transferable bond may be “cashed” by sale, either through a bank or broker or direct to a purchaser. In either case the bond must be assigned in accordance with these regulations.

coowners), or (2) for exchange for new bonds to be registered in their names in the same registration if new registered bonds are offered in exchange for the maturing or called bonds. Upon proof of the death of one coowner the survivor or survivors may assign bonds so registered for redemption or for redemption-exchange for any account, except that, if the words, “as tenants in common” or other words having the same effect appear in the registration, assignment in behalf of the decedent’s estate will also be required.

§ 306.57 *Minors—(a) Assignments by natural guardians of bonds registered in the names of minors.* Bonds erroneously registered after the effective date of these regulations in the name of a minor (whether alone or followed by the name of a natural guardian) for whose estate no legal guardian or similar representative has been appointed by a proper court or is otherwise legally qualified will be reissued in the name of a natural guardian of the minor (see § 306.11 (a) (2)), upon the request of the purchaser or other person responsible for the error. If the requirements to support such reissue are met, but other disposition is desired, actual reissue will be unnecessary and the bonds may be assigned by the natural guardian in accordance with the provisions of paragraph (b) of this section. Bonds so registered in the name of a minor before the effective date of these regulations may be assigned by a natural guardian of the minor only for the purposes and under the conditions described below:

(1) For redemption or for exchange for bearer securities, if satisfactory proof is furnished that the proceeds of the bonds are necessary and will be used for the support or education of the minor and the total face amount of Treasury bonds registered in the name of the minor for which redemption or such exchange is requested in any 90-day period does not exceed \$1,000.

(2) For redemption, if the total face amount of called or matured Treasury bonds so registered does not exceed \$500 and the minor registered owner is not of sufficient age and competency to sign his name to the assignments and understand the nature of the transaction.

(3) For redemption for reinvestment in other transferable bonds to be registered in the minor’s name in the form

"Miss Mary Smith, a minor", if the total face amount of bonds so registered exceeds \$500 or if such amount does not exceed \$500 but the minor is not of sufficient age and competency to sign his name and understand the nature of the transaction.

For cases arising under subparagraphs (1), (2), or (3) of this paragraph, Form PD 2481 should be used.

(b) *Assignments by natural guardians of bonds registered in their names.* Bonds registered after the effective date of these regulations in the name of a natural guardian of a minor may be assigned by the designated natural guardian for any authorized transaction except one for the apparent benefit of the natural guardian. The signature to the assignment should be written as the bonds are inscribed, for example, "John Jones as natural guardian of Henry Jones, a minor". If the natural guardian in whose name the bonds are registered is deceased or is no longer qualified to act as natural guardian, the bonds may be assigned by the person then acting as natural guardian. The assignment by the new natural guardian must be supported by proof of the death or disqualification of the former natural guardian and by satisfactory proof of his own status as natural guardian. Proof of such status may be established through the use of Form PD 2481. No assignment by a natural guardian will be accepted after receipt of notice of the minor's attainment of majority or removal of his disability of minority, the disqualification of the natural guardian to act as such, the appointment of a legal guardian by a proper court, or the death of the minor.

(c) *Assignments by minors.* Bonds registered, before the effective date of these regulations, in the name of a minor for whose estate no guardian or similar representative has been appointed by a proper court or is otherwise legally qualified, may be assigned by the minor at maturity or call for redemption or redemption-exchange for new bonds to be registered in his name in the form "Henry Smith, a minor", if the total face amount of matured or called bonds so registered does not exceed \$500, and if the minor, in the opinion of the witnessing officer, is of sufficient age and competency to sign his name to the assignments and understand the nature of

the transaction. Payment will be made by check drawn to the order of the minor.

(d) *Assignments by legal guardians.* Bonds registered in the name of a minor (whether alone or with a natural guardian) for whose estate a legal guardian or similar representative has been appointed by a proper court or is otherwise legally qualified may be assigned by the representative for any authorized transaction. The assignment must be supported by a court certificate or a certified copy of the letters of appointment issued by the court making the appointment, under its seal, except that an assignment by the representative for his own apparent benefit must be supported by the evidence required in § 306.80. The certificate or certification must be dated not more than one year before the date of the assignment and must contain a statement that the appointment is in full force unless (1) it shows that the appointment was made not more than one year before the date of the assignment, or (2) the representative or a co-representative is a corporation. All co-representatives must join in any assignment, except as provided in § 306.79. An assignment by the representative will not be accepted after receipt of notice of the termination of the guardianship, except for transfer to the former ward.

[1954 Dept. Circ. 300 Rev., 20 F. R. 2393, Apr. 13, 1955, as amended at 23 F. R. 9297, Dec. 2, 1958; 23 F. R. 10352, Dec. 25, 1958]

§ 306.58 *Incompetents*—(a) *Definition.* For the purposes of this section an incompetent is defined as a person under any legal disability except minority.

(b) *Assignments by legal guardians.* Bonds registered in the name of an incompetent for whose estate a legal guardian or similar representative has been appointed by a proper court or is otherwise legally qualified may be assigned by the representative for any authorized transaction. The assignment must be supported by a court certificate or a certified copy of the letters of appointment issued by the court making the appointment, under its seal, except that an assignment by the representative for his own apparent benefit must be supported by the evidence required in § 306.80. The certificate or certification must be dated not more than one year before the date of the assignment and must contain a statement that

the appointment is in full force, unless (1) it shows that the appointment was made not more than one year before the date of the assignment, or (2) the representative or a co-representative is a corporation. All co-representatives must join in any assignment, except as provided in § 306.79. 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.

(c) *Assignments by voluntary guardians.* Bonds belonging to an incompetent for whose estate no legal guardian or similar representative has been appointed by a proper court or is otherwise legally qualified may be assigned by the relative responsible for his care and support or some other proper person as voluntary guardian:

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

(2) For redemption if the bonds are matured or have been called and the proceeds are to be reinvested in other securities to be registered in the incompetent's name followed by that of his voluntary guardian in the form "A, an incompetent, under voluntary guardianship of B."

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

[1954 Dept. Circ. 300, Rev., 20 F. R. 2393, Apr. 13, 1955, as amended at 23 F. R. 9297, Dec. 2, 1958]

§ 306.59 *Attorneys in fact.* Assignments by attorneys in fact for individual owners or coowners will be recognized if supported by adequate powers of attorney. The use of Form PD 1001 or 1002 is suggested but any form sufficient in substance may be used. Every power must be executed in the presence of an officer authorized to witness assignments of the bonds for the desired transactions. A power may be either general or specific, depending on whether the owner desires to authorize execution of assignments of all his bonds assignable under these regulations or to limit the authority to bonds of designated issues or to certain design-

ated bonds. The original power must be filed with the Treasury Department, except that a photocopy certified by an officer of a Federal Reserve Bank or Branch, or by an officer of a bank or trust company under its corporate seal, will be accepted, if the seal on the original power is legible on the copy or is copied by the certifying officer. An assignment by a substituted attorney in fact must be supported by an appropriate power of substitution, which must be supported in turn by an appropriate authorizing power of attorney. The use of Form PD 1005, 1006, 1007 or 1008 (the particular form depending on whether the power is to be general or specific and whether an individual or a corporation is to be named as attorney in fact) is suggested but any form sufficient in substance may be used. An assignment by an attorney in fact or a substituted attorney in fact for the apparent benefit of either will be accepted only if expressly authorized in both the power of attorney and power of substitution. A power of attorney or of substitution will be recognized until, but not after (unless the power is coupled with an interest) the Bureau of the Public Debt, Division of Loans and Currency, Washington 25, D. C., receives proof of revocation or proof of the grantor's death or incompetency, except that a pending transaction will be temporarily suspended on receipt of a request from the grantor of the power, by wire or otherwise, and except further that the Secretary of the Treasury may require evidence in any case that a power is still in full force at the time the Department is requested to act under it. If there are two or more joint attorneys in fact or substitutes all must unite in the assignment unless the power authorizes less than all to act or the bond has matured or been called, in which case less than all may assign for redemption for the account of the bond owner or for redemption and application of the proceeds in payment for new bonds offered in exchange to be registered in the name of the owner. An attorney in fact should execute an assignment with the signature written in the form "A, by B, attorney in fact".

[23 F. R. 10352, Dec. 25, 1958]

§ 306.60 *Nontransferable securities.* The provisions of this subpart, except those of §§ 306.56 (a), 306.57 (a) (1) and 306.58 (c) relating to transfers, shall apply to Treasury Bonds, Investment Se-

ries B-1975-80, provided, that the term "exchange" as used in §§ 306.56 (a), 306.57 (a) (1) and 306.58 (c) (1) shall be deemed to refer to the exchange of these bonds for the current series of 1½ percent 5-year Treasury notes. The provisions of this subpart with respect to assignments of bonds except those of § 306.56 and those of §§ 306.57 (a) (1) and 306.58 (c) (1) relating to transfers or exchanges shall apply to requests for payment of Treasury Savings Notes.

[23 F. R. 10353, Dec. 25, 1958]

SUBPART H—ASSIGNMENTS IN BEHALF OF ESTATES OF DECEASED REGISTERED OWNERS

§ 306.65 *In course of administration.* A bond belonging to the estate of a decedent which is being administered in a proper court by an executor or general administrator will be accepted for any authorized transaction upon assignment by the qualified representative of the estate. (For temporary or special administrators see § 306.66.) Unless the bond is registered in the name and title of the representative, the assignment must be supported by a court certificate of his appointment or a certified copy of the letters of appointment, issued by the court making the appointment, under its seal, except that an assignment by a representative for his own apparent benefit must be supported by the evidence required in § 306.80. 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 that the appointment was made not more than one year before the date of the assignment, or (2) the representative or a co-representative is a corporation. The proper form of signature to an assignment is, for example "John A. Jones, administrator of the estate (or, executor of the will) of Henry W. Jones, deceased". All co-representatives must unite in any assignment except as provided in § 306.79. A bond registered in the name of an executor or administrator may be reissued in the name of his successor, upon the request of the designated representative or his successor, supported by proof of successorship, without assignment.

§ 306.66 *Temporary and special administrators.* The Treasury Department will recognize assignments by temporary or special administrators for any author-

ized transaction within the scope of their authority under state law or the orders of the court by which they were appointed. If the amount of bonds presented for any transaction does not exceed \$250, the Department will presume that it is within the proper scope, and the assignments need be supported only by evidence of the same nature as that required in support of assignments by a general administrator, as set forth in § 306.65. If the amount of bonds presented exceeds \$250:

(a) Assignments by a temporary administrator for redemption for his account in his representative capacity, or for redemption and application of the proceeds in payment for new securities to be registered in his name in his representative capacity, must be supported by a certificate of court under its seal showing that the appointment was in full force within 30 days preceding the date of receipt of the bonds or the certificate, whichever is later, except that, if a corporation is the temporary administrator or co-administrator, any acceptable court evidence of appointment may be supplemented by a statement by the corporation on its letterhead showing that the appointment was in force within the specified period;

(b) Assignments by a temporary administrator for transfer or exchange (including assignments for redemption for the account of the temporary administrator individually or that of any other person in any capacity) must be supported by a duly certified copy of a special order of court authorizing such action;

(c) Assignments by a special administrator must be supported by a duly certified copy of a special order of court authorizing such action, unless it appears from his letters of appointment or the statutes under which the appointment was made that such action comes within the scope of his authority, in which case it must appear from evidence under the seal of the court, or from such evidence and a supplemental statement by a corporate administrator on its letterhead, that the appointment was in full force within six months preceding the date of receipt of the securities or the evidence, whichever is later.

§ 306.67 *After settlement through court proceedings.* Bonds belonging to the estate of a decedent which has been settled in a proper court will be accepted

for any authorized transaction upon assignments by the person or persons entitled, as determined by the court. If one person is the sole legatee, or if specific bonds are distributed to any one person, the bonds may be reissued in the name of such person upon instructions from him without assignment. The assignments or instructions for reissue should be supported by a copy, certified under court seal, of the decree of distribution, the representative's final account as approved by the court, or similar court records.

§ 306.68 *Without administration.* When it appears that no legal representative of the estate to which bonds belong has been or is to be appointed, the bonds may be disposed of in any authorized manner pursuant to an agreement and assignment by all persons entitled to share in the bonds under the laws of the

State of the decedent's domicile. (Use Form PD 1646.) All debts of the decedent and his estate must be paid or provided for and the interests of any minors or incompetents in the estate must be adequately protected to the satisfaction of the Secretary of the Treasury.

§ 306.69 *Special provisions applicable to small amounts of securities, interest checks or redemption checks.* The right to, or the authority to dispose of, a small amount of public debt 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 (excluding checks representing interest on the securities) involved in the case, as indicated by the following table:

Amount	Circumstances	Form	To be executed by—
\$25	Estate being administered.....	PD 2488	Executor or administrator.
\$25	No administration.....	PD 2216	Heir or legatee who paid burial expenses.
\$100	Estate being administered.....	PD 2488	Executor or administrator.
\$250	Estate settled.....	PD 2458A	Former executor or administrator, attorney or other qualified person.

§ 306.70 *Nontransferable securities.* The provisions of this subpart except those of § 306.66 (b) relating to transfer shall apply to Treasury Bonds, Investment Series B-1975-80, provided, that the term "exchange" shall be deemed to refer to the exchange of these bonds for the current series of 1½ percent 5-year Treasury notes. The provisions of this subpart with respect to assignments of bonds shall apply to requests for payment of Treasury Savings Notes, provided, that the term "redemption", as used in § 306.66 (a), shall be deemed to refer to payment of Treasury Savings Notes.

[23 F. R. 10353, Dec. 25, 1958]

SUBPART I—ASSIGNMENTS BY OR IN BEHALF OF FIDUCIARIES AND LEGAL REPRESENTATIVES

§ 306.75 *Individual trustees.* Bonds registered in the names and titles of individual trustees, as, for example, "Mrs. Mary Smith, trustee under the will of John Smith, deceased", or "Henry J. Williams, Edward C. Carter and Charles Jones, trustees under agreement dated October 12, 1954, with Frank H. Woods", will be accepted for any authorized transaction upon assignment by the desig-

nated trustees without further proof of their appointment and qualification, except that an assignment by a trustee for his own apparent benefit will be accepted only as provided in § 306.80. If one of the designated trustees has died or resigned, or is no longer qualified to act as trustee, and a successor has been appointed, the bonds must be assigned by the surviving or remaining trustee or trustees and the successor trustee, and proof of the death, resignation, removal or disqualification of the former trustee and of the appointment and qualification of the successor trustee 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, assignments by the surviving or remaining trustee or trustees must be supported by (a) proof of the death, resignation, removal or disqualification of the former trustee, and (b) satisfactory proof that the surviving or remaining trustee or trustees are fully qualified to administer the trust, which may be in the form of a certificate by them showing that 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. Proof of successorship, but no assignment, will be required in support of a request for reissue to substitute the name of a succeeding trustee for that of a former trustee. Assignments of bonds registered in the titles, without the names of the trustees, as, for example, "Trustees of the George E. White Memorial Scholarship Fund under deed of trust dated November 11, 1940, executed by John W. White", must be supported by satisfactory proof that the assignors are the qualified and acting trustees of the designated trust estate, unless the trustees 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 trustees. Assignments by trustees of bonds not registered or assigned in such manner as to show that they belong to the trust estate for which the assignors are acting must be supported by satisfactory evidence that the trust estate is entitled to the bonds under the regulations in this part, in addition to any other required evidence. All co-trustees must unite in any assignment except as provided in § 306.79.

§ 306.76 *Boards of trustees and trustees acting as a unit.* If the trustees of any organization or trust estate, public or private, constitute a board, committee or other body which is empowered to act as a unit, bonds registered in its name may be assigned for any authorized transaction by any member, officer or other person authorized to act in its behalf. Except as otherwise provided in this section, the assignments must be supported by a copy of a resolution of the board or other body, certified under its seal, or, if none, sworn to by an officer having access to its records. (Form PD 2495 may be used.) If the resolution is authenticated by the officer who assigns the bonds, another officer must join in the authentication. If the assigning officer is designated in the resolution by title only, his incumbency must be certified by another officer of the board or other body under its seal, or, if none, sworn to by him. (Form PD 2446 may be used.) No evidence will be required in support of an assignment by an officer for redemption for the account of the designated board, committee or other body, or for redemption and application of the proceeds in payment for

new bonds offered in exchange to be registered in the same name. If the trustees of any organization or trust estate are empowered to act as a unit, although not designated as a board, committee or other body, bonds registered in their names as such trustees or in their title as such trustees, without their names, may be assigned by any trustee authorized by the group to act in its behalf. The assignments must 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 the authority of the trustees to act as a unit may be required, except that an assignment by one of the trustees named on the bonds or by one for whom appropriate proof of incumbency is furnished, for redemption for the account of the trustees (by check drawn substantially as the bonds are inscribed) or for redemption and application of the proceeds in payment for new bonds offered in exchange to be registered in the same name, need not be supported by any other evidence. As an alternative, in any case described in this section, assignments by all the trustees, supported by proof of their incumbency, if not named on the bonds, will be accepted.

§ 306.77 *Individual guardians.* Bonds registered in the names and titles of individual legal guardians or similar representatives of the estates of minors or incompetents, may be assigned by the designated representatives for any authorized transaction without further proof of their appointment and qualification, except that an assignment by any such representative for his own apparent benefit will be accepted only as provided in § 306.80. Assignments of bonds registered (a) in the titles, without the names, of the representatives, (b) in the names and titles of representatives who are no longer qualified to act, or (c) in the names of minors or incompetents must be supported by a certificate of appointment for the representatives, or a certified copy of their letters of appointment executed or certified by the clerk of the court making the appointment, under its seal. The certificate or certification must be dated not more than one year before the date of the assignment, and must show that the appointment is in full force, unless (1) the certificate or certification shows that the appointment was made not more than one year before the date of the assignment or (2) the representative or a co-representative is a

corporation. A bond registered in the name of a guardian or similar representative may be reissued in the name of his successor, upon the request of the designated representative or his successor, supported by proof of successorship, without assignment. All joint guardians must unite in any assignment, except as provided in § 306.79.

§ 306.78 *Corporate representatives and fiduciaries.* An assignment in behalf of a corporation acting alone or with individuals as executor, general administrator, guardian or similar representative, trustee or attorney in fact, must be supported by the evidence, if any, required in support of assignments by corresponding individual representatives or fiduciaries, except that the evidence of appointment as executor, administrator or guardian, if required, need not contain a statement that the appointment is in full force nor be dated within any particular period of time preceding the date of the assignment. Satisfactory evidence of the authority of the officer who executes the assignment in behalf of the corporation will be required, unless the assignment is (a) for redemption for the account of, or for redemption and application of the proceeds in payment for new bonds offered in exchange to be registered in the name of, the executors, administrators, guardians, trustees or grantors, as the case may be, or (b) for redemption at par before maturity, in accordance with § 306.28. The evidence of the officer's authority, if required, must be in substantially the same form as that required in support of an assignment of a bond registered in the name of the corporation in its own right, as set forth in § 306.85, except that the evidence must refer to bonds held in a representative or fiduciary capacity and that reference should be made to Forms PD 1011 and PD 1012 rather than Forms PD 1009 and PD 1010, respectively.

§ 306.79 *Joint representatives or fiduciaries.* If there are two or more joint executors, administrators, guardians or similar representatives, or trustees of an estate, all must unite in the assignment of any bonds belonging to the estate, unless

(a) An express statute, a decree of court, or the instrument under which they are acting provides otherwise; or

(b) The bonds have matured or been called, in which case one or more of the

representatives or fiduciaries may assign for redemption for the account of, or for redemption and application of the proceeds in payment for new bonds offered in exchange to be registered in the names of, all acting executors, administrators, guardians or similar representatives, or trustees. For assignments by joint attorneys in fact, see § 306.59.

§ 306.80 *Assignments by representatives or fiduciaries for their own benefit.* Unless there are two or more representatives or fiduciaries acting and all unite in the assignment, an assignment by an executor, administrator, guardian or similar representative, trustee, or other representative or fiduciary for his own apparent benefit, including an assignment for transfer to himself individually or an assignment for redemption for his individual account, must be supported by one of the following documents, in addition to any other evidence required under the regulations in this part:

(a) A duly certified copy of an order of a proper court, clearly authorizing the assignment.

(b) In the case of a fiduciary who is not acting under the supervision of a court, a duly certified copy of the governing instrument and any other evidence which may be necessary to show that he is entitled to the bond in his own right.

(c) The consent of all persons having any interest in the bonds, provided they can be identified and are not under any legal disability.

(d) In the case of an executor, administrator or trustee, a duly certified statement on Form PD 2480 or in substantially the same form, satisfactorily establishing that he is entitled to the bond or the proceeds thereof in his own right.

§ 306.81 *Attorneys in fact for fiduciaries.* Assignments by attorneys in fact for legal representatives or fiduciaries must be supported by adequate powers of attorney in addition to any evidence necessary to support assignments by the representatives or fiduciaries. Forms PD 1002 or PD 1004 may be used, depending on whether the representative or fiduciary is an individual or a corporation. Powers in other forms may be accepted, but all powers must be executed in the presence of an officer authorized to witness assignments of the bonds. Powers must specifically designate the bonds to be assigned. The

original must be filed with the Department, except that a photocopy certified by an officer of a Federal Reserve Bank or Branch, or by an officer of a bank or trust company under the corporate seal, will be accepted, if the seal on the original power is legible on the copy or is copied by the certifying officer. An assignment by a substituted attorney in fact must be supported by an appropriate power of substitution, which must be supported in turn by an appropriate power of attorney, and by proof of the representative's or fiduciary's authority, if necessary. Form PD 1006 or PD 1008, whichever is appropriate, may be used for the appointment of a substitute. An assignment by an attorney in fact or a substituted attorney in fact for his own apparent benefit will be accepted only if expressly authorized in the power of attorney or power of substitution respectively. An assignment by a substituted attorney in fact for the apparent benefit of the attorney in fact will be accepted only if expressly authorized in both the power of attorney and the power of substitution. A power of attorney or a power of substitution will be recognized until, but not after, the Bureau of the Public Debt, Division of Loans and Currency, Washington 25, D. C., receives proof of revocation, unless the power is coupled with an interest, except that a pending transaction will be temporarily suspended on receipt of a request from the grantor of the power, by wire or otherwise, and except further that the Secretary of the Treasury may require evidence in any case that a power is still in full force at the time the Department is requested to act under it.

§ 306.82 *Nontransferable securities.* The provisions of this subpart with respect to assignments are applicable to assignments of Treasury Bonds, Investment Series B-1975-80, and to requests for payment of Treasury Savings Notes. [23 F. R. 10353, Dec. 25, 1958]

SUBPART J—ASSIGNMENTS IN BEHALF OF PUBLIC OR PRIVATE ORGANIZATIONS

§ 306.85 *Private corporations and unincorporated associations.* Bonds registered in the name of a private corporation or unincorporated association in its own right (not a partnership or a business owned by one individual, whether or not operated under a trade name, or an activity conducted by a trustee or

trustees) may be assigned in its behalf, for any authorized transaction by any duly authorized officer or officers. Satisfactory evidence that the assigning officers were duly authorized to assign and sell or otherwise dispose of the bonds will be accepted in support of an assignment for any purpose, except that if the assignment is for their own apparent benefit the evidence must expressly authorize such disposition. No evidence will be required in support of assignments for redemption for the account of the corporation or association or for redemption and application of the proceeds in payment for new bonds offered in exchange to be registered in the name of the corporation or association. The evidence, if required, should ordinarily be in the form of a resolution of the governing body (usually, for a corporation, the board of directors, or for an unincorporated association, the members or a board of trustees). A resolution adopted by an executive committee or other body which is not obviously the governing body must be supplemented by a duly certified copy of the charter, constitution or bylaws, or an extract therefrom, showing the authority of the body to act for the organization. In any case the resolution may relate to any or all registered bonds owned by the organization, to bonds of any particular loan or issue, or to a particular bond or bonds. A copy of a resolution conferring general authority may be furnished on Form PD 1009, and one conferring limited authority may be furnished on Form PD 1010, or may be in any substantially similar form. In any case the copy must be certified or sworn to in accordance with the instructions on the applicable form. If the officer or officers derive their authority direct from the charter, constitution or bylaws, a copy or a pertinent extract therefrom, certified under the seal of the organization, or, if it has no seal, sworn to by another officer who has access to its records, will be required in lieu of a resolution. If the resolution or other supporting document shows only the title of the authorized officer, without his name, it must be supplemented by a certificate of incumbency certified under the seal of the organization, or, if it has no seal, sworn to by another officer who has access to its records. (Form PD 1014 may be used.) The signature to the assignment must

be in the following form, for example:

The Model Manufacturing Co., a corporation (or, an unincorporated association),
By (signed) John W. Henderson, Treasurer.

The officer in charge of the records and seal of a corporation may properly add the word "attest", followed by his signature and title and an impression of the seal, to the left of the corporate signature, when the organization's requirements so provide, but such endorsement is not required, and will not be accepted in lieu of an authorized witnessing officer's certificate.

§ 306.86 *Merger, consolidation, conversion, reincorporation, and change of name of private organizations.* If a private corporation is succeeded by another corporation by merger, consolidation, conversion or reincorporation (which do not include a general assignment of assets without legal successorship), its bonds may be assigned for any authorized transaction in behalf of the successor by an authorized officer in accordance with the provisions of the preceding section, or may be reissued in the name of the successor without assignment upon such successor's request and submission of satisfactory evidence of successorship. The evidence must be in the form of a certificate, under seal, by the public official, board or commission authorized by law to approve the action, or, if none, by direct proof of compliance with statutory or other legal requirements, usually in the form of certified copies of resolutions by governing bodies and by stockholders or members, and proof of filing as required by law. The certification of a resolution must show that due notice of the meeting was given, that a quorum was present, and that the resolution was adopted by the necessary majority, and must be signed, under the seal of the corporation, by an officer having access to its records, or, if it has no seal, must be sworn to by such officer. The signature to any necessary assignment must be in the following form, for example:

The Twin Cities Printing Corporation, successor to the St. Paul Printing Company, a corporation,
By (signed) Carl Johansen, President.

Similar evidence of the mere change of name of a corporation will be required to support a request in its behalf for reissue in its new name without assignment or an assignment in its behalf for any

authorized transaction. The signature to an assignment after change of name should be in the following form, for example:

The National Bank and Trust Company of -----, formerly the National Bank of -----,
By (signed) Theodore R. Stevenson, Vice President.

If an unincorporated association changes its name, or is succeeded by another organization, similar evidence, so far as applicable, will be required in support of a request for reissue in the new name or in the name of the successor, an assignment in behalf of the association under its new name, or an assignment by the successor. If the association (such as a local lodge or chapter) exists by reason of a charter issued by another organization, a certificate by the officer in charge of the records of the latter organization, under its seal, to the effect that the subordinate association has reorganized or changed its name in accordance with the constitution and bylaws of the parent organization, will be accepted in lieu of direct evidence of such action.

§ 306.87 *Attorney in fact for a corporation or unincorporated association.* Bonds registered in the name of a corporation or an unincorporated association may be assigned in its behalf for any authorized transaction by a duly authorized person as attorney in fact. Such assignments must be supported by one of the following documents certified under the seal of the organization, or, if it has no seal, sworn to by another officer who has access to its records:

(a) A copy of a resolution of its governing body authorizing an officer of the organization to appoint an attorney in fact to assign and sell or otherwise dispose of the bonds, as provided in § 306.85, and of a general or specific power of attorney by the officer so authorized, executed in the presence of an officer authorized to witness assignments of the bonds for the desired transactions, for which purpose Form PD 1003 or PD 1004 may be used;

(b) A copy of a resolution of its governing body directly appointing an attorney in fact for this purpose; or

(c) 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, and of a general or specific power of attorney by the officer so authorized, executed as pro-

vided in paragraph (a) of this section. In any case the power may not be broader than the authorizing resolution or other authority and a general power in behalf of a public corporation will be recognized only if authorized by statute. If the power or resolution authorizes the attorney in fact to appoint a substitute attorney in fact, an assignment by the substitute must be further supported by a power of substitution by the attorney in fact, executed in the manner prescribed for the execution of the power of attorney. (Forms PD 1005, PD 1006, PD 1007 or PD 1008, whichever is appropriate, may be used for this purpose.) If the resolution or other supporting document shows only the title of the authorized officer, without his name, it must be supplemented by a certificate of incumbency certified under the seal of the organization, or, if it has no seal, sworn to by another officer who has access to its records. (Form PD 1014 may be used.)

§ 306.88 *Political entities and public corporations.* Bonds registered in the name of a state, county, or other political entity, or in the name of an incorporated city, town, village, school district or other public corporation or body, may be assigned for any authorized transaction by a duly authorized officer or officers in accordance with the provisions of §§ 306.85 and 306.86, so far as applicable, except as otherwise provided herein. If evidence of authority derived from a municipal ordinance, charter of a public corporation, or special act of a state legislature is required, a copy of the pertinent provision must be certified to the Department by the proper public officer under official seal. If evidence of authority derived from a state constitution or from a public law is required, the pertinent provision must be cited. If a certificate of incumbency is required, it must be executed by the proper public officer under official seal.

[23 F. R. 10353, Dec. 25, 1958]

§ 306.89 *Public officers.* Bonds registered in the title of a public officer who is the official custodian of public funds, for example, "Treasurer, State of North Carolina," may be assigned by the designated officer except that no assignment will be necessary for reissue in the title of the successor upon submission of evidence of succession by operation of law. No evidence will be required in support of an assignment for redemption for the officer's official account or for redemp-

tion and application of the proceeds in payment for new bonds offered in exchange to be registered in his official title or in the name of the political entity or public corporation for which he is acting. Any other assignment must be supported by satisfactory evidence that the assignor is the incumbent of the designated office, except that an assignment for his individual benefit will not be recognized. The evidence must be in the form of a certificate of incumbency executed by the proper public officer under official seal.

[23 F. R. 10353, Dec. 25, 1958]

§ 306.90 *Partnerships.* An assignment of a bond registered in the name of a partnership must be executed by a general partner in the form, for example:

Smith and Jones, a partnership

By (signed) John Jones, a general partner.

An assignment for the benefit of one of the partners individually must be executed by another partner. Upon the death of a partner and the resulting dissolution of the partnership, assignment by all the surviving partners and by the persons entitled to assign in behalf of the decedent's estate will be required, unless the laws of the particular jurisdiction authorize the surviving partners to assign without regard to the decedent's estate. The assignment should be supported by an affidavit duly executed by a surviving partner identifying all the persons who had been partners immediately prior to the dissolution. Upon voluntary dissolution of a partnership, an assignment by a liquidating partner, as such, must be supported by a duly executed agreement among the partners appointing the liquidating partner.

[23 F. R. 10353, Dec. 25, 1958]

§ 306.91 *Nontransferable securities.* The provisions of this subpart shall apply to Treasury Bonds, Investment Series B-1975-80, and to requests for payment of Treasury Savings Notes.

[23 F. R. 10353, Dec. 25, 1958]

SUBPART K—CONFLICTING CLAIMS

§ 306.95 *Responsibility of Treasury Department.*—(a) *General.* The Treasury Department assumes no responsibility for the protection of the interest of any person in securities not in his possession, and neither the Department nor any of its agencies will accept notice of

any claim or of pending judicial proceedings by any such person, except as specifically provided in these regulations. (See Subpart L for information in regard to the conditions under which caveats may be entered against transactions in securities of certain classes and relief granted on account of the loss, theft or destruction thereof.) These limitations are based on the fact that the ready marketability of the securities, especially bearer securities, depends in part upon the promptness and freedom with which transactions therein may be effected.

(b) *Bearer securities.* Bearer securities comprise more than 90 percent of the outstanding marketable Government obligations, and transactions therein are concentrated in the twelve Federal Reserve Banks and their Branches, and the Treasury Department. The volume of these transactions is so great that the necessity of consulting lists of bearer securities against which caveats (stoppages) may be requested as the result of loss, theft or destruction before maturity would cause extensive delays in completing such transactions. Moreover, under generally recognized principles of law, good title to unmatured bearer securities will pass by delivery to a purchaser in good faith and for value. Therefore, the entry of caveats against transactions in these securities, upon receipt of reports of loss, theft or destruction, would be wholly without practical benefit.¹ As purchasers of bearer securities which have been lost or stolen after face maturity would not acquire good title thereto as against the true owners, reports of losses or thefts occurring after

face maturity will be recorded and efforts will be made to detect any such securities upon receipt by the Department or a Federal Reserve Bank, with a view to giving the owner an opportunity to establish his right to them. However, such efforts may be unsuccessful, on account of circumstances over which the Department has no control, in which case the Department's responsibility will be limited to notifying the person who reported the loss or theft of the source from which the securities were received, in so far as the information is available.

(c) *Registered securities.* Both assignment and delivery are necessary to pass good title to marketable securities in registered form. Therefore, the Department will afford registered owners appropriate protection against loss through forged assignments, and so far as possible, against loss through assignments affected by fraud. (See §§ 306.98 and 306.99.) Very little protection can be given owners who lose possession of their bonds after assigning them in blank or for exchange for coupon bonds without restrictions on the delivery of the coupon bonds, as bonds so assigned are, in effect, payable to bearer.

(d) *Interest coupons.* Interest coupons are payable to bearer, therefore, the Department can assume no responsibility whatever with respect to detached coupons which have been lost, stolen or destroyed, and will not enter any caveats (stoppages) against payment thereof or undertake to determine whether any particular coupons have been paid. [1954 Dept. Circ. 300, Rev., 20 F. R. 2393, Apr. 13, 1955, as amended at 23 F. R. 10353, Dec. 25, 1958]

¹On April 27, 1867, 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."

§ 306.96 *Circumstances under which the ownership of securities payable to bearer may be questioned.* A bearer security or a registered security so assigned as to become, in effect, payable to bearer which has been reported lost or stolen may be detected by the Treasury Department upon presentation for payment or other transaction only as the result of (a) the entry of a caveat, in the case of a security reported lost or stolen after maturity, as provided in § 306.108, (b) the requirement of proof of ownership, in the case of a mutilated security or one which is presented for payment more than a reasonable length of time after maturity, as provided in § 306.25, or (c) presentation by a person claiming to be a finder. If the security

is so detected, the Department will call upon the presenter and the person who reported the loss or theft to substantiate their respective claims. If the evidence submitted by either claimant establishes conclusively that he is the owner of the security, payment will be made to him, except that the Department, before making payment, may require a bond of indemnity or other security to protect the United States from any liability to any other person. If payment may not be made under these conditions, the Department will hold the security until the case is settled by agreement or as the result of judicial proceedings in accordance with § 306.97.

§ 306.97 *Judicial proceedings.* The Treasury Department will recognize any valid judicial proceedings in a proper court affecting the ownership of or interest in registered securities upon presentation of the securities to the Department bearing appropriate assignments and accompanied by satisfactory proof of the proceedings. If the bonds are registered in the names of two or more persons, the extent of their respective interests in the bonds must be determined by the court in proceedings to which they are parties or must otherwise be validly established. The following evidence will be required in the types of cases designated:

(a) *Judicial transfers.* An assignment by a transferee through judicial proceedings, as in the case of a divorce decree awarding to one party to the proceedings a bond registered in the name of the other, or any case in which a bond registered in the name of one person is found to be the property of another person, must be supported by a copy of the final judgment or decree and of the record of any necessary supplemental proceedings, duly certified by the clerk of the court under its seal, and, if the judgment or decree was entered more than six months prior to the assignment, by a certificate, under court seal, by the clerk, dated within six months of the assignment, showing that the judgment or decree is in full force. The signature to the assignment should be in the following form:

----- by -----
(Registered owner)
person entitled through judicial proceedings.

(b) *Sales under court orders.* An assignment by a sheriff, marshal or other court officer for the purpose of carrying

out a sale ordered by the court to satisfy or apply on a money judgment must be supported by copies of the court order (writ of execution) and the officer's return thereon, in addition to copies of the judgment and the record of supplemental proceedings, all certified by the clerk of the court under its seal. In the case of a security which has matured or become redeemable pursuant to a call for redemption, in lieu of sale in the usual manner, the officer to whom the order is directed may assign the security to the Secretary of the Treasury for redemption and receive payment thereof in his official capacity. The signature to the assignment should be in the following form:

(Signature and official title)
an officer of the ----- Court of

(County and State)
in the matter of -----

(c) *Bankruptcy proceedings.* An assignment by a trustee in bankruptcy must be supported by the referee's certificate of the trustee's election and qualification, and the incumbency and signature of the referee must be certified by the clerk of the court under its seal. The signature to the assignment should be in the following form:

-----, Trustee in Bankruptcy of the estate of -----

(d) *Receivers.* An assignment of a registered bond by a receiver of the property of the owner, or by a similar officer, must be supported by a copy of an order of court certified by the clerk of the court under its seal, authorizing the assignment and sale or transfer of the bond, except that, in the case of a statutory officer, the assignment must be supported by proof of compliance with the statutory requirements. The signature to the assignment should be in the following form:

-----, by -----
(Registered owner)
Receiver (or other official title), under order of the ----- Court of
-----, in the matter of -----
(County and State)

The Department will also recognize a determination by a proper court with respect to the ownership or right to possession of securities in either registered or bearer form which may be held by the Department subject to such

determination. The evidence required will be similar to that prescribed in paragraph (a) of this section.

§ 306.98 *Assignments affected by fraud.* If a registered bond has been transferred, exchanged or redeemed in reliance upon an apparently valid assignment, and a claim that the assignment was obtained by fraud is subsequently received, the Treasury Department can grant no relief. If a claim of this kind is received before the bond is transferred, exchanged or redeemed, the Department will call upon the registered owner to substantiate his claim, and if he does so the Department will enter a caveat (stoppage) against the bond. When a bond against which a caveat has been so entered is received, the Department will call upon the presenter to explain the circumstances under which he acquired the bond. If it appears from all the evidence submitted that the presenter acquired the bond in good faith, for value, without notice or knowledge of the alleged fraud, the Department will then give the registered owner a reasonable period of time in which to institute judicial proceedings against the presenter to establish his right to the bond in accordance with § 306.97; if he fails to institute appropriate proceedings within the prescribed period of time or is not successful, the Department will recognize the assignment. If it does not appear that the presenter acquired the bond in good faith, for value, without notice or knowledge of the alleged fraud, the Department will take the position of a stakeholder with respect to the bond until the case is settled by a disclaimer of interest by one of the parties, by an agreement between them, or by judicial proceedings between them in accordance with § 306.97. In any case in which the transfer, exchange or redemption of a bond is withheld pending the receipt of evidence requested or the outcome of judicial proceedings, or while the Department is acting as a stakeholder with respect to the bond, any interest to which the presenter might be entitled will be withheld, and when the case is settled any interest so withheld will be paid to the person found to be entitled to the bond, unless otherwise determined by agreement of the parties or by the court.

§ 306.99 *Forged assignments.* No title can be acquired through a forged assignment of a registered bond, even by

a purchaser in good faith, for value, without notice or knowledge of the forgery. An assignment of a registered bond against which a caveat (stoppage) has been entered in accordance with § 306.108 will not be accepted unless it is determined that the assignment is genuine. If the assignment is found to be a forgery, the Treasury Department will grant appropriate relief to the true owner. If an assignment has been honored before the receipt of notice of the loss or theft of the bond, and it is found upon investigation that the assignment is a forgery, the Department will grant appropriate relief to the true owner and proceed against those responsible for the loss resulting from the first transaction, including (a) the person committing the forgery, (b) the witnessing officer or the corporation of which he is an officer (see § 306.44), and (c) the person presenting the bond to the Department or a Federal Reserve Bank for transfer, exchange or payment, who thereby gives an implied warranty of title to the United States.

§ 306.100 *Nontransferable securities.* The provisions of this subpart, with the exception of those of §§ 306.95, 306.96 and 306.98, shall apply to Treasury Bonds, Investment Series B-1975-80, provided, that the reference in § 306.97 (b) to assignment by a sheriff, marshal or other court officer, a trustee in bankruptcy or a receiver or similar officer, other than for redemption, shall be deemed to refer to assignment of the bonds for exchange for 1½ percent 5-year Treasury Notes of EA or EO series, and that the reference in § 306.99 relating to transfer of title and to an implied warranty of a presenter is not applicable. The provisions of this subpart, with the exception of those of §§ 306.95, 306.96 and 306.98, shall apply to Treasury Savings Notes, provided, that reference to assignment in § 306.97 shall be deemed to refer to a request for payment.

[23 F. R. 10353, Dec. 25, 1958]

SUBPART I—RELIEF ON ACCOUNT OF LOSS, THEFT, DESTRUCTION, MUTILATION OR DEFAACEMENT

§ 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. The statute defines interest-bearing securities as direct obligations of the United States issued pursuant to law for valuable consideration which by their terms bear interest or are issued on a discount basis, but includes Excess Profits Tax Refund bonds which bear no interest. To obtain relief the securities must be identified by description and number, and the pertinent facts must be clearly proved to the satisfaction of the Secretary of the Treasury. Except in certain specified types of cases or under certain specified circumstances, the law requires a bond of indemnity in such form and amount and with such surety, sureties, or security as the Secretary shall require. For detailed information concerning bonds of indemnity see § 306.113. If relief is authorized on account of a security which has not matured or become redeemable pursuant to a call, a substitute security bearing the same issue date, marked "Duplicate" and showing the serial number of the original security, will be issued; if relief is authorized on account of a security which has matured or become redeemable pursuant to a call, payment will be made.

§ 306.106 *Securities to which this subpart applies.* This subpart applies to all securities for which relief may be given under authority of the statute cited in § 306.105 (except United States Savings Bonds, which are governed by separate regulations) or under the authority of any government or any organization of the United States for which the Treasury Department acts as transfer agency.

§ 306.107 *Reports of disappearance or recovery.* The loss, theft or destruction of a security should be reported to the Bureau of the Public Debt, Division of Loans and Currency, Washington 25, D. C., as promptly as possible, except that if Treasury Savings Notes are involved the report should be sent to the issuing agency. The report must include the following information or as much thereof as possible: (a) the identification of the security by the complete title of the loan including the interest rate, date of issue and series, and by the serial number and denomination, and, in the case of registered securities, the exact form of inscription and a full description of any assignment, endorsement or other writing thereon; (b) the name and present address of the owner, and his address at the time the securi-

ties were issued, and, if the report is made by any other person, the capacity in which he represents the owner; and (c) a brief statement of the circumstances under which the security disappeared. Upon receipt of the report an appropriate form for use in applying for relief will be furnished. The receipt of a report of loss, theft or destruction of a registered security on which interest is payable periodically will not affect the payment of the interest. If any report of loss, theft or destruction is found to have been made in error, or if any security reported as lost or stolen is recovered before relief has been authorized, the Bureau of the Public Debt should be notified to that effect, with references to the description of the security and the date of the original report. If any security for which relief has been granted is recovered, it must be surrendered as the property of the United States to the Bureau of the Public Debt, Division of Loans and Currency, Washington 25, D. C.

§ 306.108 *Caveats (stoppages).* Upon receipt of a report of the loss, theft or possible destruction of a registered security, a caveat (stoppage) will be entered to suspend any transaction therein not specifically authorized by the owner, except in the case of a transferable security which (a) had been assigned to bearer or so assigned as to become, in effect, payable to bearer (as explained in § 306.42), and (b) had been lost, stolen or possibly destroyed before its face maturity. In the case of a bearer security or a registered transferable security which had been assigned to bearer or so assigned as to become, in effect, payable to bearer, a caveat will be entered only in the event it satisfactorily appears that the loss, theft or possible destruction occurred after the face maturity of the security (see § 306.95). However, if Department records show that the security has already been presented and honored, the owner or his authorized representative will be advised to that effect and furnished such information as may be available regarding the source of receipt. If after the receipt of an application for relief on account of the loss, theft or possible destruction of a bearer security, or a registered security assigned to bearer or so assigned as to become, in effect, payable to bearer, it is determined that the security had been presented and honored, the owner will be simultaneously informed.

No. 853¹) will be given pursuant to an application therefor on Form PD 2211. Banks, as therein defined, are authorized to place restrictive endorsements on the face of bearer securities owned by themselves or their customers but only in connection with the presentation thereof to a Federal Reserve Bank or the Treasury Department for payment at maturity or pursuant to a call for redemption or for exchange pursuant to an optional exchange offering. A bond of indemnity will be required as a condition of relief on account of the loss, theft, or destruction of the securities, but surety thereon will ordinarily be dispensed with if the bond is executed by the presenting bank.

§ 306.117 *Nontransferables.* The provisions of this subpart apply to all non-transferable securities, other than United States Savings Bonds, subject only to the limitations imposed by the terms of the particular issues.

[23 F. R. 10353, Dec. 25, 1958]

SUBPART M—MISCELLANEOUS PROVISIONS

§ 306.120 *Additional requirements.* In any case arising under the regulations in this part the Secretary of the Treasury may require such proof, additional proof, or bond of indemnity with satisfactory surety, as may in his judgment be necessary for the protection of the interests of the United States.

§ 306.121 *Waiver of regulations.* The Secretary of the Treasury reserves the right, in his discretion, to waive or modify any provision or provisions of the regulations in this part 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 would not be inconsistent with law, would not impair any existing rights, and if he is satisfied that such action would not subject the United States to any substantial expense or liability.

§ 306.122 *Forms.* The forms mentioned in the regulations in this part are those currently provided for the purposes specified. The references to certain forms shall be construed to apply to any forms which may hereafter be provided for the same purposes.

§ 306.123 *Acceptance of securities of United States as security for public pur-*

¹These regulations have no application whatever to registered securities.

poses. Regulations prescribed pursuant to law governing the acceptance of designated classes of securities of the United States by public officers of the United States for certain purposes are set forth in other Treasury Department Circulars, as follows:

(a) As security for special deposits of public moneys, in Part 203 of this chapter (Circular No. 92 (revised)).

(b) As security for deposits of public moneys in general depositories and limited to depositories, in Part 202 of this chapter (Circular No. 176, as amended).

(c) In lieu of surety or sureties on penal bonds required by the laws of the United States, in Part 225 of this chapter (Circular No. 154 (revised)).

§ 306.124 *Repeal of previous circulars subject to existing rights.* Treasury Department Circular No. 300, dated July 31, 1923, as amended and supplemented, and Department Circular No. 666, dated July 21, 1941, (Part 307 of this chapter) are hereby repealed and superseded, except that nothing contained in the regulations in this part shall be construed to limit or restrict any 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.

§ 306.125 *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 with respect to United States securities.

Part 308—General Regulations Governing Full-Paid Interim Certificates

- Sec.
- 308.1 Issue.
- 308.2 Exchange for definitive securities.
- 308.3 Exchanges of denominations.
- 308.4 Applicable regulations.
- 308.5 Reservations.

AUTHORITY: §§ 308.1 to 308.5 issued under R. S. 161, as amended, sec. 32, 30 Stat. 466, as amended, secs. 1, 5, 18, 40 Stat. 288, as amended, 290, as amended, 1309, as amended, sec. 8, 50 Stat. 481, as amended; 5 U. S. C. 22, 31 U. S. C. 738a, 752, 753, 754, 756.

SOURCE: §§ 308.1 to 308.5 contained in Department Circular 368, Revised, 6 F. R. 5289, Oct. 17, 1941.

§ 308.1 *Issue.* Federal Reserve Banks, as Fiscal Agents of the United States, and the Treasury Department may issue full-paid interim certificates in lieu of definitive securities, against full-paid allotments of subscriptions, when specifically authorized by the Secretary of the Treasury in connection with the issue, hereafter, to the public, of United States securities. Interim certificates shall be in such form, and in such denominations, as the Secretary of the Treasury may determine when an issue is authorized.

§ 308.2 *Exchange for definitive securities.* Upon surrender of a full-paid interim certificate to a Federal Reserve Bank, or to the Treasury Department, Washington, D. C., the definitive securities described therein, when prepared, will be delivered. Exchanges shall be made on like par amount basis.

§ 308.3 *Exchanges of denominations.* Pending availability of definitive securities, exchanges of authorized denominations of interim certificates, from higher to lower will be permitted.

§ 308.4 *Applicable regulations.* Except as may otherwise be provided, and in so far as applicable, the general regulations of the Treasury Department, as contained in Part 306 of this subchapter, as amended or revised, shall apply to full-paid interim certificates.

§ 308.5 *Reservations.* The Secretary of the Treasury reserves the right to withdraw or amend at any time or from time to time any or all of the provisions of this part.

Part 309—Issue and Sale of Treasury Bills

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| Sec. | |
| 309.1 | Authority for issue and sale. |
| 309.2 | Description of Treasury bills (General). |
| 309.3 | Denominations and exchange. |
| 309.4 | Taxation. |
| 309.5 | Acceptance as security for public deposits and in payment of taxes (when specifically provided for by the Secretary of the Treasury). |
| 309.6 | Public notice of offering. |
| 309.7 | Tenders; submission through Federal Reserve Banks. |
| 309.8 | Tenders; when cash deposit required. |
| 309.9 | Tenders; acceptance by the Secretary of the Treasury. |
| 309.10 | Tenders; reservation of right to reject. |
| 309.11 | Tenders; payment of accepted tenders. |

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| Sec. | |
| 309.12 | Relief on account of loss, theft or destruction, etc. |
| 309.13 | Functions of Federal Reserve Banks. |
| 309.14 | Reservation as to terms of this part. |

AUTHORITY: §§ 309.1 to 309.14 issued under R. S. 161, as amended, sec. 5, 40 Stat. 290, as amended, sec. 8, 50 Stat. 481, as amended; 5 U. S. C. 22, 31 U. S. C. 738a, 754.

SOURCE: §§ 309.1 to 309.14 contained in 1954 Department Circular 418 (Revised), 19 F. R. 1114, Feb. 27, 1954, except as otherwise noted.

§ 309.1 *Authority for issue and sale.* The Secretary of the Treasury is authorized by the Second Liberty Bond Act, as amended, to issue Treasury bills of the United States on an interest-bearing basis, on a discount basis, or on a combination interest-bearing and discount basis, at such price or prices and with interest computed in such manner and payable at such time or times as he may prescribe; and to fix the form, terms, and conditions thereof, and to offer them for sale on a competitive or other basis, under such regulations and upon such terms and conditions as he may prescribe. Pursuant to said authorization, the Secretary of the Treasury may, from time to time, by public notice, offer Treasury bills for sale, and invite tenders therefor, through the Federal Reserve Banks. The Treasury bills so offered, and the tenders made, will be subject to the terms and conditions and to the general rules and regulations set forth in this part, except as they may be modified in the public notices issued by the Secretary of the Treasury in connection with particular offerings.¹

§ 309.2 *Description of Treasury bills (General).* Treasury bills are bearer obligations of the United States promising to pay a specified amount on a specified date. They will be payable at maturity upon presentation to the Treasurer of the United States, in Washington, or to any Federal Reserve Bank. Treasury bills are issued only by Federal Reserve Banks pursuant to tenders accepted by the Secretary of the Treasury, and shall not be valid unless the issue date and the maturity date are entered thereon. Treasury bills bearing the same issue date and the same maturity date shall constitute a series.

¹ Accordingly, the regulations in this part do not constitute a specific offering of Treasury bills.

§ 309.3 *Denominations and exchange.* Treasury bills will be issued in denominations (maturity value) of \$1,000, \$5,000, \$10,000, \$100,000, \$500,000 and \$1,000,000. Exchanges from higher to lower denominations of the same series (bearing the same issue and maturity dates) will be permitted at Federal Reserve Banks. Insofar as applicable, the general regulations of the Treasury Department governing transactions in bonds and notes will govern transactions in Treasury bills.

§ 309.4 *Taxation.* The income derived from Treasury bills, whether interest or gain from the sale or other disposition of the bills, shall not have any exemption, as such, and loss from the sale or other disposition of Treasury bills shall not have any special treatment, as such, under the Internal Revenue Code, or laws amendatory or supplementary thereto. The bills shall be subject to estate, inheritance, gift or other excise taxes, whether Federal or State, but shall be 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. For purposes of taxation the amount of discount at which Treasury bills are originally sold by the United States shall be considered to be interest.

§ 309.5 *Acceptance as security for public deposits and in payment of taxes (when specifically provided for by the Secretary of the Treasury).* Treasury bills will be acceptable at maturity value to secure deposits of public moneys. The Secretary of the Treasury, in his discretion, when inviting tenders for Treasury bills, may provide that Treasury bills of any series will be acceptable at maturity value, whether at or before maturity, under such rules and regulations as he shall prescribe or approve, in payment of income and profits taxes payable under the provisions of the Internal Revenue Code. Any Treasury bills which by the terms of their issue may be accepted in payment of income and profits taxes may be surrendered to any Federal Reserve Bank or Branch, acting as fiscal agent of the United States, fifteen days or less before the date on which the taxes become due. The Federal Reserve Bank or Branch will issue receipts to the owners showing the face amount of the bills so surrendered. These receipts may be submitted

in lieu of the bills on or before the specified tax payment dates to the District Director, Internal Revenue Service, with the owners' tax returns. Notes secured by Treasury bills are eligible for discount or rediscount at Federal Reserve Banks by member banks, as are notes secured by bonds and notes of the United States, under the provisions of section 13 of the Federal Reserve Act. They will be acceptable at maturity, but not before, in payment of interest or of principal on account of obligations of foreign governments held by the United States.

[23 F. R. 10184, Dec. 24, 1958]

§ 309.6 *Public notice of offering.* When Treasury bills are to be offered, tenders therefor will be invited through public notice given by the Secretary of the Treasury. Such public notices may be issued by the Secretary of the Treasury in the name of "the Treasury Department" with the same force and effect as if issued in the name of the Secretary of the Treasury. In such notice there will be set forth the amount of Treasury bills for which tenders are then invited, the date of issue, the date or dates when such bills will become due and payable, the date and closing hour for the receipt of tenders at the Federal Reserve Banks and Branches, and the date on which payment for accepted tenders must be made or completed.

§ 309.7 *Tenders; submission through Federal Reserve Banks.* Tenders in response to any such public notice will be received only at the Federal Reserve Banks, or Branches thereof, and unless received before the time fixed for closing will be disregarded. Tenders will not be received at the Treasury Department. Each tender must be for an amount in an even multiple of \$1,000 (maturity value). In the case of competitive tenders the price or prices offered by the bidder for the amount or amounts (at maturity value) applied for must be stated, and must be expressed on the basis of 100, with not more than three decimals, e. g., 99.925. Fractions may not be used.

§ 309.8 *Tenders; when cash deposit required.* Tenders should be submitted on the printed forms and forwarded in the special envelopes which will be supplied on application to any Federal Reserve Bank, or Branch. If a special envelope is not available, the inscription "Tender for Treasury Bills" should be

placed on the envelope used. The instructions of the Federal Reserve Banks with respect to the submission of tenders should be observed. Others than banking institutions will not be permitted to submit tenders except for their own account. Tenders from incorporated banks and trust companies, and from responsible and recognized dealers in investment securities will be received without deposit. Tenders from all others must be accompanied by a payment of such percent of the face amount of the Treasury bills applied for as the Secretary of the Treasury may from time to time prescribe: *Provided, however*, That such deposit will not be required if the tender is accompanied by an express guaranty of payment in full by an incorporated bank or trust company. Forfeiture of the prescribed payment may be declared by the Secretary of the Treasury, if payment is not completed, in the case of accepted tenders, on the prescribed date.

§ 309.9 *Tenders; acceptance by the Secretary of the Treasury.* At the time fixed for closing, as specified in the public notice, all tenders received by the Federal Reserve Banks, or Branches, will be opened. The Secretary of the Treasury will determine the acceptable prices offered and will make public announcement thereof. Those submitting tenders will be advised by the Federal Reserve Banks of the acceptance or rejection thereof, and payment on accepted tenders must be made or completed on the date specified in the public notice.

§ 309.10 *Tenders; reservation of right to reject.* In considering the acceptance of tenders, the highest prices offered will be accepted in full down to the amount required, and if the same price appears in two or more tenders and it is necessary to accept only a part of the amount offered at such price, the amount accepted at such price will be prorated in accordance with the respective amounts applied for. However, the Secretary of the Treasury expressly reserves the right on any occasion to accept non-competitive tenders entered in accordance with specific offerings, to reject any or all tenders or parts of tenders, and to award less than the amount applied for; and any action he may take in any such respect or respects shall be final.

§ 309.11 *Tenders; payment of accepted tenders.* Settlement for accepted tenders in accordance with the bids must

be made or completed at the appropriate Federal Reserve Bank in cash or other immediately available funds on or before the date specified, except that the Secretary of the Treasury, in his discretion, when inviting tenders for Treasury bills, may provide: (a) That any qualified depository may make such settlement by credit, on behalf of itself and 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 or (b) that such settlement may be made in maturing Treasury bills accepted in exchange. Whenever the Secretary provides for settlement in maturing Treasury bills, cash adjustments will be made for differences between the par value of the maturing bills and the issue price of the new bills.

§ 309.12 *Relief on account of loss, theft or destruction, etc.* (a) Relief on account of the loss, theft, destruction, mutilation or defacement of Treasury bills may be given only under the authority of, and subject to the conditions set forth in section 8 of the act of July 8, 1937 (50 Stat. 481), as amended (31 U. S. C. 738a) and the regulations pursuant thereto in Part 306 of this subchapter (Treasury Department Circular No. 300, revised) insofar as applicable.

(b) In case of the loss, theft, destruction, mutilation or defacement of Treasury bills, immediate advice, with a full description of the bill or bills involved, should be sent to the Bureau of the Public Debt, Division of Loans and Currency, Washington 25, D. C., either direct or through any Federal Reserve Bank, and, if relief under the statutes may be given, instructions and necessary blank forms will be furnished.

[1954 Dept. Circ. 418 Rev., 19 F. R. 1114, Feb. 27, 1954, as amended at 23 F. R. 10184, Dec. 24, 1958]

§ 309.13 *Functions of Federal Reserve Banks.* Federal Reserve Banks, as fiscal agents of the United States, are authorized to perform all such acts as may be necessary to carry out the provisions of this part and of any public notice or notices issued in connection with any offering of Treasury bills.

§ 309.14 *Reservation as to terms of this part.* The Secretary of the Treasury reserves the right further to amend, supplement, revise or withdraw all or any of the provisions of this part at any time, or from time to time.

Part 312—Federal Savings and Loan Associations and Federal Credit Unions as Fiscal Agents of the United States

NOTE: Pursuant to the regulations in this part, the Acting Secretary of the Treasury on September 15, 1936, designated for employment as fiscal agents of the United States for the purpose of taking applications solely from their own members and forwarding remittances for, and making delivery of, United States Savings Bonds, all Federal savings and loan associations and Federal credit unions in good standing having five hundred or more members, and further designated all Federal savings and loan associations in good standing for employment as fiscal agents of the United States, for the purpose of collecting delinquent accounts arising out of insurance and loan transactions of the Administrator under title I of the National Housing Act, and making investigations and rendering reports respecting the said delinquencies as may be directed from time to time by the Administrator.

Sec.

312.1 Authority.

312.2 Applications and remittances for, and delivery of, United States Savings Bonds.

312.3 Collections, investigations and reports for the Federal Housing Administration.

312.4 Bond of indemnity required.

312.5 Fiscal agents to serve without compensation.

312.6 Applications other than to Federal Reserve Banks.

AUTHORITY: §§ 312.1 to 312.6 issued under sec. 5 (k), 48 Stat. 132, as amended, sec. 17, 48 Stat. 1222; 12 U. S. C. 1464 (k), 1767.

SOURCE: §§ 312.1 to 312.6 contained in Department Circular 568, 1 F. R. 1587, Sept. 17, 1936.

CROSS REFERENCES: For Bureau of Federal Credit Unions, Social Security Administration, Department of Health, Education, and Welfare, see 45 CFR Chapter III. For Farm Credit Administration, see 6 CFR Chapter I. For Federal Home Loan Bank Board, see 24 CFR Chapter I. For Federal Housing Administration, Housing and Home Finance Agency, see 24 CFR Chapter II.

§ 312.1 *Authority*—(a) *Home Owners' Loan Act.* Section 5 (k) of the Home Owners' Loan Act of 1933, as amended, (48 Stat. 645; 12 U. S. C. 1464 (k)), is as follows:

(k) When designated for that purpose by the Secretary of the Treasury, any Federal savings and loan association . . . may be employed as fiscal agent of the Government under such regulations as may be pre-

scribed by said Secretary and shall perform all such reasonable duties as fiscal agent of the Government as may be required of it

(b) *Federal Credit Union Act.* Section 17 of the Federal Credit Union Act (48 Stat. 1222; 12 U. S. C. 1767) is as follows:

Each Federal credit union organized under this Act, when requested by the Secretary of the Treasury, shall act as fiscal agent of the United States and shall perform such services as the Secretary of the Treasury may require in connection with . . . the lending, borrowing, and repayment of money by the United States, including the issue, sale, redemption or repurchase of bonds, notes, Treasury certificates of indebtedness, or other obligations of the United States

§ 312.2 *Applications and remittances for, and delivery of, United States Savings Bonds.* All Federal savings and loan associations and Federal credit unions, when designated for employment as fiscal agents of the United States for the purposes of taking applications and forwarding remittances for, and making delivery of, United States Savings Bonds, shall promptly forward such applications and remittances, in the form received, to the Federal Reserve Bank of the district in which the association or credit union is located, except that remittances received in cash should be forwarded in the form of money order or check. Upon receipt of such application and remittance, the Federal Reserve Bank will, if the application has been duly executed, and subject to the collection of any remittance which may be in the form of a check or draft, promptly forward United States Savings Bonds in the desired amount to the said association or credit union for the purpose of delivery to the applicant. Application forms and any other necessary papers and materials will be furnished by the Federal Reserve Bank to any association or credit union which may be designated for such employment; inquiries relating to the manner of handling applications, the terms and conditions of United States Savings Bonds, and the forms in which they may be registered may also be made to, and information obtained from, post offices.

§ 312.3 *Collections, investigations, and reports for the Federal Housing Administration.* Federal savings and loan associations, when designated for employment as fiscal agents of the United States for the purpose of collecting delinquent

accounts arising out of insurance and loan transactions of the Administrator under title I of the National Housing Act (48 Stat. 1246, 1247; 12 U. S. C. 1702-1706), and making investigations and rendering reports respecting the said delinquencies as may be directed from time to time by the Administrator, shall promptly forward remittances in the form collected to the Commissioner of the Federal Housing Administration, except, that remittances received in cash should be forwarded in the form of money order or check.

§ 312.4 *Bond of indemnity required.* No Federal savings and loan association or Federal credit union which may have been designated for any employment mentioned in this part shall perform, or make any effort to perform any of the acts included in such employment, or advertise in any manner that it is authorized to perform such acts (a) until it has qualified by the execution of, delivery to, and approval by, the undersigned, of a bond of indemnity in favor of the United States with satisfactory surety, or with the pledge of collateral security as provided in Part 225 of this chapter, conditioned upon the faithful performance of the obligor's duties as fiscal agent of the United States, such bond to be in the principal amount of \$5,000: *Provided, however,* That the bond of indemnity furnished by an association designated solely for the employment mentioned in § 312.3, shall be in the principal amount of \$1,000; and (b) until the Federal Home Loan Bank Board or the Farm Credit Administration, respectively, shall have certified to the Secretary of the Treasury that such association or credit union is in good standing and is eligible, under the terms and conditions prescribed by the Secretary of the Treasury, to qualify for the performance of the designated acts. The Federal Home Loan Bank Board and the Farm Credit Administration, respectively, shall keep the Secretary of the Treasury currently advised of any changes in the list of associations and credit unions which are eligible, under the aforesaid terms and conditions, to qualify for the performance of the designated acts.

§ 312.5 *Fiscal agents to serve without compensation.* All of the fiscal agency employment mentioned in this part shall be performed without compensation, re-

imbursement for expenses, or allowance of service charges.

§ 312.6 *Applications other than to Federal Reserve Banks.* Nothing contained in this part shall be construed as preventing such associations and credit unions, if they desire to assume such responsibility, from acting as agents of prospective purchasers in making applications to, and obtaining United States Savings Bonds from, post offices or other designated places of issuance.

Part 315—United States Savings Bonds

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AUTHORITY: §§ 315.1 to 315.94 issued under sec. 22, 49 Stat. 21, as amended; 31 U. S. C. 757c.

SOURCE: §§ 315.1 to 315.94 contained in Department Circular 530, Eighth Revision. 22 F. R. 11065, Dec. 31, 1957, except as otherwise noted.

SUBPART A—GENERAL INFORMATION

§ 315.0 *Applicability of regulations.* The regulations in this part apply generally to all United States Savings Bonds of all series of whatever designation, bearing any issue dates whatever, except as otherwise specifically provided herein.

§ 315.1 *Official agencies.* The Bureau of the Public Debt of the Treasury Department is charged with matters relating to United States Savings Bonds. Transactions in savings bonds after original issue are largely conducted by the Bureau of the Public Debt, Division of Loans and Currency Branch, 536 South Clark Street, Chicago 5, Illinois, the Federal Reserve Banks and Branches, as fiscal agents of the United States, and the Treasurer of the United States, Treasury Department, Washington 25, D. C. Correspondence in regard to any such transactions and requests for appropriate forms should be addressed to the office in Chicago or the Federal Reserve Bank of the district in which the correspondent is located or the Treasurer of the United States, except that any specific instructions given elsewhere in this part for addressing correspondence regarding particular transactions should be observed. Notices or documents not filed in accordance with instructions in the regulations in this part will not be recognized. The Federal Reserve Banks

and Branches are located in the cities indicated by their names, as follows:

Federal Reserve Bank of Boston.
Federal Reserve Bank of New York: Buffalo Branch.

Federal Reserve Bank of Philadelphia.
Federal Reserve Bank of Cleveland: Cincinnati Branch, Pittsburgh Branch.

Federal Reserve Bank of Richmond: Baltimore Branch, Charlotte Branch.

Federal Reserve Bank of Atlanta: Birmingham Branch, Jacksonville Branch, Nashville Branch, New Orleans Branch.

Federal Reserve Bank of Chicago: Detroit Branch.

Federal Reserve Bank of St. Louis: Little Rock Branch, Louisville Branch, Memphis Branch.

Federal Reserve Bank of Minneapolis: Helena (Montana) Branch.

Federal Reserve Bank of Kansas City: Denver Branch, Oklahoma City Branch, Omaha Branch.

Federal Reserve Bank of Dallas: El Paso Branch, Houston Branch, San Antonio Branch.

Federal Reserve Bank of San Francisco: Los Angeles Branch, Portland (Oregon) Branch, Salt Lake City Branch, Seattle Branch.

§ 315.2 *Definition of terms as used in the regulations in this part.* (a) "An incompetent" means any person who is under legal disability for reasons other than minority and includes individuals whose estates have been placed under the administration of a guardian or custodian because of the age, physical disability, or wishes of the individual.

(b) "Authorized issuing agent" means an incorporated bank, trust company, savings bank, Federal savings and loan association, instrumentality of the United States or other organization qualified as an issuing agent under the provisions of Department Circular No. 657, as amended and supplemented (Part 317 of this Chapter).

(c) "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, Revised (Part 321 of this chapter).

(d) "Court" means a court which has jurisdiction over the parties and subject matter.

(e) "Federal Reserve Bank" includes any Branch of a Federal Reserve Bank.

(f) "Extended maturity date" means the date of expiration of any period (hereinafter called "optional extension

period") after the "maturity date" during which the owner has the option of retaining bonds at further interest under the provisions of the Department circular offering them for sale.¹

(g) "Extended maturity value" means the value of a bond at the end of the optional extension period.

(h) "Maturity date" means the date on which the bond will mature by the terms of the Department circular offering it for sale without regard to any optional extension period.

(i) "Maturity value" and "face value" of a bond are used interchangeably unless otherwise indicated. They refer to the value of a bond on its maturity date.

(j) "Payment" and "redemption" are used interchangeably, unless otherwise indicated. They refer to the payment of a savings bond in accordance with the governing regulations.

(k) "Personal trust estate" means a trust estate established by natural persons in their own right, for the benefit of themselves or other such natural persons, in whole or in part, and common trust funds comprised in whole or in part of such trust estates.

(l) "Presented and surrendered" and "presentation and surrender" mean the actual receipt of the bond, with an appropriate request for the particular transaction, by the Bureau of the Public Debt, Chicago office or Washington office, the Treasurer of the United States, or a Federal Reserve Bank, 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 of the estate of a minor, incompetent, or absentee appointed by court or otherwise legally qualified, regardless of the title by which designated. These terms do not refer to a voluntary or 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

¹ Bonds of Series E bearing issue dates prior to May 1, 1957, have an optional extension period. Bonds of other series do not have this feature.

executor or administrator of the estate of a decedent.

(n) "Reissue" means the cancellation and retirement of a bond and the issue of a new bond or bonds of the same series, amount (maturity value) (or the remainder thereof in case of partial redemption), and issue date.

SUBPART B—REGISTRATION

§ 315.5 *General.* United States Savings Bonds are issued only in registered form. The form of registration used must express the actual ownership of and interest in the bond and, except as otherwise specifically provided in Subpart E and § 315.48 of Subpart I of this part, 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 co-owner, nor any restriction on the right of the owner or a coowner to receive payment of the bond or interest, other than as provided in these regulations, may be made in the registration or otherwise. In order to avoid difficulty when redemption or reissue is requested or in collecting interest on current income bonds, and for the protection of the persons intended to be designated as owners, co-owners, or beneficiaries, it is very important that requests for registration be clear, accurate and complete, that the registration conform with one of the forms set forth in this subpart, and that the registration of all securities owned by the same person, organization or fiduciary estate be uniform. The post office address should include, where appropriate, the street and number, postal zone, and route or any other local feature. The owner, coowner 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 should be preceded by any applicable title, such as "Dr." or "Rev.," or followed by "M. D.," "D. D." or other similar designation. The designation "Sr." or "Jr." should be used whenever applicable. The name of a woman should 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, should be used, for example, "Mrs. Mary A. Jones," not "Mrs. Frank B. Jones."

§ 315.6 *Restrictions—(a) Restrictions as to residence.* The registration of savings bonds is restricted on original issue, but not on authorized reissue, to include only 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;

(3) Civilian employees of the United States or members of its Armed Forces, regardless of their residence or citizenship; and

(4) Other natural persons as co-owners with, or beneficiaries on death of, natural persons of any of the above classes;

except that the registration of savings bonds, whether on original issue or reissue, is not authorized in any form to include the name of any alien who is a resident of any area 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.¹

(b) *Restrictions as to minority or incompetency.* (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. If there is a representative of the minor's estate, the bonds should be registered in the name of the minor, or in the name or names of all such representatives, 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 in a form to show each guardianship estate separately. If a bond is purchased as a gift to a minor and either the donor or the minor resides in a state which by statute authorizes the donor to designate an adult as custodian for the minor, the bond may be registered as provided in the statute if such registration includes a clear reference to the statute. If no reference to the statute is included in the registration set forth in the statute a parenthetical reference identifying the statute must be

¹ See Department Circular No. 655, as amended (31 CFR 211 of this chapter).

added. A father or mother, as such, or as natural guardian, is not considered a representative for purposes of registration. See examples of forms of registration under § 315.7 (b). A minor, whether or not under legal guardianship, may be named as owner, coowner, or beneficiary on bonds purchased by another person with that person's own funds. A minor may name a coowner or beneficiary on bonds purchased by him from his wages, earnings, or other funds belonging to him and under his control.

(2) 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 the preceding paragraph, as to registration in the name of the legal representative or in the name of the incompetent followed by reference to the guardianship, apply.

§ 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, savings bonds may be registered in the following forms:³

(a) *Natural persons.* In the names of natural persons in their own right.

(1) *Single owner.* Example:

"John A. Jones."

(2) *Coownership form—two persons (only).* In the alternative as coowners. Example:

"John A. Jones or Mrs. Ella S. Jones."

No other form of registration establishing coownership is authorized.

(3) *Beneficiary form—two persons (only).* Examples:

"John A. Jones payable on death to Mrs. Ella S. Jones;"

"John A. Jones 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 named person is hereinafter referred to as the owner and the second named person as the beneficiary.

³ Any question as to the correct form of registration should be promptly submitted to the Federal Reserve Bank of the district or the Bureau of the Public Debt, Division of Loans and Currency, 536 South Clark Street, Chicago 5, Illinois.

(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 used must conform to the forms authorized in this paragraph.

(1) *Fiduciaries.* In the name of any persons or organizations, public or private, as fiduciaries, except 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 of the legally appointed, designated or authorized representative or representatives of the estate of a minor, incompetent, aged, absentee, etc., or in the name of a minor, incompetent, or absentee, followed by an appropriate reference to the guardianship. The registration should show the nature of the incompetency or refer to the statute authorizing the appointment of the representative. If the statute requires particular wording, as in most gift to minors statutes, the wording required by the statute should be used. Examples:

"William C. Jones, guardian (or conservator, trustee, etc.) of the estate of James F. Brown, a minor (or an incompetent, aged, infirm, or absentee)."

"John Smith, a minor (or incompetent, aged, infirm, or absentee), under legal guardianship (or conservatorship or trusteeship, etc.) of Henry C. Smith."

"John Smith, under legal guardianship of Henry Smith pursuant to Sec. 670.5, Code of Iowa 1950."

"John Smith, a minor (or incompetent) under custodianship by designation of the Veterans Administration."

"John Smith, 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, a minor, under the California Gifts of Securities to Minors Act."

"William C. Jones, as custodian for John Smith, a minor, under the laws of the State of Georgia (Chapter 48-3, Ga. Code Anno.)."

(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."

(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."

(iii) *Trustees.* In the name and title (or title alone where provided in this section) 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 subparagraph. 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 the regulations in this part.

(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."

"The Second National Bank, trustee under an agreement with George E. White, dated February 1, 1935."

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, Illinois, in trust under the will of Henry J. Smith, deceased."

If the trustees are too numerous to be designated in the inscription by names and title, 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."

"Trustees under the will of Henry J. Smith, deceased."

(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 -----, 195--"

"Trustees of the Employees' Savings Plan of Johnson Company, Inc., U/A dated -----, 195--"

"First National Bank, trustee of pension fund of Industrial Manufacturing Company, under agreement with said company dated March 31, 1949."

"Trustees of Retirement Fund of Industrial Manufacturing Company, under resolution adopted by its board of directors on March 31, 1949."

(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 title 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."

"Trustees of Jamestown Lodge No. 1,000 Benevolent and Protective Order of Elks, under Section 10 of its by-laws."

"Board of Trustees of the Lotus Club, Washington, Indiana, under Article X of its constitution."

(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:

"Sinking Fund Commission, trustee of State Highway Certificates of Indebtedness Sinking Fund, under Section 5972, Code of South Carolina."

"Warden, Illinois State Penitentiary, Joliet Branch, Trustee of Inmates' Amusement Fund, under Chapter 23, Sections 34a and 34b, Illinois Revised Statutes, 1941."

(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 (maturity value), no reference need be made to a trust instrument. Examples:

"Principal, Western High School, in trust for Class of 1955 Library Fund."

"Director of Athletics, Western High School, in trust for Student Activities Association under resolution adopted May 12, 1955."

(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."

(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, under agreement with the Evangelical Lutheran Church of The Holy Trinity, dated December 28, 1949."

"First National Bank and Trust Company, investment agent, 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."

"Jones and Brown, Inc."

(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."

"Local 447, Brotherhood of Railroad Trainmen, an unincorporated association."

"Eureka Lodge No. 317 (A. F. & A. M.), an unincorporated association."

(iii) *A partnership.* A partnership (which will be considered as an entity), followed by the words "a partnership." Examples:

"Smith and Brown, a partnership."

"Acme Novelty Company, a partnership."

(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, Missouri."

"St. Mary's Roman Catholic Church, Albany, New York."

"Rodeph Shalom Sunday School, Philadelphia, Pennsylvania."

(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:

(1) Any governmental unit, as a state, county, city, town, village, or school district. Examples:

"State of Maine."

"Town of Eye, New York (Street Improvement Fund)."

(ii) Any board, commission, government owned corporation, or other public body duly constituted by law. Example:

"Maryland State Highway Commission."

(iii) Any public officer designated by title only. Example:

"Treasurer, City of Chicago."

(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 or the Treasurer of the United States of America."

"John A. Jones 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 (maturity value) for each calendar year up to and including the calendar year 1947; \$10,000 (maturity value) for the calendar years 1948 to 1951, inclusive; \$20,000 (maturity value) for the calendar years 1952 to 1956, inclusive; \$10,000 (maturity value) for the calendar year 1957⁵ and each calendar year thereafter; except that trustees of an employees' savings plan (as defined in § 316.8 of Department Circular No. 653, Fourth Revision, as amended) may purchase \$2,000 (maturity 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 (maturity value) for each calendar year up to and including the calendar year 1956, and

⁴ Bonds of Series F, G, J, and K, which are no longer available for purchase, are subject to the limitations on holdings and rules for computation of holdings set forth in §§ 315.8 and 315.9 of Department Circular No. 530, Seventh Revision (31 CFR, 1956 Supp., Part 315; 17 F. R. 4871).

⁵ Effective May 1, 1957. Accordingly investors who purchased \$20,000 (maturity 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 (maturity 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 (maturity value).

\$10,000 (maturity value) for the calendar year 1957⁵ and each calendar year thereafter.

§ 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 the regulations in this part, 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 book-keeping 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 the regulations in this part.

(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 as 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, Series C—1938, and Series 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 (maturity value) in excess of the prescribed limit;

(6) Bonds of Series E or Series H reissued under § 315.60 (b) (1);

(7) Bonds of Series E or Series 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 Series H purchased with the proceeds of bonds of Series F or Series G, at or after maturity, where such matured bonds are presented for that purpose in accordance with the provisions of Department Circular No. 653, Fourth Revision, (Part 316 of this chapter), as amended, offering bonds of Series E, and Department Circular No. 905, Revised (Part 332 of this chapter) as amended, offering bonds of Series H.

[Dept. Circ. 530, Eighth Rev., 22 F. R. 11065, Dec. 31, 1957, as amended by Amdt. 2, 23 F. R. 8541, Nov 1, 1958]

§ 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 own-

ers named thereon, except as specifically provided in the regulations in this part 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 savings bond may be pledged by the registered owner in lieu of surety under the provisions of Department Circular No. 154, Revised (31 CFR, Part 225, 1938 ed.), 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 savings bond may also be deposited as security with a Federal Reserve Bank under the provisions of Department Circular No. 657, as amended and supplemented (31 CFR, 1941 Supp., Part 317), by an institution certified under that circular as an issuing agent for savings bonds of Series E.

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 coowners 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. In cases where the decree does not set out the terms of the property settlement agreement a certified copy of the agreement must also be submitted, and in any case where the bonds are presently registered with a person other than one of the spouses as owner or coowner there must be submitted either a request for

the reissue by such person or 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 the regulations in this part 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—LOST, STOLEN, MUTILATED, DEFACED, OR DESTROYED BONDS

§ 315.25 *Relief in case of loss, etc., after receipt by owner.* Relief either by the issue of a substitute bond marked "DUPLICATE" or by payment may be given in case of the loss, theft, destruction, mutilation, or defacement of a savings bond after receipt by the owner or his representative. Such relief will be granted only after compliance with the provisions of this section, and in cases of loss or theft relief will not ordinarily be granted until six months after the date of receipt by the Treasury Department of the notice of such loss or theft.*

(a) *Procedure to be followed in applying for relief.* In any such case immediate notice of the facts, together with a complete description of the bond (including series, year of issue, serial number, and 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, 536 South Clark Street, Chicago 5, Illinois. That office will furnish the proper application form and instructions. In case of mutilation or defacement, all available fragments of the bond in any form whatsoever should be submitted. 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.

The application must be made by the person or persons (including both coowners, if living) authorized under the regulations in this part 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 will ordinarily be required to join in the application.

(2) If a minor who is not of sufficient competency and understanding to request payment on his own behalf is named as owner, coowner, or beneficiary, both parents will ordinarily be required to join in the application.

(b) *Bond of indemnity.* The Treasury Department reserves the right to re-

quire a bond of indemnity, in accordance with Sec. 8 (b), 50 Stat. 481, as amended (31 U. S. C. 738a).

(c) *Recovery of savings bonds reported lost, stolen, or destroyed.* If a bond reported lost, stolen, or destroyed is recovered before relief is granted, the Bureau of the Public Debt, Division of Loans and Currency Branch, should be notified promptly. If the original bond is recovered after relief is granted, it should be surrendered promptly to the same office for cancellation.

§ 315.26 *Relief in case of nonreceipt.* If a savings bond, on original issue or on reissue, is not received from the issuing agent or agency by the registered owner or other person to whom delivery of the bond was directed, the issuing agent or agency should be notified as promptly as possible and given all the information available about the transaction. If necessary, appropriate instructions and forms will then be furnished.

SUBPART G—INTEREST

§ 315.30 *General.* United States Savings Bonds are issued in one of two forms: (a) Appreciation bonds, issued on a discount basis and redeemable before maturity at increasing fixed redemption values; and (b) current income bonds, issued at par, bearing interest payable semiannually⁷ and redeemable before maturity at par or at fixed redemption values less than par.⁸ The Department circular offering bonds of a particular series to the public designates the form in which bonds of that series will be available.

§ 315.31 *Appreciation bonds.* Savings bonds issued on a discount basis increase in redemption value at the end of the first year or 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

⁷ The final interest on bonds of Series H bearing issue dates prior to March 1, 1957, covers a period of two months, from 9½ years to maturity. Since May 1, 1957, the only current income savings bonds on sale are those of Series H.

⁸ The sale of savings bonds of Series J and K was terminated at the close of business April 30, 1957. The terms of these bonds are set forth in Department Circular No. 906, as amended.

* See Sec. 8, 50 Stat. 481, as amended (31 U. S. C. 738a).

becomes payable.* Bonds of Series E bearing issue dates from May 1, 1941, through April 1, 1957, will continue to increase in redemption value after maturity for ten years in accordance with the provisions of Sec. 316.13 of Department Circular No. 653, Fourth Revision, dated April 22, 1957 (§ 316.13 of this chapter).¹⁰ The increment in value on appreciation bonds is payable only on redemption of the bonds, whether before, at, or after 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.¹¹

(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 (see paragraph (c) of this section), 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 (see paragraph (c) of this section), 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 N.

(3) Upon receipt of notice of the death of the owner of a bond (see paragraph (c) of this section), 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 N.

(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 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

* Series E bonds issued on or before April 30, 1952, and Series F bonds, the sale of which was terminated April 30, 1952, increase 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, increase 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 ten-year extension period, covers a period of two months, from 9½ years through 9 years and 8 months. The last increase in redemption value of Series E bonds issued on or after February 1, 1957, covers a period of five months, from 8½ years through 8 years and 11 months.

¹⁰ See the Tables of Redemption Values at the end of that circular for extended maturity values, and footnote 5 on page 4 with respect to the extended maturity of bonds bearing issue dates of February 1 through April 1, 1957.

¹¹ See Department Circular No. 654, Third Revision, as amended (Part 318 terminated, 15 F. R. 6246; 23 F. R. 10185), for Series G, Department Circular No. 905, Revised (Part 332 of this chapter), for Series H, and Department Circular No. 906, as amended (31 CFR 1956 Supp., Part 333 terminated, 17 F. R. 4114; 22 F. R. 1631), for Series K.

be submitted together with the evidence required in § 315.70.

(c) *Notice affecting interest check delivery.* A notice which would affect the 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 change or suspend the mailing of the interest due on that date. Such notice should be sent to the Bureau of the Public Debt, Division of Loans and Currency Branch, 536 South Clark Street, Chicago 5, Illinois.

(d) *Change of address.* (1) An owner or coowner of current income bonds should promptly notify the Bureau of the Public Debt, Division of Loans and Currency Branch (see paragraph (c) of this section), of any change in the address for delivery of interest checks.

(2) A notice of change of address given on behalf of a minor or incompetent owner or coowner under the conditions and in accordance with the provisions of Subpart J relating to the payment of bonds belonging to a minor or incompetent ordinarily will be accepted.

(3) 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.

(e) *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, they should be submitted (to the Bureau of the Public Debt, Division of Loans and Currency Branch, 536 South Clark Street, Chicago 5, Illinois, or 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.

(f) *No representative of an adult incompetent's estate appointed.* If an adult owner of a current income bond is mentally incompetent to endorse and col-

lect the interest checks, if no other person is legally qualified to do so, and if the interest is needed for the support of the incompetent or that of a person legally dependent upon him for support, the relative responsible for his support, or some other person, may be recognized by the Treasury Department 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.

(g) *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.

(h) *Termination of interest.* Interest on current income bonds will cease at maturity 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 shall apply in case of partial redemption with respect to the amount redeemed.

(i) *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 (Part 360 of this chapter). A form for the appointment of an attorney in fact for this purpose may be obtained from the Treasurer of the United States or from any Federal Reserve Bank. If no legal representative has been or will be appointed, the Bureau of the Public Debt, Division of Loans and Currency Branch, 536 South Clark Street, Chicago 5, Illinois, or a

Federal Reserve Bank will furnish instructions upon request.

(j) *Nonreceipt or loss of check.* If an interest check is not received or is lost after receipt, the Regional Disbursing Office, U. S. Treasury Department, 536 South Clark Street, Chicago 5, Illinois, should be notified of the facts and should be given information concerning the amount, number, and inscription of the bonds, as well as a description of the check, if possible.

[Dept. Circ. 530, Eighth Rev., 22 F. R. 11065, Dec. 31, 1957, as amended at 23 F. R. 10184, Dec. 24, 1958]

SUBPART H—GENERAL PROVISIONS FOR PAYMENT AND REDEMPTION

§ 315.35 *Provisions applicable both before and after maturity.* Payment of a savings bond will be made to the person or persons entitled thereto under the provisions of the regulations in this part upon presentation of the bond with an appropriate request for payment. Such payment will be made without regard to any notice of adverse claims to a savings bond and no stoppage or caveat against payment in accordance with the registration of the bond 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, but may be redeemed in whole or in part at the option of the owner prior to maturity, under the terms and conditions set forth in the offering circular for each series and in accordance with the provisions of the regulations in this part, 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 the issue date without advance notice, at the appropriate redemption value as shown in the revision of Department Circular No. 653 (Part 316 of this chapter) current at the time of redemption.

(c) *Series F, G, H, J, and K.* A bond of Series F, G, H, J, or K will be redeemed after six months from the issue date, on one month's notice in writing to the Bureau of the Public Debt, Division of Loans and Currency Branch, a Federal Reserve Bank, or the Treasurer of the United States, Washington 25, D. C. Such notice may be given separately or by presenting and surrendering the bond with a duly executed re-

quest 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 the 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 the notice is given, not less than twenty days before the date on which payment is to be made. For example, if the notice is received on June 15, the bond should be received not later than July 12. (See § 315.32 (h) for provisions as to interest in case current income bonds are redeemed prior to maturity.) A bond of Series H will be redeemed at par. A bond of Series F, G, 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.

(d) *Series G and K: Redemption at par.*¹ (1) A bond of Series G or K issued in exchange for matured bonds of Series E under the provisions of Department Circular No. 885 (Part 329 of this chapter) is payable at par.

(2) A bond of Series G or 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 G or 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 G or 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

¹ The provisions of this section also apply to Department Circular No. 906 (Part 333, terminated, 17 F. R. 4114; 22 F. R. 1631).

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 subparagraphs (2) and (3) of this paragraph 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 subparagraphs (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 § 315.70 (d), or by the representative of the estate of a person under legal disability, unless the presentation and surrender of the bond has cut off the rights of survivorship under the provisions of Subpart L or Subpart M.

§ 315.37 *At or after maturity.* Pursuant to its terms, a savings bond of any series will be paid at or after maturity at its full face or maturity value, and in no greater amount, except that bonds of Series E retained under an extended maturity option under the terms of Department Circular No. 653 (Part 316 of this chapter), current at the time of redemption, will be paid at the redemption values provided in that circular.²³

²³No extended maturity option for Series E bonds with issue dates after April 1, 1957, is provided in Department Circular No. 653, Fourth Revision, dated April 22, 1957 (Part 316 of this chapter).

§ 315.38 *Requests for payment—(a) Form and execution of requests.* A request for payment of a savings 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, Revised, or (2) authority is given for the execution of a separate or detached request.

(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 § 315.42 (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 one of the officers authorized to certify requests for payment (see § 315.39), establish his identity, 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, "Miss Mary T. Jones, now by marriage Mrs. Mary T. Jones Smith (Mrs. Mary T. J. Smith), or Mrs. Mary T. Smith," or "John Doe, now by court order Richard Roe." In case of a change of name other than by marriage, the request should be supported by satisfactory evidence of the

change. 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 as provided in § 315.16, when pledged in lieu of surety under Department Circular No. 154, Revised.

(d) *Certification of request.* 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 § 315.42 (a).

§ 315.39 *Certifying officers.* The following officers are authorized to certify requests for payment:

(a) *At United States post offices.* Any postmaster, acting postmaster, assistant postmaster, inspector-in-charge, chief or assistant chief accountant, superintendent of station, 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 or acting postmaster 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, superintendent of station". 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 Hospitals 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 Governors and Treasurers of Hawaii and 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 in 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 savings bonds is readily accessible, the Commissioner of the Public Debt, the Deputy Commissioner of the Public Debt in Charge of the Chicago Office, or any Federal Reserve Bank is authorized to make special provision for any particular case.

[Dept. Circ., 530, Eighth Rev., 22 F. R. 11065, Dec. 31, 1957, as amended at 23 F. R. 10184, Dec. 24, 1958]

§ 315.40 *General instructions to certifying officers.* Certifying officers should require positive identification of the person signing a request for payment and will be held fully responsible therefor. In all cases a certifying officer must affix to the certification his official signature, title, seal or dating stamp, address (if not shown in 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. If a certifying officer other than a post office official, officer of a bank or trust company, or officer of an issuing agent does not possess an official seal, a statement to that effect should be added to the certification by such officer.

§ 315.41 *Interested person not to certify.* No person authorized to certify requests for payment may certify a request for payment of a bond of which he is the owner or in which he has an interest, either in his own right or in any representative capacity.

§ 315.42 *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 above provided the bond should be presented and surrendered to (1) a Federal Reserve Bank, (2) the Bureau of the Public Debt, Division of Loans and Currency Branch, or (3) the Treasurer of the United States, Washington 25, D. C. Usually payment will be expedited by surrender to a Federal Reserve Bank. 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 in the request for payment, to the address given in the instructions accompanying the bond.

(b) *Optional procedure limited to bonds of Series A to E, inclusive, in names of individual owners or coowners only.* Notwithstanding the provisions of any Department circulars offering the bonds for sale and notwithstanding any instructions which may be printed on the bond, 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 (unless marked "duplicate") to an authorized paying agent. The owner or coowner must establish his identity to the satisfaction of the paying agent, sign the request for payment, and add his home or business address. Even though the request for payment has been signed, or signed and certified, before the 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 to deceased owner cases, or other cases in which documentary evidence is required.

§ 315.43 *Partial redemption.* A savings bond of any series in a denomination greater than \$25 (maturity value) 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 § 315.42 (a). In any case in which partial redemption is authorized, before the request for payment is signed the phrase "to the extent of \$... (maturity value) and reissue of the remainder" should be added to the first sentence of the request. Upon partial redemption of the savings bond, the remainder will be reissued as of the original issue date, as provided in Subpart I. For payment of interest on current income bonds in case of partial redemption, see Subpart G.

§ 315.44 *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. Instructions will be given as to the necessary procedure to obtain a duplicate. Payment of unmaturing bonds of Series F, G, H, J, and K is ordinarily made on the first day of the first month following by at least one full calendar month the date of receipt of notice of intention to redeem, and a check should not be expected until that time.

SUBPART I—REISSUE AND DENOMINATIONAL EXCHANGE

§ 315.45 *General.* (a) Reissue of a savings 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. Consistent with other provisions of the regulations in this part, a savings bond may be reissued in a form of registration authorized by the regulations in effect on the original issue date or on the date of reissue.

(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 for which an optional extension period has been provided in Department Circular

No. 653, Fourth Revision¹² (Part 316 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 extended maturity date (in case of a bond for which an extended maturity period has been provided), 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 extended maturity date (in case of a bond for which an extended maturity period has been provided), 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, (2) the Bureau of Public Debt, Divisions of Loans and Currency Branch, or (3) the Office of the Treasurer of the United States, Washington 25, D. C.

§ 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 from 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 Federal Reserve Bank or the Treasury Department of a bond and an appropriate request for reissue thereof as determining the date upon which the reissue is effective.

§ 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

¹² Only bonds of Series E with issue dates prior to May 1, 1957, have this optional extension period.

changed by marriage, divorce, annulment, order of court, or in any other legal manner after the issue of the bond may submit the bond with a request on Form PD 1474 for reissue to substitute the new name for the name inscribed on the bond. This action is recommended in case of a change of name of the owner or coowner of a current income bond. The signature to the request for reissue should show both names and the manner in which the change was made, as, for example, "John Doe, now by order of court Richard Roe" or "Miss Mary T. Jones, now by marriage Mrs. Mary T. Jones Smith (Mrs. Mary T. J. Smith or Mary T. Smith)." If the change of name was made other than by marriage, the request must be supported by satisfactory proof of the change.

SUBPART J—MINORS AND PERSONS UNDER OTHER LEGAL DISABILITY, AND ABSENTEES

§ 315.50 *Payment to representative of an estate.* If the form of registration of a savings bond indicates that the owner is a minor, an incompetent, or an absentee 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 (an incompetent, an 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 the seal of the court, 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 by the Treasury Department 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 such representative presents for payment a bond registered in the name of his ward accompanied by proof of his qualifica-

tion, payment will be made to such representative. (See Subpart N.)

§ 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 that 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."

The Treasury Department may in any case require further proof that the minor

is not of sufficient competency and understanding to execute the request for payment and of the right of the person executing the request to act on behalf of the minor.

§ 315.53 *Payment or reinvestment upon request of voluntary guardian of incompetent.* If the adult owner of a bond is mentally incompetent to request and receive payment thereof and no other person is legally qualified to do so, the relative responsible for his 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 United States savings 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 United States Savings Bonds. The entire proceeds must be invested, so far as possible, in bonds of Series E, except that:

(1) Any part of the proceeds which may not be invested therein because of the limitation on holdings may be invested in Series H bonds so long as the limitation on holdings for that series is not exceeded;

(2) If the matured bonds are current income bonds, the proceeds may be invested in Series H bonds so long as the limitation on holdings for that series is not exceeded.

The new bonds must be registered in the same form of registration as the matured bonds, with the words "an incompetent" following the incompetent's name, unless an owner, beneficiary, or coowner named in the registration of the matured bond is dead or unless such owner, beneficiary or coowner disclaims interest in the bond and consents to the elimination of his name. If the maturity value of the matured bond does not correspond to the purchase price of an authorized denomination of savings bonds of any series, or a multiple thereof, the odd amount remaining after the reinvestment will be paid to the voluntary guardian for the use and benefit of the incompetent. Form PD 2513 should be used in applying for payment under this

section and should be accompanied by the evidence required by the instructions on the form.

§ 315.54 *Reissue.* A savings 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:

(1) 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, except that a minor of sufficient competency to sign his name to the request and to understand the nature of the transaction shall have the right to 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.

(2) Requests for reissue under this section should be executed by the person authorized to request payment under §§ 315.50, 315.51, 315.52, and 315.53, and in the same manner.

SUBPART K—A 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. Upon the death of the owner such bond will be considered as belonging to his estate and will be paid under Subpart N, except as otherwise provided in the regulations in this part.

§ 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) *A trustee of a personal trust estate.* To name the trustee of a personal trust estate created by the owner. Form PD 1851 should be used.

(c) *Upon divorce or annulment.* To name as registered owner the other party to a divorce or annulment, occurring after issue of the bond. Form PD 1938 should be used.

(d) *Certain degrees of relationship.* To name as registered owner a person related to the owner in any of the degrees of relationship set forth in § 315.60

(b) (1) (i): *Provided, however,* That the Treasury reserves the right to reject any application for reissue hereunder as provided in that section. Form PD 1938 should be used.

SUBPART L—TWO NATURAL PERSONS AS COOWNERS

§ 315.60 *During the lives of both co-owners.* A savings bond registered in coownership form, for example, "John A. Jones or Mrs. Mary C. Jones," will be paid or reissued during the lives of both, as follows:

(a) *Payment.* The bond 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."

(b) *Reissue.* The bond may be reissued upon the request of both if presented and surrendered during the lifetime of both, as follows:

(1) In the name of either, alone or with a new coowner or beneficiary:

(i) If the coowner whose name is to remain on the bond and the coowner whose name is to be eliminated are related to each other as: husband and wife; parent and child (including stepchild); brother and sister (including the half blood, stepbrother and stepsister, and brother and sister through adoption); grandparent and grandchild; great grandparent and great grandchild; uncle or aunt and nephew or niece, including as nephew or niece the children of a brother or sister of the present spouse; granduncle or grandaunt and grandniece or grandnephew; mother-in-law or father-in-law and daughter-in-law or son-in-law; sister-in-law or brother-in-law;

Provided, however, That the Treasury reserves the right to reject any application for reissue hereunder, in whole or in part, upon a determination that the transaction would tend to evade or defeat the purposes of the limitation on holdings or the restriction against the transferability of savings bonds;

(ii) If one of them marries after the issue of the bond; and

(iii) If they are divorced or legally separated from each other, or their marriage is annulled, after the issue of the bond.

Form PD 1938 should be used to request reissue in any of the above three classes of cases.

The representative of the estate of a minor or incompetent coowner may request reissue under this paragraph on behalf of the ward to eliminate the other, but a request to eliminate the name of the minor or incompetent will not be recognized unless supported by evidence that a court has ordered the representative to request such reissue (see Sec. 315.23). When no representative has been appointed for a minor coowner who is not of sufficient competency to sign his name to the request for reissue and to understand the nature of the transaction, the person authorized to request payment for the minor under § 315.52 may sign the request for the minor, but only for reissue to promote the minor to sole owner. If no representative has been appointed for the estate of a minor coowner who is of sufficient competency to sign his name to the request for reissue and to understand the nature of the transaction, and if all of the bonds are to be reissued in his name alone or, if he so requests, with a new coowner or a beneficiary, he may sign the request. 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 the words "an incompetent" after his name or to eliminate the other coowner from the registration.

(2) In the name of a trustee of a personal trust estate created by both coowners. Requests for reissue should be made on Form PD 1851 and will not be approved unless both coowners are of full age and legally competent.

No other reissue will be permitted in any form during the lives of both coowners, except as specifically provided in the regulations in this part.

§ 315.61 *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 K), 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 N. 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.

§ 315.62 *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 N.)

SUBPART M—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 N.

(b) *Reissue.* The bond will be reissued on the duly certified request of the registered owner:

(1) To name the beneficiary designated on the bond as coowner. Form PD 1787 should be used.

(2) To eliminate the beneficiary, to substitute another person as beneficiary, or to name another person as coowner, if the request of the registered owner is supported by the duly certified consent of the beneficiary to the elimination of his name or proof of the death of the beneficiary. Form PD 1787 should be used.¹⁴

(3) In the name of a trustee of a personal trust estate created by the owner, if the request of the owner is supported by the duly certified consent of the beneficiary to the elimination of his name or proof of the death of the beneficiary. Form PD 1851 should be used by the owner and Form PD 1849 by the beneficiary.¹⁴

If the registered owner dies after the bond has been presented and surrendered for authorized reissue, the bond will be regarded as though reissued during his lifetime.

§ 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 K).

SUBPART N—DECEASED OWNERS

§ 315.70 *Payment or reissue on death of owner—(a) 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. In such exceptional case the person entitled to the bond will have the right only: (1) To hold the bond without

¹⁴ The provisions of this subsection do not apply to bonds on which the Treasurer of the United States is named as beneficiary.

change in registration; (2) to receive payment of the redemption value of the bond at any time and, if the bond is a current income bond, to receive the interest as it becomes due, but 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 or any agency or instrumentality thereof, payment of the principal of and interest on the bond will not be made to such person until the restriction is removed. A creditor may obtain payment of a bond but not reissue. The provisions of this section shall also apply to savings bonds registered in the names of executors or administrators, except that proof of their appointment and qualification may not be required under paragraphs (b) and (c) of this section.

(b) *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.

(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 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 co-owner or beneficiary, such person should execute an additional request for that purpose, using Form PD 1787.

(c) *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.

(d) *Without administration.* When it appears that no legal representative of the 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 estate. A short form of agreement for settlement without administration (Form PD 1946) may be used for cases in which the total amount of savings bonds (maturity value) and redemption and interest checks (face amount) relating to savings bonds which belong to the decedent's estate is not in excess of \$500. A longer form (Form PD 1946-A) is prescribed for other cases of settlement without administration. Request for the appropriate form to be used hereunder may be made to any Federal Reserve Bank, the Office of the Treasurer of the United States, or to the Bureau of the Public Debt, Division of Loans and Currency Branch. If the persons entitled to share in the 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 O—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 N as though it were registered in the name of the ward alone.

(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 succession. 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*. Except as specifically provided, the following rules apply to both requests for payment and reissue by fiduciaries. A request for reissue or for payment prior to maturity or extended maturity, for those Series E bonds for which an optional extension period has been provided,¹³ 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 of the bond are still acting, no further evidence of authority will be required. In other cases 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 those Series E bonds for which an optional extension period has been provided," signed by any one or more acting

fiduciaries, will be accepted. Payment will ordinarily be made by check drawn as the bond is inscribed.

SUBPART P—PAYMENT OR REISSUE OF BONDS REGISTERED IN THE NAMES OF 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 behalf, supported by satisfactory evidence of successorship. Form PD 1540 should be used.

* See footnote 13 on page 486 of this volume.

§ 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.

§ 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, Missouri, by William A. Smith, superintendent," or "St. Mary's Roman Catholic Church, Albany, New York, 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 non-profit 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 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 Q—FURTHER PROVISIONS

§ 315.90 *Regulations prescribed.* The regulations in this part are prescribed by the Secretary of the Treasury as governing United States Savings Bonds issued under the authority of section 22 of the Second Liberty Bond Act, as amended, and pursuant to the various Department circulars offering such bonds for sale. The provisions of the regulations in this part 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 the regulations in this part. The provisions of Department Circular No. 300, Revised, have no application to savings bonds.

§ 315.91 *Waiver of regulations.* The Secretary of the Treasury reserves the right, in his discretion, to waive or modify any provision or provisions of the regulations in this part 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 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 to any substantial expense or liability.

§ 315.92 *Additional evidence; bond of indemnity.* The Secretary of the Treasury, in any case arising under the regulations in this part, may require such additional evidence as he may consider necessary or advisable, and may require a bond of indemnity, with or without surety, or an agreement of indemnity in any case where he may consider such a bond or agreement necessary for the protection of the interests of the United States.

§ 315.93 *Preservation of rights.* Nothing contained in the regulations in this part shall be construed to limit or

restrict any 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.

§ 315.94 *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

Sec.	Offering of bonds.
316.1	Special offering to owners of outstanding matured and maturing savings bonds of Series F and G.
316.1a	Term.
316.2	Interest.
316.3	Applicability to bonds bearing issue dates of February 1 through April 1, 1957, as well as subsequent issue dates.
316.4	Bonds purchased before new stock is available.
316.5	Description.
316.6	Registration.
316.7	Limitation on holdings.
316.8	Nontransferability.
316.9	Issue prices of bonds.
316.10	Purchase of bonds.
316.11	Delivery of bonds.
316.12	Retention of bonds of Series E at further interest after maturity.
316.13	Taxation.
316.14	Lost, stolen, or destroyed bonds.
316.15	Payment or redemption (in general).
316.16	Payment or redemption in the case of disability or death.
316.17	General provisions.
316.18	Appendix—Tables of redemption values and investment yield.

AUTHORITY: §§ 316.1 to 316.18 issued under sec. 22, 49 Stat. 21, as amended; 31 U. S. C. 757c.

SOURCE: §§ 316.1 to 316.18 contained in 1957 Department Circular 653, Fourth Revision, 22 F. R. 2943, Apr. 26, 1957, except as otherwise noted.

§ 316.1 *Offering of bonds.* The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, as amended (31 U. S. C. 757c), offers for sale to the people of the United States, United States Savings Bonds of Series E which are generally referred to as bonds of Series E. These bonds will be substantially a continuation of the bonds of Series E heretofore available, except as otherwise indicated herein. This offer-

ing of bonds will continue until terminated by the Secretary of the Treasury.

§ 316.1a *Special offering to owners of outstanding matured and maturing savings bonds of Series F and G—(a) General.* The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, as amended (31 U. S. C. 757c), hereby offers owners of outstanding bonds of Series F and Series G the privilege of applying the proceeds of the bonds, at or after maturity, to the purchase of bonds of Series E without regard to the limitation on holdings prescribed in § 316.8.

(b) *Restrictions and conditions.* This offering is subject to the following restrictions and conditions:

(1) It extends to all owners of matured and maturing bonds of Series F and Series G, except bonds registered in the names of commercial banks in their own right (as distinguished from a representative or fiduciary capacity). For this purpose commercial banks are defined as those accepting demand deposits.

(2) It is subject to the restrictions prescribed in § 315.6 of this chapter (Department Circular No. 530).

(3) The matured bonds must be presented to a Federal Reserve Bank or Branch for the specified purpose of taking advantage of this offering.

(4) Bonds of Series E may be purchased with the proceeds of the matured bonds only up to the denominational amounts that the proceeds thereof will fully cover; any difference between such proceeds and the purchase price of bonds of Series E will be paid to the owner.

(5) The bonds of Series E will be registered in the name of the owner in any authorized form of registration.

(6) They will be dated as of the first day of the month in which the matured bonds are presented to a Federal Reserve Bank or Branch.

(c) *Termination of offering.* This offering will continue until terminated by the Secretary of the Treasury. [Dept. Circ., 653, 4th Rev., Amdt. 3, 23 F. R. 8541, Nov. 1, 1958]

§ 316.2 *Term.* A bond of Series E will 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 the bonds. This date is the issue date and the bonds will mature and be payable at

face value 8 years and 11 months from such issue date. The issue date is the basis for determining the redemption periods or the maturity date of the bond, and should not be confused with the date appearing in the issuing agent's stamp, which indicates the actual date the bond is inscribed. The bonds may not be called for redemption by the Secretary of the Treasury prior to maturity, but any bond may be redeemed prior to maturity, at any time after two months from the issue date, at the owner's option, at fixed redemption values.

§ 316.3 *Interest.* Bonds of Series E will be issued on a discount basis at 75 percent of their maturity value. No interest as such will be paid on the bonds, but they will increase in redemption value at the end of each half-year period from the issue date, as shown in Table A of this part. The investment yield will be approximately 3.25 percent per annum compounded semiannually, if the bonds are held to maturity, but the yield will be less if the owner exercises his option to redeem a bond prior to maturity.

§ 316.4 *Applicability to bonds bearing issue dates of February 1 through April 1, 1957, as well as subsequent issue dates.* The term of maturity and the yield provided for in §§ 316.2 and 316.3 shall apply to all bonds of Series E bearing issue dates of February 1 through April 1, 1957, as well as to those bearing subsequent issue dates.

§ 316.5 *Bonds purchased before new stock is available.* Until bonds have been printed and supplied to issuing agents bonds of Series E in the form on sale prior to February 1, 1957, will be issued for purchases made under this part. Bonds of Series E purchased in the interval until the new stocks are available will carry the new interest rate and redemption values and all other privileges as fully as if expressly set forth in the text of the bonds themselves. The owners, if they desire to do so, may exchange such bonds at any Federal Reserve Bank or Branch or at the Treasury Department, Washington 25, D. C., for bonds in the new form (with the same registration and issue dates), when the latter become available; but they need not do so because all paying agents will redeem all bonds of Series E bearing issue dates on and after February 1, 1957, in accordance with the schedule of redemption values set forth in Table A of the appendix to this part.

§ 316.6 *Description.* Bonds of Series E will be issued only in registered form. See § 316.7 for information concerning registration. They will be issued in denominations of \$25, \$50, \$100, \$200, \$500, \$1,000 and \$10,000; and \$100,000 which is provided for trustees of employees' savings plans. Each bond will bear the facsimile signature of the Secretary of the Treasury, and will bear an imprint of the Seal of the Treasury Department. At the time of issue, the issuing agent will inscribe on the face of each bond the name and address of the owner and the name of the coowner or beneficiary, if any; will enter the issue date of the bond; and will imprint the agent's dating stamp (to show the date the bond is actually inscribed). A bond of Series E shall be valid only if an authorized issuing agent receives payment therefor, duly inscribes, dates, and stamps the bond, and delivers it to the purchaser or his agent.

§ 316.7 *Registration* — (a) *General.* Generally, only residents (whether natural persons or others) 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 invest in bonds of Series E. Full information regarding eligibility to invest in savings bonds, and authorized forms of registration and rights thereunder, will be found in the regulations currently in force governing United States Savings Bonds.¹

(b) *Individuals.* 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 form.

(c) *Others (only in single ownership form).* The bonds may also be registered as follows:

(1) *Fiduciaries.* In the name of any persons or organizations, public or private, as fiduciaries, except 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, which are defined for this purpose as those accepting demand deposits.

[Amdt. 1, 23 F. R. 4, Jan. 1, 1958]

§ 316.8 *Limitation on holdings.* The limits on the amount of bonds of Series E originally issued during any one calendar year that may be held by any one person at any one time (which will be computed in accordance with the regulations currently in force governing United States Savings Bonds) are:

(a) *General limitation.* \$10,000 (maturity value) for the calendar year 1958 and each calendar year thereafter.

(b) *Special limitation applicable to employees' savings plans.* \$2,000 (maturity value) multiplied by the highest number of participants in an employees' savings plan (as defined in this paragraph) * at any time during the year in which the bonds are issued.

(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) Bonds of Series E 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

¹Part 315 of this subchapter (Department Circular No. 580).

*No other investor is authorized to hold bonds in excess of the general limitation.

which a bond of Series E in the denomination of \$10,000 (maturity value) is purchased in June 1958 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 bond of Series E in the denomination of \$50 (maturity value) bearing issue date of June 1, 1958.

(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 sixty 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 bond of Series E 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 provisions of 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 regulations issued under the plan with regard to bonds of Series E; 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 the 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, bonds of Series E 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.

[Amdt. 1, 23 F. R. 4, Jan. 1, 1958]

§ 316.9 *Nontransferability.* Bonds of Series E may not be used as collateral for a loan or as security for the performance of an obligation, or transferred inter vivos by voluntary sale or gift, discounted or disposed of in any manner other than as provided in the regulations governing United States Savings Bonds. Except as provided in said regulations, the Treasury Department will recognize only the inscribed owner, during his lifetime, and thereafter his estate or heirs.

§ 316.10 *Issue prices of bonds.* The issue prices of the various denominations of bonds of Series E follow:

Denomination (maturity value).....	\$25.00	\$50.00	\$100.00	\$200.00	\$500.00	\$1,000.00	\$10,000.00	\$100,000
Issue (purchase) price.....	18.75	37.50	75.00	150.00	375.00	750.00	7,500.00	75,000

¹ The \$100,000 denomination is available for purchase only by trustees of employees' savings plans described in § 316.7 (c).

§ 316.11 *Purchase of bonds.* Bonds of Series E may be purchased, while this offer is in effect, as follows:

(a) *Over-the-counter for cash.* (1) For natural persons in their own right only (i) at such incorporated banks, trust companies, and other agencies as have been duly qualified as issuing agents; and (ii) at selected United States post offices; and (2) for all eligible purchasers, at Federal Reserve Banks and Branches and at the Treasury Department, Washington 25, D. C.

(b) *On mail order.* By mail upon application to the Treasurer of the United States, Washington 25, D. C., or to any Federal Reserve Bank or Branch, 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 form 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 depository qualified pursuant to the provisions of Part 203 of this chapter (Treasury Department Circular No. 92, Revised) 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 bonds of Series E are on sale and at such other agencies as may be designated from time to time. These stamps may be used to accumulate credits for the purchase of bonds of Series E. Albums, for affixing the stamps, will be available without charge, and such albums will be receivable, in the amount of the affixed stamps, on the purchase price of the bonds.

§ 316.12 *Delivery of bonds.* Issuing agents are authorized to deliver bonds of Series E 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 and the Canal Zone.* No mail

*During any war emergency the Treasury may suspend deliveries to be made at its risk and expense from or to the continental United States, its territories and possessions and the Canal Zone, or between any of such places.

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.

§ 316.13 *Retention of bonds of Series E at further interest after maturity—*(a) *Series E bonds bearing issue dates of May 1, 1941, through January 1, 1957.* Owners of bonds of Series E bearing the issue dates specified in subparagraphs (1) to (3) of this paragraph have the option of retaining their matured bonds for a 10-year period after maturity (referred to in this section as the "extension period") and of earning interest upon the maturity values thereof as follows:

(1) *Series E bonds bearing issue dates of May 1, 1941, through April 1, 1942.* Such bonds earn interest after maturity for each half-year period at the rate of 2½ percent per annum simple interest, if redeemed before the first 7½ years of the extension period, and at a higher rate thereafter so that the aggregate return for the extension period will be approximately 2.90 percent per annum compounded semiannually, in accordance with the schedule of redemption values in Table D of the appendix to this part.

(2) *Series E bonds bearing issue dates of May 1, 1942, through April 1, 1952.* Such bonds will earn interest after maturity at the rate of approximately 3 percent per annum compounded semiannually for each half-year period of the extension period and are redeemable in accordance with the schedule of redemption values in Table C of the appendix to this part.

(3) *Series E bonds bearing issue dates of May 1, 1952, through January 1, 1957.* (i) Such bonds will earn interest after maturity at the rate of approximately 3 percent per annum compounded semiannually for each half-year period of the extension period and will be redeemable in accordance with the schedule of redemption values in Table B of the appendix to this part.

(ii) Interest under the above provisions accrues at the end of the first half-year period following maturity and at the end of each successive half-year period thereafter. If the bonds are redeemed before the end of the first half-year period following maturity, the owner is entitled to payment only at the face value thereof.

(iii) The option provided in this section is as binding on the United States as if expressly set forth in the text of the bonds. No action is required of owners desiring to take advantage thereof. Merely by continuing to hold their bonds after maturity they will earn further interest in accordance with the schedule of redemption values set forth in the pertinent tables referred to in this section. The term "owners" as used in this section includes registered owners, coowners, surviving beneficiaries, next of kin and legatees of deceased owners, and persons who have acquired bonds pursuant to judicial proceedings against the owners, except that judgment creditors, trustees in bankruptcy and receivers of insolvents' estates will have the right only to payment in accordance with the regulations governing United States Savings Bonds.

(b) *Series E bonds bearing issue dates after January 1, 1957.* The terms of a retention privilege, if any, for owners of bonds of Series E bearing issue dates after January 1, 1957, will not be determined until later.*

§ 316.14 *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 bonds of Series E (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

*However, under the previous revision (Third Revision, dated April 29, 1952) of this part owners of Series E bonds bearing issue dates of February 1 through April 1, 1957, have the same option as owners of the bonds described in paragraph (a) (3) of this section and the redemption values set forth in Table B under the heading "Extended maturity period" apply to such bonds. Since their original maturity is shortened to 8 years and 11 months under § 316.4 of this revision, they will reach extended maturity in 18 years and 11 months after issue date.

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 as applied to matured bonds of Series E.* A taxpayer who has been reporting the increase in redemption value of his Series E bonds, for Federal income tax purposes, each year as it accrues, must continue to do so if he retains the bonds under § 316.13, unless in accordance with income tax regulations the taxpayer obtains permission from the Commissioner of Internal Revenue to change to a different method of reporting income from such obligations. A taxpayer who has not been reporting the increase in redemption value of such bonds currently for tax purposes may in any year prior to final maturity, and subject to the provisions of section 454 of the Internal Revenue Code of 1954 and of the regulations prescribed thereunder, elect for such year and subsequent years to report such income annually. Holders of bonds of Series E who have not reported the increase in redemption value currently are required to include such amount in gross income for the taxable year of actual redemption or for the taxable year of final maturity, whichever is earlier. If further information concerning Federal taxes is desired, inquiry should be addressed to the District Director, Internal Revenue Service, of the taxpayer's district or to the Internal Revenue Service, Washington 25, D. C.

§ 316.15 *Lost, stolen, or destroyed bonds.* If a bond of Series E is lost, stolen, or destroyed, a substitute may be issued or payment may be obtained upon identification of the bond and proof of its loss, theft, or destruction. The owner should keep a description of his bonds by series, denomination, serial number and name of coowner or beneficiary, if any, apart from the bonds, and in case of loss, theft, or destruction should immediately notify the Bureau of the Public Debt, Division of Loans and Currency Branch, 536 South Clark Street, Chicago 5, Illinois, briefly stating the facts and

describing the bonds. Full instructions for obtaining substitute bonds or payment will then be given.

§ 316.16 *Payment or redemption (in general)*. A bond of Series E may be redeemed at the option of the owner at any time after two months from the issue date at the appropriate redemption value as shown in Tables A, B, C and D of the appendix to this part, which apply to bonds bearing various issue dates back to May 1, 1941. The redemption values of bonds in the denomination of \$100,000* (which was authorized as of January 1, 1954) are not shown in those 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; accordingly, depending upon the issue date of bonds in the denomination of \$100,000, refer to Table A or Table B of the appendix to this part. A bond of Series E in a denomination higher than \$25 (maturity value) may be redeemed in part but only in the amount of an authorized denomination or multiple thereof. Payment of a bond of Series E will be made upon presentation and surrender of the bond by the owner to authorized paying agencies as follows:

(a) *Federal Reserve Banks and Branches and Treasurer of the United States*. Owners of bonds of Series E may obtain payment upon presentation of the bonds to a Federal Reserve Bank or Branch or to the Treasurer of the United States, Washington 25, D. C., with the requests for payment on the bonds duly executed and certified in accordance with the provisions of the regulations governing savings bonds.

(b) *Incorporated banks, trust companies and other financial institutions*. An individual (natural person) whose name is inscribed on the face of a bond of Series E either as owner or coowner in his own right may also present such

bond (unless marked "Duplicate") to any incorporated bank or trust company or other financial institution which is qualified as a paying agent under the provisions of Part 321 of this chapter (Department Circular No. 750) or any revision of or amendment thereto. 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 paying agent and upon signing the request for payment and adding his home or business address, may receive immediate payment of the current redemption value.

§ 316.17 *Payment or redemption in the case of disability or death*. In case of the disability of the registered owner, or the death of the registered owner not survived by a coowner or a designated beneficiary, instructions should be obtained from a Federal Reserve Bank or Branch, or the Bureau of the Public Debt, Division of Loans and Currency Branch, 536 South Clark Street, Chicago 5, Illinois, before the request for payment is executed.

§ 316.18 *General provisions—(a) Regulations*. All bonds of Series E issued pursuant to this part shall be subject to the regulations prescribed from time to time by the Secretary of the Treasury to govern United States Savings Bonds. Such regulations may require, among other things, reasonable notice in case of presentation of bonds of Series E for redemption prior to maturity. The present regulations are set forth in Part 315 of this chapter (Treasury Department Circular No. 530, current revision), copies of which may be obtained on application to the Treasury Department or to any Federal Reserve Bank or Branch.

(b) *Reservation as to issue of bonds*. The Secretary of the Treasury reserves the right to reject any application for bonds of Series E, 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

*The \$100,000 denomination is available for purchase only by trustees of employees savings plans described in § 316.7 (c).

interest, and his action in any such respect shall be final.

(c) *Previous circulars; preservation of existing rights.* The provisions of previous Treasury Department circulars not in conformity with this part are hereby modified and amended accordingly: *Provided, however,* That nothing contained in this part shall limit or be construed to limit or restrict any existing rights which owners of bonds of Series E have acquired under the circulars previously in force.

(d) *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 bonds of Series E.

(e) *Reservation as to terms of part.* The Secretary of the Treasury may at any time or from time to time supplement or amend the terms of this part, or of any amendments or supplements thereto.

APPENDIX—TABLES OF REDEMPTION VALUES AND INVESTMENT YIELDS

TABLE A—UNITED STATES SAVINGS BONDS—SERIES E

TABLE OF REDEMPTION VALUES AND INVESTMENT YIELDS FOR BONDS BEARING ISSUE DATES BEGINNING FEBRUARY 1, 1957¹

Table showing: (1) How bonds of Series E bearing issue dates beginning February 1, 1957, 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 percent per annum, compounded semiannually.

Maturity value.....	\$25.00	\$50.00	\$100.00	\$200.00	\$500.00	\$1,000.00	\$10,000.00	Approximate investment yield	
Issue price.....	18.75	37.50	75.00	150.00	375.00	750.00	7,500.00		
Period after issue date	(1) Redemption values during each half-year period ² (values increase on first day of period shown)							(2) On purchase price from issue date to beginning of each half-year period ³	(3) On current redemption value from beginning of each half-year period ³ to maturity
								Percent	Percent
First ½ year.....	\$18.75	\$37.50	\$75.00	\$150.00	\$375.00	\$750.00	\$7,500.00	-----	13.25
½ to 1 year.....	18.90	37.80	75.60	151.20	378.00	756.00	7,560.00	1.60	13.35
1 to 1½ years.....	19.18	38.36	76.72	153.44	383.60	767.20	7,672.00	2.28	13.38
1½ to 2 years.....	19.48	38.96	77.92	155.84	389.60	779.20	7,792.00	2.56	13.39
2 to 2½ years.....	19.81	39.62	79.24	158.48	396.20	792.40	7,924.00	2.77	13.39
2½ to 3 years.....	20.15	40.30	80.60	161.20	403.00	806.00	8,060.00	2.90	13.39
3 to 3½ years.....	20.50	41.00	82.00	164.00	410.00	820.00	8,200.00	3.00	13.38
3½ to 4 years.....	20.85	41.70	83.40	166.80	417.00	834.00	8,340.00	3.06	13.38
4 to 4½ years.....	21.21	42.42	84.84	169.68	424.20	848.40	8,484.00	3.11	13.37
4½ to 5 years.....	21.57	43.14	86.28	172.56	431.40	862.80	8,628.00	3.14	13.37
5 to 5½ years.....	21.94	43.88	87.76	175.52	438.80	877.60	8,776.00	3.17	13.36
5½ to 6 years.....	22.31	44.62	89.24	178.48	446.20	892.40	8,924.00	3.19	13.36
6 to 6½ years.....	22.68	45.36	90.72	181.44	453.60	907.20	9,072.00	3.20	13.37
6½ to 7 years.....	23.06	46.12	92.24	184.48	461.20	922.40	9,224.00	3.21	13.37
7 to 7½ years.....	23.44	46.88	93.76	187.52	468.80	937.60	9,376.00	3.21	13.36
7½ to 8 years.....	23.83	47.66	95.32	190.64	476.60	953.20	9,532.00	3.22	13.41
8 to 8½ years.....	24.22	48.44	96.88	193.76	484.40	968.80	9,688.00	3.23	13.49
8½ years to 8 years and 11 months.....	24.61	49.22	98.44	196.88	492.20	984.40	9,844.00	3.23	13.61
Maturity value (8 years and 11 months from issue date).....	25.00	50.00	100.00	200.00	500.00	1,000.00	10,000.00	3.25	-----

¹ See footnote 4 to § 316.13 with reference to retention privileges after maturity attaching to bonds bearing issue dates of Feb. 1 through Apr. 1, 1957.

² 5-month period in the case of the 8½-year to 8-year and 11-month period.

³ Approximate investment yield for entire period from issuance to maturity.

TABLE B—UNITED STATES SAVINGS BONDS—SERIES E

TABLE OF REDEMPTION VALUES AND INVESTMENT YIELDS FOR BONDS BEARING
ISSUE DATES FROM MAY 1, 1952, THROUGH JANUARY 1, 1957

Table showing: (1) How bonds of Series E bearing issue dates beginning May 1, 1952, by denominations, increase in redemption value during successive half-year periods following issue or date of original maturity; (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 (a) to maturity or (b) to extended maturity. Yields are expressed in terms of rate percent per annum, compounded semiannually.

Maturity value..... Issue price.....	\$25.00 18.75	\$50.00 37.50	\$100.00 75.00	\$200.00 150.00	\$500.00 375.00	\$1,000.00 750.00	\$10,000 7,500	Approximate investment yield ¹	
Period after issue date	(1) Redemption values during each half-year period ² (Value increase on first day of period shown)							(2) On purchase price from issue date to beginning of each half-year period ³	(3) On current redemption value from beginning of each half-year period ³ (a) to maturity
								Percent	Percent
First ½ year.....	\$18.75	\$37.50	\$75.00	\$150.00	\$375.00	\$750.00	\$7,500	0.00	3.00
½ to 1 year.....	18.85	37.70	75.40	150.80	377.00	754.00	7,540	1.07	3.10
1 to 1½ years.....	19.05	38.10	76.20	152.40	381.00	762.00	7,620	1.59	3.16
1½ to 2 years.....	19.30	38.60	77.20	154.40	386.00	772.00	7,720	1.94	3.19
2 to 2½ years.....	19.55	39.10	78.20	156.40	391.00	782.00	7,820	2.10	3.23
2½ to 3 years.....	19.80	39.60	79.20	158.40	396.00	792.00	7,920	2.19	3.28
3 to 3½ years.....	20.05	40.10	80.20	160.40	401.00	802.00	8,020	2.25	3.34
3½ to 4 years.....	20.30	40.60	81.20	162.40	406.00	812.00	8,120	2.28	3.41
4 to 4½ years.....	20.55	41.10	82.20	164.40	411.00	822.00	8,220	2.30	3.49
4½ to 5 years.....	20.90	41.80	83.60	167.20	418.00	836.00	8,360	2.43	3.50
5 to 5½ years.....	21.25	42.50	85.00	170.00	425.00	850.00	8,500	2.52	3.51
5½ to 6 years.....	21.60	43.20	86.40	172.80	432.00	864.00	8,640	2.59	3.54
6 to 6½ years.....	21.95	43.90	87.80	175.60	439.00	878.00	8,780	2.64	3.58
6½ to 7 years.....	22.30	44.60	89.20	178.40	446.00	892.00	8,920	2.69	3.64
7 to 7½ years.....	22.65	45.30	90.60	181.20	453.00	906.00	9,060	2.72	3.74
7½ to 8 years.....	23.00	46.00	92.00	184.00	460.00	920.00	9,200	2.74	3.89
8 to 8½ years.....	23.40	46.80	93.60	187.20	468.00	936.00	9,360	2.79	4.01
8½ to 9 years.....	23.80	47.60	95.20	190.40	476.00	952.00	9,520	2.83	4.26
9 to 9½ years.....	24.20	48.40	96.80	193.60	484.00	968.00	9,680	2.86	4.94
9½ years to 9 years and 8 months.....	24.60	49.20	98.40	196.80	492.00	984.00	9,840	2.88	9.92
Maturity value (9 years and 8 months from issue date).....	25.00	50.00	100.00	200.00	500.00	1,000.00	10,000	3.00	-----
Period after maturity date	Extended maturity period							(b) to extended maturity	
First ½ year.....	\$25.00	\$50.00	\$100.00	\$200.00	\$500.00	\$1,000.00	\$10,000	3.00	3.00
½ to 1 year.....	25.37	50.75	101.50	203.00	507.50	1,015.00	10,150	3.00	3.00
1 to 1½ years.....	25.75	51.50	103.00	206.00	515.00	1,030.00	10,300	3.00	3.00
1½ to 2 years.....	26.12	52.25	104.50	209.00	522.50	1,045.00	10,450	2.99	3.01
2 to 2½ years.....	26.50	53.00	106.00	212.00	530.00	1,060.00	10,600	2.99	3.02
2½ to 3 years.....	26.90	53.80	107.60	215.20	538.00	1,076.00	10,760	2.99	3.02
3 to 3½ years.....	27.30	54.60	109.20	218.40	546.00	1,092.00	10,920	2.99	3.02
3½ to 4 years.....	27.70	55.40	110.80	221.60	554.00	1,108.00	11,080	2.99	3.03
4 to 4½ years.....	28.10	56.20	112.40	224.80	562.00	1,124.00	11,240	2.98	3.04
4½ to 5 years.....	28.50	57.00	114.00	228.00	570.00	1,140.00	11,400	2.98	3.05
5 to 5½ years.....	28.95	57.90	115.80	231.60	579.00	1,158.00	11,580	2.98	3.04
5½ to 6 years.....	29.40	58.80	117.60	235.20	588.00	1,176.00	11,760	2.99	3.04
6 to 6½ years.....	29.85	59.70	119.40	238.80	597.00	1,194.00	11,940	2.99	3.03
6½ to 7 years.....	30.30	60.60	121.20	242.40	606.00	1,212.00	12,120	2.99	3.04
7 to 7½ years.....	30.75	61.50	123.00	246.00	615.00	1,230.00	12,300	2.99	3.07
7½ to 8 years.....	31.20	62.40	124.80	249.60	624.00	1,248.00	12,480	2.99	3.07
8 to 8½ years.....	31.65	63.30	126.60	253.20	633.00	1,266.00	12,660	2.99	3.12
8½ to 9 years.....	32.15	64.30	128.60	257.20	643.00	1,286.00	12,860	2.99	3.10
9 to 9½ years.....	32.65	65.30	130.60	261.20	653.00	1,306.00	13,060	2.99	3.10
9½ to 10 years.....	33.15	66.30	132.60	265.20	663.00	1,326.00	13,260	3.00	3.14
Extended maturity value (10 years from original maturity date) ⁴	33.67	67.34	134.68	269.36	673.40	1,346.80	13,468	3.00	-----

¹ Calculated on basis of \$1,000 bond (face value).

² 2-month period in the case of the 9½-year to 9-year and 8-month period.

³ Approximate investment yield for entire period from issuance to maturity.

⁴ 10 years and 8 months after issue date.

TABLE C—UNITED STATES SAVINGS BONDS—SERIES E

TABLE OF REDEMPTION VALUES AND INVESTMENT YIELDS FOR BONDS BEARING ISSUE DATES FROM MAY 1, 1942, THROUGH APRIL 1, 1952

Table showing: (1) How bonds of Series E bearing issue dates from May 1, 1942, through April 1, 1952, by denominations, increase in redemption value during successive half-year periods following issue or date of original maturity; (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 (a) to maturity or (b) to extended maturity. Yields are expressed in terms of rate percent per annum, compounded semiannually.

Maturity value..... Issue price.....	\$10.00 7.50	\$25.00 18.75	\$50.00 37.50	\$100.00 75.00	\$200.00 150.00	\$500.00 375.00	\$1,000.00 750.00	Approximate investment yield ¹	
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	(3) On current redemption value from beginning of each half-year period (a) to maturity
								Percent	Percent
First ½ year.....	\$7.50	\$18.75	\$37.50	\$75.00	\$150.00	\$375.00	\$750.00	0.00	2.90
½ to 1 year.....	7.50	18.75	37.50	75.00	150.00	375.00	750.00	.00	3.05
1 to 1½ years.....	7.55	18.87	37.75	75.50	151.00	377.60	754.00	.67	3.15
1½ to 2 years.....	7.60	19.00	38.00	76.00	152.00	380.00	760.00	.88	3.25
2 to 2½ years.....	7.65	19.12	38.25	76.50	153.00	382.50	765.00	.99	3.35
2½ to 3 years.....	7.70	19.25	38.50	77.00	154.00	385.00	770.00	1.06	3.43
3 to 3½ years.....	7.80	19.50	39.00	78.00	156.00	390.00	780.00	1.31	3.58
3½ to 4 years.....	7.90	19.75	39.50	79.00	158.00	395.00	790.00	1.49	3.66
4 to 4½ years.....	8.00	20.00	40.00	80.00	160.00	400.00	800.00	1.62	3.75
4½ to 5 years.....	8.10	20.25	40.50	81.00	162.00	405.00	810.00	1.72	3.87
5 to 5½ years.....	8.20	20.50	41.00	82.00	164.00	410.00	820.00	1.79	4.01
5½ to 6 years.....	8.30	20.75	41.50	83.00	166.00	415.00	830.00	1.85	4.15
6 to 6½ years.....	8.40	21.00	42.00	84.00	168.00	420.00	840.00	1.90	4.28
6½ to 7 years.....	8.50	21.50	43.00	86.00	172.00	430.00	860.00	2.12	4.36
7 to 7½ years.....	8.80	22.00	44.00	88.00	176.00	440.00	880.00	2.30	4.31
7½ to 8 years.....	9.00	22.50	45.00	90.00	180.00	450.00	900.00	2.45	4.26
8 to 8½ years.....	9.20	23.00	46.00	92.00	184.00	460.00	920.00	2.57	4.17
8½ to 9 years.....	9.40	23.50	47.00	94.00	188.00	470.00	940.00	2.67	4.12
9 to 9½ years.....	9.60	24.00	48.00	96.00	192.00	480.00	960.00	2.76	4.08
9½ to 10 years.....	9.80	24.50	49.00	98.00	196.00	490.00	980.00	2.84	
Maturity value (10 years from issue date).....	10.00	25.00	50.00	100.00	200.00	500.00	1,000.00	2.90	
Period after maturity date	Extended maturity period							(b) to extended maturity	
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	3.02
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	3.03
3½ to 4 years.....	11.08	27.70	55.40	110.80	221.60	554.00	1,108.00	2.91	3.04
4 to 4½ years.....	11.24	28.10	56.20	112.40	224.80	562.00	1,124.00	2.91	3.05
4½ to 5 years.....	11.40	28.50	57.00	114.00	228.00	570.00	1,140.00	2.91	3.04
5 to 5½ years.....	11.56	28.95	57.90	115.80	231.60	579.00	1,158.00	2.92	3.04
5½ to 6 years.....	11.76	29.40	58.80	117.60	235.20	588.00	1,176.00	2.92	3.03
6 to 6½ years.....	11.94	29.85	59.70	119.40	238.80	597.00	1,194.00	2.93	3.04
6½ to 7 years.....	12.12	30.30	60.60	121.20	242.40	606.00	1,212.00	2.93	3.05
7 to 7½ years.....	12.30	30.75	61.50	123.00	246.00	615.00	1,230.00	2.93	3.07
7½ to 8 years.....	12.48	31.20	62.40	124.80	249.60	624.00	1,248.00	2.93	3.12
8 to 8½ years.....	12.66	31.65	63.30	126.60	253.20	633.00	1,266.00	2.94	3.10
8½ to 9 years.....	12.86	32.15	64.30	128.60	257.20	643.00	1,286.00	2.94	3.10
9 to 9½ years.....	13.06	32.65	65.30	130.60	261.20	653.00	1,306.00	2.94	3.10
9½ to 10 years.....	13.26	33.15	66.30	132.60	265.20	663.00	1,326.00	2.94	3.14
Extended maturity value (10 years from original maturity date) ²	13.47	33.67	67.34	134.68	269.36	673.40	1,346.80	2.95	

¹ Calculated on basis of \$1,000 bond (face value).

² Approximate investment yield for entire period from issuance to original maturity.

³ 20 years from issue date.

TABLE D—UNITED STATES SAVINGS BONDS—SERIES E

TABLE OF REDEMPTION VALUES AND INVESTMENT YIELDS FOR BONDS BEARING ISSUE DATES FROM MAY 1, 1941, THROUGH APRIL 1, 1942

Table showing: (1) How bonds of Series E bearing issue dates from May 1, 1941, through April 1, 1942, by denominations, increase in redemption value during successive half-year periods following issue or date of original maturity; (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 (a) to maturity or (b) to extended maturity. Yields are expressed in terms of rate percent per annum, compounded semiannually.

Maturity value..... Issue price.....	\$25.00 18.75	\$50.00 37.50	\$100.00 75.00	\$500.00 375.00	\$1,000.00 750.00	Approximate investment yield ¹	
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	(3) On current redemption value from beginning of each half-year period (a) to maturity
						Percent	Percent
First ½ year.....	\$18.75	\$37.50	\$75.00	\$375.00	\$750.00	0.00	2.90
½ to 1 year.....	18.75	37.50	75.00	375.00	750.00	.00	3.05
1 to 1½ years.....	18.87	37.75	75.50	377.50	755.00	.67	3.15
1½ to 2 years.....	19.00	38.00	76.00	380.00	760.00	.88	3.25
2 to 2½ years.....	19.12	38.25	76.50	382.50	765.00	.99	3.38
2½ to 3 years.....	19.25	38.50	77.00	385.00	770.00	1.06	3.52
3 to 3½ years.....	19.50	39.00	78.00	390.00	780.00	1.31	3.68
3½ to 4 years.....	19.75	39.50	79.00	395.00	790.00	1.49	3.85
4 to 4½ years.....	20.00	40.00	80.00	400.00	800.00	1.62	3.75
4½ to 5 years.....	20.25	40.50	81.00	405.00	810.00	1.72	3.87
5 to 5½ years.....	20.50	41.00	82.00	410.00	820.00	1.79	4.01
5½ to 6 years.....	20.75	41.50	83.00	415.00	830.00	1.85	4.18
6 to 6½ years.....	21.00	42.00	84.00	420.00	840.00	1.90	4.41
6½ to 7 years.....	21.50	43.00	86.00	430.00	860.00	2.12	4.36
7 to 7½ years.....	22.00	44.00	88.00	440.00	880.00	2.30	4.31
7½ to 8 years.....	22.50	45.00	90.00	450.00	900.00	2.45	4.26
8 to 8½ years.....	23.00	46.00	92.00	460.00	920.00	2.57	4.21
8½ to 9 years.....	23.50	47.00	94.00	470.00	940.00	2.67	4.17
9 to 9½ years.....	24.00	48.00	96.00	480.00	960.00	2.76	4.12
9½ to 10 years.....	24.50	49.00	98.00	490.00	980.00	2.84	4.08
Maturity value (10 years from issue date).....	25.00	50.00	100.00	500.00	1,000.00	2.90	-----
Period after maturity date	Extended maturity period					(b) to extended maturity	
First ½ year.....	\$25.00	\$50.00	\$100.00	\$500.00	\$1,000.00	2.90	2.90
½ to 1 year.....	25.31	50.62	101.25	506.25	1,012.50	2.89	2.92
1 to 1½ years.....	25.62	51.25	102.50	512.50	1,025.00	2.86	2.94
1½ to 2 years.....	25.94	51.87	103.75	518.75	1,037.50	2.84	2.97
2 to 2½ years.....	26.25	52.50	105.00	525.00	1,050.00	2.82	3.01
2½ to 3 years.....	26.56	53.12	106.25	531.25	1,062.50	2.81	3.05
3 to 3½ years.....	26.87	53.75	107.50	537.50	1,075.00	2.79	3.10
3½ to 4 years.....	27.19	54.37	108.75	543.75	1,087.50	2.77	3.15
4 to 4½ years.....	27.50	55.00	110.00	550.00	1,100.00	2.75	3.22
4½ to 5 years.....	27.81	55.62	111.25	556.25	1,112.50	2.74	3.32
5 to 5½ years.....	28.12	56.25	112.50	562.50	1,125.00	2.73	3.43
5½ to 6 years.....	28.44	56.87	113.75	568.75	1,137.50	2.71	3.56
6 to 6½ years.....	28.75	57.50	115.00	575.00	1,150.00	2.69	3.73
6½ to 7 years.....	29.06	58.12	116.25	581.25	1,162.50	2.67	3.96
7 to 7½ years.....	29.37	58.75	117.50	587.50	1,175.00	2.66	4.26
7½ to 8 years.....	30.00	60.00	120.00	600.00	1,200.00	2.70	4.26
8 to 8½ years.....	30.67	61.33	122.67	613.33	1,226.67	2.75	4.21
8½ to 9 years.....	31.33	62.67	125.33	626.67	1,253.33	2.79	4.17
9 to 9½ years.....	32.00	64.00	128.00	640.00	1,280.00	2.83	4.12
9½ to 10 years.....	32.67	65.33	130.67	653.33	1,306.67	2.87	4.08
Extended maturity value (10 years from original maturity date) ²	33.33	66.67	133.33	666.67	1,333.33	2.90	-----

¹ Calculated on basis of \$1,000 bond (face value).

² Approximate investment yield for entire period from issuance to maturity.

³ 20 years from issue date.

Part 317—Agencies for the Issue of United States Savings Bonds, Series E¹

- Sec.
- 317.1 Authority to designate issuing agents.
- 317.2 Designation of issuing agents.
- 317.3 Qualification of issuing agent.
- 317.4 Accounts, forms and details of operation.
- 317.5 Termination or modification of the qualification of issuing agents.
- 317.6 Miscellaneous.

AUTHORITY: §§ 317.1 to 317.6 issued under sec. 22, 49 Stat. 41, as amended; 31 U. S. C. 757c.

§ 317.1 *Authority to designate issuing agents.* Section 22 (a) of the Second Liberty Bond Act, as amended by the Public Debt Act of 1941 (55 Stat. 7; 31 U. S. C., Sup., 757c), provides, in part, as follows:

22 (a). The Secretary of the Treasury, with the approval of the President, is authorized to issue, from time to time, through the Postal Service or otherwise, United States savings bonds

[Dept. Cir., 657, 6 F. R. 1985, Apr. 17, 1941]

§ 317.2 *Designation of issuing agents.* All banks, trust companies and mutual savings banks incorporated by special law or organized under the general laws of the United States, the District of Columbia, or any State, all Federal Savings and Loan Associations and all other members of the Federal Home Loan Bank System, and all instrumentalities of the United States and other agencies which, by the laws of the United States, may be employed to act as fiscal or financial agents of the United States Government, are hereby designated, subject to the provisions of this part, for employment as issuing agents for the sale and issue of United States Savings Bonds, Series E, issued pursuant to Treasury Department Circular No. 653 (Part 316 of this chapter), dated April 15, 1941, as amended; *Provided, however,* That no issuing agent shall perform or make any effort to perform any of the acts included in such employment, or advertise in any manner that it is authorized to perform such acts until it has been duly certified by the Federal Reserve Bank of the district as having qualified so to act.

[Dept. Circ. 657, 6 F. R. 1985, Apr. 17, 1941, as amended at 23 F. R. 10185, Dec. 24, 1958]

¹ 23 F. R. 10185, Dec. 24, 1958.

§ 317.3 *Qualification of issuing agent—(a) Declaration of intent.* Any issuing agent designated hereunder, desiring to qualify for employment as such an agent, shall file an Application and Pledge Agreement on Form No. 384² with the Federal Reserve Bank of the district, and pledge collateral security of the amount and classes and at the rates set forth in paragraph (b) of this section: *Provided, however,* That each institution, other than a banking institution, organized under State law will be required to transmit with its Application and Pledge Agreement to qualify hereunder, a certification by the duly designated agent or representative of the appropriate Federal Supervising agency to the effect that the institution desiring to qualify possesses appropriate authority under relevant State law and its charter, to act as an issuing agent under the terms of this circular. The amount of the qualification shall be based upon the maturity value of the aggregate amount of Savings Bond stock, Series E, which the issuing agent desires to have on hand at any one time.

(b) *Security required.* (1) Banking institutions which are, and continue to be, insured by the Federal Deposit Insurance Corporation may qualify to obtain an aggregate of Savings Bond stock, Series E, of not more than \$6,500, maturity value, at any one time, without the pledge of collateral security. The amount of \$6,500, maturity value, referred to represents \$4,875, issue price, the latter amount approximating the Federal Deposit Insurance Corporation guaranty. If qualification is desired in excess of \$6,500, maturity value, eligible collateral in the amount of 75 percent of the maturity value of such excess must be pledged.

(2) Designated issuing agents which are not insured by the Federal Deposit Insurance Corporation may qualify to obtain such stock by pledging eligible collateral (except as may be otherwise specifically authorized by the Secretary of the Treasury) in the amount of 75 percent of the approved qualification.

(3) Collateral security eligible for pledge hereunder shall consist of United States bonds or other direct public debt obligations of the United States, or obligations which are unconditionally guaranteed as to both principal and interest by the United States. All of such se-

² Filed as part of the original document.

curities pledged must be in negotiable form and will be accepted at face value.

United States Savings Bonds of any issue registered in the name of the issuing agent pursuant to the provisions of Treasury Department circulars governing the registration thereof will, notwithstanding any provisions of such circulars restricting the pledge thereof, be eligible as collateral security hereunder and will be acceptable at the issue price of such bonds. In all such cases an irrevocable power of attorney shall be executed on behalf of the issuing agent by a duly authorized officer thereof authorizing the Secretary of the Treasury to request payment, and payment of the bond, or bonds, will, if it becomes necessary, be made upon such request at the then appropriate redemption value.

All of the foregoing security shall be pledged under the terms and conditions of the Application and Pledge Agreement, Form No. 384, and all collateral required to be pledged must be delivered to the Federal Reserve Bank of the district or, with the approval of such bank, to any branch thereof, before or upon delivery of the bond stock to the issuing agent.

(c) *Security not required; Federal Deposit Insurance Corporation members.* Notwithstanding the provisions of paragraphs (a) and (b) of this section any designated issuing agent which is, and continues to be, insured by the Federal Deposit Insurance Corporation and which files an Application—Trust Agreement on Form No. 384-A with the Federal Reserve Bank of its district may apply for Savings Bond stock, Series E, sufficient to meet its requirements without the pledge of collateral security therefor. The aggregate amount of stock to be maintained at any one time, taken at maturity values, shall not exceed 50 percent of the issuing agents' capital and surplus or guaranty fund or reserve for capital purposes or \$500,000, whichever is the smaller amount; however, the Secretary of the Treasury, directly or through the Federal Reserve Bank of the district as fiscal agent, reserves the right to regulate the amount of stock which may be obtained or maintained by any issuing agent without the pledge of collateral security, including temporary increases over the limits expressed in this paragraph, whenever circumstances make such action necessary or desirable.

(d) *Security not required; others.* Notwithstanding the provisions of paragraphs (a) and (b) of this section, any designated issuing agent which is, and continues to be, insured by the Federal Savings and Loan Insurance Corporation, or any other acceptable State Insurance Corporation, System or Fund, the members of which are subject to Federal or State supervision, examination and liquidation, which files an Application—Trust Agreement on Form No. 384-A with the Federal Reserve Bank of the district in which it is located may apply for Savings Bond stock, Series E, sufficient to meet its requirements without the pledge of collateral security therefor. The aggregate amount of stock to be maintained at any one time, taken at maturity values, shall not exceed 50 percent of the issuing agents' capital and surplus or guaranty fund or reserve for capital purposes, or other similar fund or funds, or \$50,000, whichever is the smaller amount; however, the Secretary of the Treasury, directly or through the Federal Reserve Bank of the district as fiscal agent, reserves the right to regulate the amount of stock which may be obtained or maintained by any issuing agent without the pledge of collateral security including temporary increases over the limits expressed in this paragraph, whenever circumstances make such action necessary or desirable.

(e) *Certification of qualification.* Upon approval of the Application and Pledge Agreement, Form No. 384, or the Application—Trust Agreement, Form No. 384-A, the Federal Reserve Bank will issue a certificate of qualification to the issuing agent on Form No. 385 or 385-A. The Federal Reserve Bank, as fiscal agent of the United States, may certify, in whole or in part, the qualification applied for. If the qualification applied for is not certified, appropriate notice thereof will be transmitted to the issuing agent making application.

(f) *Consignment of bond stock without pledge of collateral.* Notwithstanding the provisions of paragraphs (a) to (e) of this section, any issuing agent designated hereunder may be qualified as such an agent without being required to pledge collateral security for Savings Bond stock, Series E, upon filing an Application—Agreement, Form No. 1785, with the Federal Reserve Bank of the district: *Provided, however,* That the Secretary of

to the Federal Reserve Bank of the Federal Reserve District in which it is located¹ on Application-Agreement Form PD 1958, Revised (see appended Exhibit A), copies of which may be obtained from the appropriate Federal Reserve Bank. If the application is approved, the Federal Reserve Bank will forward to the applicant a Notice of Qualification Form PD 1959, Revised (see appended Exhibit B), establishing that it is qualified to make payments in connection with the redemption of the United States Savings Bonds hereinafter specified. If the application is not approved, the applicant will be so advised in writing by the Federal Reserve Bank of the District.

(a) *Continuation of existing qualifications.* Any incorporated bank or trust company duly acting as a paying agent at the effective date of this revision may continue so to act under its present qualification, but subject to the terms and conditions of this part.

§ 321.3 *Termination of an agent's qualification to pay bonds.* The Secretary of the Treasury or under authority of the Secretary the appropriate Federal Reserve Bank, as Fiscal Agent of the United States, may, by written notice, at any time and without previous demand or notice, terminate the qualification of any paying agent hereunder. A duly qualified paying agent may discontinue making payments at any time upon written notice to the Federal Reserve Bank, and its qualification shall thereupon cease.

SUBPART B—GENERAL

§ 321.4 *Meaning of terms in this part.* For the purpose of this part, unless otherwise indicated specifically, or by context, the terms:

(a) "Paying agent(s)" or "agent(s)" shall mean any eligible financial institution duly qualified pursuant to the provisions of this part to make payments in connection with the redemption of the United States Savings Bonds hereinafter

¹ For the purpose of this part, eligible institutions in Puerto Rico, the Virgin Islands and the Canal Zone shall be considered as being within the Second Federal Reserve District and shall make application to the Federal Reserve Bank of New York, and eligible institutions in Alaska, Hawaii, Guam and the Philippine Islands shall be considered as being within the Twelfth Federal Reserve District and shall make application to the Federal Reserve Bank of San Francisco.

specified, including such branches located within the United States (including its Territories and possessions and the Canal Zone) and the Republic of the Philippines as it may wish to utilize. For the purpose of this part the term "branches" shall include any bank facilities which may be established with the specific approval of the Treasury Department at Army and Navy installations and other places.

(b) "Bond(s)" shall include only United States Savings Bonds of Series A, B, C, D or E, including bonds of Series E designated Defense Savings Bonds or War Savings Bonds. (Savings Bonds of Series F, G, H, J and K are not included.)

(c) "Owner(s)" shall mean an individual (natural person) whose name is inscribed as an owner (or coowner) in his own right on a bond which is registered in any of the following forms:

(1) In the name of a single individual in his own right, e. g., John A. Jones;

(2) In the names of two individuals as coowners, e. g., John A. Jones or Mrs. Ella S. Jones (each is considered as an owner, and payment may be made to either without the consent of the other); or

(3) In the name of one individual payable on death to another, e. g., John A. Jones, payable on death to Mrs. Ella S. Jones, or John A. Jones, p. o. d. Mrs. Ella S. Jones. (In this example, John A. Jones is the owner and Mrs. Ella S. Jones is the beneficiary. Payment under this circular to a beneficiary is not authorized.)

(d) "Federal Reserve Bank" includes each Federal Reserve Bank and each Branch of a Federal Reserve Bank conducting any of the transactions in connection with which the term is used in this part.

[1945 Dept. Circ. Rev., 10 F. R. 8098, July 3, 1945, as amended by Amdt. 2, 17 F. R. 6246, July 12, 1952]

§ 321.5 *Reimbursement of agents' costs.* (a) Each paying agent shall be entitled to receive reimbursement for its service for all bonds paid hereunder and accounted for by it in each calendar quarter, according to the following scale:

15 cents each for the first 1,000 bonds.
10 cents each for all over 1,000 bonds.

Each Federal Reserve Bank is authorized to establish a definite and regular closing time for determining those paid bonds to be considered as accounted for in a

calendar quarter. Such closing time may be based upon a time that the paid bonds are forwarded to, or received by, the Federal Reserve Bank and shall be uniformly applied throughout the District of such Bank. The scale of rates shall be applicable separately to the agent and to each of its branches utilized in making payments under this part, if the bonds paid by each are separately scheduled and accounted for. The payment of such amount as the agent is entitled to receive will be made by the Treasury Department.

(b) Paying agents shall not make any charge whatever to owners of savings bonds in connection with payments hereunder.

[1957 Dept. Circ. 750 Rev., Amdt. 3, 22 F. R. 219, Jan. 10, 1957; 22 F. R. 263, Jan. 12, 1957]

§ 321.6 *Announcements, etc., of authority to pay bonds.* Any announcement of or any reference to an agent's authority to pay savings bonds may be made only in a form or manner or contain such statements or substance as may be approved by the Secretary of the Treasury or, under authority of the Secretary, by the Federal Reserve Bank of the District, as Fiscal Agent of the United States. An eligible financial institution shall not make such announcements or references unless and until it is officially qualified to pay bonds.

SUBPART C—SCOPE OF AUTHORITY OF PAYING AGENTS

§ 321.7 *General.* In order to protect the interests of the owners and to insure receipt by the proper persons of the proceeds thereof, savings bonds are registered, are not transferable, and, in accordance with their terms, are payable only to the owner named on the bond (except as otherwise specifically provided in the regulations governing the bonds); they may not be used as security for loans or advances in any form. This policy must be understood and effectuated by each agent, notwithstanding the authority granted herein to make payments of bonds, since it is of the utmost importance that payment of the appropriate redemption value of the bonds be made only to and received by the persons entitled and strictly under the terms and conditions of the bonds and applicable regulations.

§ 321.8 *Payments to owner named on bond.* Subject to the terms of the bonds and to the provisions of the regulations

governing them (Treasury Department Circular No. 530 (Part 315 of this chapter), as currently in effect on the date of payment) and the provisions of this part, an agent may make payment of any United States Savings Bond of Series A, B, C, D or E, to the individual (natural person) whose name is inscribed as the owner (or coowner) in his own right on the bond: *Provided*, That such individual presents the bond to the agent for payment and that the individual is known to the agent or establishes his identity to the complete satisfaction of the agent. This authority to make payments to the owner named on the bond will be held to include the following exceptional cases:

(a) *Payments—owner's name changed by marriage.* Where the name of the owner as inscribed on the bond has been changed by marriage and the agent knows or can establish to its complete satisfaction the identity of the owner whose name has been so changed. The signature to the request for payment should show both names, for example "Miss Mary T. Jones, now by marriage Mrs. Mary J. Smith." An agent is not authorized to pay a bond for an owner whose name as inscribed on the bond has been changed in any other manner.

(b) *Payments—to parent of a minor.* Where the name of the owner inscribed on the bond is that of a minor child who is not of sufficient competency and understanding to execute the request for payment and comprehend the nature of such act but upon whose behalf request for payment is made by a parent with whom the child resides: *Provided, however*, That the form of registration does not indicate a guardian or similar representative of the estate of the minor owner has been appointed or is otherwise legally qualified. The parent requesting payment on behalf of the minor child must be known or his or her identity established to the complete satisfaction of the agent, and the parent must sign the request for payment in the form: "John A. Jones, on behalf of John C. Jones" and affix an endorsement in substantially the following form, which may be typed on the back of the bond: "I certify that I am the _____ (father or mother) 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 sign the request." Such a payment may not

be made to any person other than a father or mother.

§ 321.9 *Specific limitations of payment authority.* An agent is not authorized to pay a bond:

(a) If the bond is presented for payment less than two months from the issue date (the issue date should not be confused with the date appearing in the issuing agent's dating stamp). Any payment or advance to a bond owner before a bond is eligible for redemption is not authorized in any circumstance.

(b) If the agent does not know or cannot establish to its complete satisfaction the identity of the person requesting payment as the owner of the bond (including the establishment of the identity of parents requesting payment on behalf of minor children, as set forth in § 321.8 (b)).

(c) If the owner requesting payment (form for which appears on the back of each bond) does not sign his name in ink as it is inscribed on the face of the bond and show his home or business address. (See also §§ 321.8 (a) and (b) and 321.10 (d)).

(d) If the bond appears to bear a material irregularity, for example, an altered, illegible, incomplete or unauthorized inscription, issue date or issuing agent's validating stamp impression; or if a bond appears to be altered, or is mutilated or defaced in such a manner as to create doubt or arouse suspicion with respect to the bond or any essential part thereof.

(e) If the bond is marked "Duplicate."

(f) If Treasury Department regulations require the submission of documentary evidence to support the redemption of the bond, as in the case of deceased owners, incompetents or minors under legal guardianship or the change of an owner's name as inscribed on a bond if for any reason other than marriage.

(g) If the owner named on the bond and requesting payment is a minor who, in the opinion of the agent, is not of sufficient competency and understanding to execute the request for payment and comprehend the nature of such act. (Note the authority granted to agents to make payments of bonds to either parent on behalf of a minor child under the provisions of § 321.8 (b).)

(h) If it is known to the agent that the owner has been declared, in accord-

ance with law, incompetent to manage his estate.

(i) If partial redemption is requested. Attention is directed to § 321.17 for handling bonds of the foregoing classes of cases which may not be paid by agents.

[1945 Dept. Circ. 750 Rev., 10 F. R. 8098, July 3, 1945, as amended by 1952 Dept. Circ. 750, Amdt. 2, 17 F. R. 6246, July 12, 1953]

SUBPART D—PAYMENT AND ACCOUNTING

§ 321.10 *Examination of bonds presented for payment.* Before making payment of bonds presented hereunder the agent:

(a) Shall determine that the person requesting payment as the "owner" (as defined in this part) is known or his identity is established to the satisfaction of the agent.

(b) Shall examine the bond and determine that it is a bond which the agent is authorized to pay under the provisions of this part.

(c) If the request for payment on the back of the bond is already executed, shall determine that the request is properly signed by the registered owner presenting the bond and that his home or business address is shown.

(d) If the request for payment on the back of the bond has not been executed or has been improperly executed by the owner presenting the bond, shall require such owner to properly sign the request and show his home or business address.

§ 321.11 *Certification of requests for payment.* In view of the provisions of this part governing payment of bonds and the requirements as to the data to be endorsed on each bond, under § 321.12, an agent will not be required in the case of any bond paid by it to complete the certification form at the end of the request for payment, nor determine the authenticity of any certification which may appear on the bond at the time it is presented for payment: *Provided, however,* That each agent submitting paid bonds shall be understood by such submission to have represented and certified that the identity of the owner requesting payment has been duly established to the satisfaction of the agent by one of its officers or by an employee duly authorized by the agent.

§ 321.12 *Determination of redemption values and payment of bonds.* The re-

demption value of a bond is determined according to the period of time that it has been outstanding, and the table of redemption values applicable to each bond. The Federal Reserve Bank of the District will furnish each agent monthly with a table of redemption values from which it will be possible, after determining the month and year of issue of any bond, to immediately establish its current value. After establishing such value, payment thereof to the owner requesting payment shall be made in cash. No objection will be made to an arrangement between the owner and the agent under which the owner accepts in lieu of cash, a credit to his checking, savings or share account with the agent, or a check or similar instrument payable to his order. Each agent shall place on the face of each bond paid by it the word "Paid," the amount and date of payment and the name, location and code number assigned to the agent by the Federal Reserve Bank. Other data pertinent to the payment procedure of an agent may be included if approved by the Federal Reserve Bank of the District. The Federal Reserve Bank will furnish rubber stamps for this purpose or, in lieu thereof, will approve suitable stamps prepared by an agent. The affixation of such data shall be construed by and between the agent and the Treasury Department to be a certification by the paying agent that the bond has been paid in accordance with the terms and requirements of this part and that payment of the proceeds of the bond has been made to the owner.

[1945 Dept. Circ. 750 Rev., 10 F. R. 8098, July 3, 1945, as amended by 1952 Dept. Circ. 750, Amdt. 2, 17 F. R. 6246, July 12, 1952]

§ 321.13 *Forwarding paid bonds to the Federal Reserve Bank.* After payment, the bonds shall be forwarded to the Federal Reserve Bank of the District in accordance with instructions issued by such Federal Reserve Bank.

§ 321.14 *Redemption of paid bonds by Federal Reserve Banks.* Upon receipt of the paid bonds the Federal Reserve Bank will make immediate settlement with the paying agent for the total amount of payments made on such bonds; however, such settlement shall be subject to adjustment if any discrepancies are discovered at a later date.

§ 321.15 *Losses resulting from payments.* Section 22 of the Second Liberty Bond Act, as amended, provides:

(1) Any losses resulting from payments made in connection with the redemption of savings bonds shall be replaced out of the fund established by the Government Losses in Shipment Act, as amended, under such regulations² as may be prescribed by the Secretary of the Treasury. The Treasurer of the United States, any Federal Reserve Bank, or any qualified paying agent authorized or permitted to make payments in connection with the redemption of such bonds, shall be relieved from liability to the United States for such losses, upon a determination by the Secretary of the Treasury that such losses resulted from no fault or negligence on the part of the Treasurer, the Federal Reserve Bank, or the qualified paying agent. * * *. The provisions of Section 3 of the Government Losses in Shipment Act, as amended,³ with respect to the finality of decisions by the Secretary of the Treasury shall apply to the determinations made pursuant to this subsection. * * *.

(a) *Consideration of facts concerning loss.* In any case in which a loss occurs, the paying agent shall be afforded ample opportunity to present all of the facts pertaining to the circumstances of the payment for consideration by the Secretary.

§ 321.16 *Preservation of rights.* Nothing contained in this part shall be construed to limit or restrict any existing rights which holders of savings bonds may have acquired under the circulars offering such bonds for sale and the regulations prescribed thereunder.

§ 321.17 *Redemption of bonds not payable by agents.* Any bonds which an agent is not authorized to pay pursuant to the provisions of this part should be forwarded by the owner, or his agent,

²Regulations governing replacement of losses resulting from payments made in connection with the redemption of United States Savings Bonds are set forth in Part 322 of this chapter.

³The provisions of section 3 of the Government Losses in Shipment Act, as amended, with respect to the finality of decisions by the Secretary of the Treasury are—"Notwithstanding any provision of law to the contrary, the decision of the Secretary of the Treasury that such loss, destruction, or damage has occurred or that such shipment was made substantially in accordance with such regulations shall be final and conclusive and shall not be subject to review by any other officer of the United States."

after certification of the requests for payment, to the Federal Reserve Bank or Branch of the District for redemption. If an agent should undertake to forward such unpaid bonds at the request and in behalf of the person entitled to payment, such bonds must be sent separate and apart from bonds which the agent has paid. Any documentary evidence required to support the redemption should accompany the bond or bonds when forwarded to the Federal Reserve Bank.

§ 321.18 *Functions of Federal Reserve Banks.* The Federal Reserve Banks, as Fiscal Agents of the United States, are authorized to perform such duties, and prepare and issue such forms and instructions, as may be necessary to the fulfillment of the purpose and requirements of this part. The Federal Reserve Banks, in their discretion, may utilize any or all of their Branches in the performance of these duties.

§ 321.19 *Supplements, amendments, etc.* The Secretary of the Treasury may at any time or from time to time revise, supplement, amend, or withdraw, in whole or in part, the provisions of this part, or of any revisions, supplements, or amendments thereto, information as to which will be furnished promptly to the Federal Reserve Banks and to the agents qualified hereunder.

EXHIBIT A

Form FD 1958, Revised (July 2, 1945)
Treasury Department, Fiscal Service
Bureau of the Public Debt

APPLICATION-AGREEMENT

Payments by banks and other financial institutions in connection with the redemption of United States Savings Bonds

Dated _____, 19__

To the FEDERAL RESERVE BANK OF _____
Fiscal Agent of the United States.

The _____ hereinafter referred to as the undersigned, hereby applies for qualification to make payments in connection with the redemption of United States Savings Bonds, as provided in Treasury Department Circular No. 750, Revised. The undersigned hereby certifies that (a) it is incorporated under the laws of _____; (b) in the usual course of business it accepts, subject to withdrawal, funds for deposit or the purchase of shares; (c) it is under the supervision of the _____ Name of supervising Dept. or similar office of _____ State or other jurisdiction

(d) it maintains a regular office for the transaction of its business at the address specified below; (e) it is open daily and observes regular business hours; and (f) it has adequate authority under its charter to enter into this agreement.

In consideration of being qualified as a paying agent, the undersigned hereby agrees:

1. To be bound by and to comply with the provisions of Treasury Department Circular No. 750, Revised, including all supplements and amendments thereof and instructions issued thereunder.

2. That the Secretary of the Treasury, or the Federal Reserve Bank of _____ by written notice, may, at any time, and without previous demand or notice, terminate the qualification of the undersigned; and that in the event of such termination the undersigned, after receipt of such notice or after the date of termination specified therein, will not thereafter pay any United States Savings Bonds.

It is understood that the undersigned may withdraw from this Agreement at any time upon written notice of such intention to the Federal Reserve Bank of _____

In witness whereof, the undersigned has caused this Agreement to be executed under seal by the officer below named, thereunto duly authorized by a resolution of its governing board or committee adopted on the _____ day of _____, 19__

(Name)

(Address)

[SEAL] By _____
(Signature of Officer)

(Title of Officer)

ACKNOWLEDGMENT

State of }
County of } ss:

On this _____ day of _____, 19__, before me appeared _____, to me personally known, who being by me duly sworn, did say that he is the _____ of the _____ (Title of Officer)

_____ and
(Name of Institution)

that the seal affixed to the above instrument is the corporate seal of said institution, and that the above instrument was signed and sealed in behalf of said institution by authority of its governing board or committee, and said officer acknowledged said instrument to be the free act and deed of said institution.

[SEAL] _____
Notary Public

My commission expires _____
(In case the applicant has no corporate seal omit the words, "and that the seal affixed to the above instrument is the corporate seal of said institution", and add at the end of

the affidavit "The institution has no corporate seal".)

EXHIBIT B

Form PD 1959, Revised (July 2, 1945)
 Treasury Department, Fiscal Service
 Bureau of the Public Debt

NOTICE OF QUALIFICATION OF A BANK OR OTHER FINANCIAL INSTITUTION TO MAKE PAYMENTS IN CONNECTION WITH THE REDEMPTION OF UNITED STATES SAVINGS BONDS

----- 19 -----

To: -----

GENTLEMEN:

Your Application-Agreement Form PD 1958, Revised, dated -----, has been approved as of this date. You are hereby notified that you are qualified to make payments in connection with the redemption of United States Savings Bonds pursuant to the provisions of Treasury Department Circular No. 750, Revised, and any supplements or amendments thereof and instructions issued pursuant thereto.

FEDERAL RESERVE BANK OF -----
 Fiscal Agent of the United States

By -----

Part 322—Replacement Out of Fund Established by Government Losses in Shipment Act, as Amended, of Any Losses Resulting From Payments Made in Connection With Redemption of United States Savings Bonds and Armed Forces Leave Bonds

Subpart A—Regulations Prescribed

Sec.

322.1 Application of regulations.

Subpart B—Reports of Losses

322.2 Loss to the United States.

322.3 Erroneous payments reported to or discovered by Federal Reserve Banks.

322.4 Report to Treasury of cases involving erroneous payments.

Subpart C—Final Determination of Losses

322.5 Reported erroneous payment, general action by Treasury.

322.6 Restitution by paying agents.

Subpart D—Replacement of Losses Out of Fund

322.7 Replacement and recovery in connection with losses.

Subpart E—Investigation of Losses

322.8 Use of United States Secret Service.

Subpart F—Supplements, Amendments, Etc.

Sec.

322.9 Supplements, amendments, etc.

AUTHORITY: §§ 322.1 to 322.9 issued under sec. 22, 49 Stat. 41, as amended; 31 U. S. C. 757c.

SOURCE: §§ 322.1 to 322.9 contained in 1947 Department Circular 751, Second Revision, 12 F. R. 5358, Aug. 7, 1947, except as otherwise noted.

CROSS REFERENCE: For amendatory and supplementary provisions governing the special endorsement of United States Savings Bonds of any series and the payment of matured Series F and G Bonds by eligible paying agents, see Part 330 of this subchapter.

SUBPART A—REGULATIONS PRESCRIBED

§ 322.1 *Application of regulations.* Pursuant to the authority of section 22 (1) of the Second Liberty Bond Act, as amended (59 Stat. 47; 31 U. S. C. 757c (1)), and the Armed Forces Leave Act of 1946, as amended by Public Law No. 254, 80th Cong., the regulations in this part are hereby prescribed for the replacement out of the fund established by the Government Losses in Shipment Act, as amended, of any losses to the United States resulting from payments made in connection with the redemption of United States Savings Bonds and Armed Forces Leave Bonds, and shall apply to losses resulting from payments made (a) by the Treasurer of the United States, (b) by any Federal Reserve Bank or Branch, as Fiscal Agent of the United States, and (c) by any bank or other financial institution duly qualified as a paying agent pursuant to Part 321 or Part 325 of this chapter.

SUBPART B—REPORTS OF LOSSES

§ 322.2 *Loss to the United States.* A loss to the United States may result from an erroneous (or unauthorized) payment in connection with the redemption of the bonds.

§ 322.3 *Erroneous payments reported to or discovered by Federal Reserve Banks.* If a financial institution, qualified to pay savings bonds or Armed Forces Leave Bonds, finds an erroneous payment to have been made, either before or after the bonds have been forwarded to the Federal Reserve Bank, immediate report thereof should be made to the Federal Reserve Bank. Any such erroneous payments so reported, and any other erroneous payments found by a Federal Reserve Bank of bonds received from a duly qualified paying agent shall,

so far as possible, be adjusted between the Federal Reserve Bank and the paying agent concerned.

§ 322.4 *Report to Treasury of cases involving erroneous payments.* Any such erroneous payments which cannot be adjusted by a Federal Reserve Bank and any other erroneous payments found after the account of the Treasurer of the United States has been charged shall immediately be reported by the Federal Reserve Bank to the Bureau of the Public Debt, Division of Loans and Currency Branch, 536 South Clark Street, Chicago 5, Illinois, in the case of Savings Bonds, or, in the case of Armed Forces Leave Bonds, to the Bureau of the Public Debt, Division of Loans and Currency, Washington 25, D. C.

[28 F. R. 10186, Dec. 24, 1958]

SUBPART C—FINAL DETERMINATION OF LOSSES

§ 322.5 *Reported erroneous payment, general action by Treasury.* Following receipt of the report of an erroneous payment, the Treasury Department will appropriately advise the paying agent concerned, unless such action is unnecessary. The Department shall determine whether or not appropriate adjustment may be effected with the persons concerned in the erroneous payment and in this connection will expect the cooperation of the paying agent, if necessary.

(a) If it is determined that no loss to the United States will occur the paying agent will be so advised.

(b) If it is determined that a final loss to the United States has occurred, the paying agent will be given every opportunity to present the full facts relating to the payment for consideration of the Secretary of the Treasury. If the Secretary shall determine that the final loss resulted from no fault or negligence on the part of the paying agent, notice to that effect will be given the paying agent and he will be relieved from liability to the United States. If, however, the Secretary of the Treasury is unable to find that the loss resulted from no fault or negligence on the part of the paying agent, notice to that effect will be given such paying agent, who will be expected to make prompt restitution.

§ 322.6 *Restitution by paying agents.* In no case will the Treasurer of the United States, a Federal Reserve Bank (including any of its Branches) or the

financial institution qualified as a paying agent, whichever made the erroneous payment, be called upon to make restitution unless and until the Secretary has determined that a final loss has occurred as a result of an erroneous payment, and is unable to find that such loss resulted from no fault or negligence on the part of the paying agent.

SUBPART D—REPLACEMENT OF LOSSES OUT OF FUND

§ 322.7 *Replacement and recovery in connection with losses.* When it is established to the satisfaction of the Secretary of the Treasury that a loss has resulted from a payment made in connection with the redemption of a United States Savings Bond or an Armed Forces Leave Bond, the loss shall be subject to immediate replacement out of the fund established by the Government Losses in Shipment Act, as amended. Any recovery or repayment on account of any such loss as to which replacement shall have been made out of the fund, shall be credited to the fund.

SUBPART E—INVESTIGATION OF LOSSES

§ 322.8 *Use of United States Secret Service.* The Treasury Department, and, in appropriate cases, Federal Reserve Banks, as Fiscal Agents of the United States, may request the Secret Service to investigate losses and assist in the recovery of improper payments. The Treasurer of the United States, the Federal Reserve Banks, and qualified paying agents should cooperate with the Secret Service to the fullest extent in facilitating investigations and making recoveries and they will be expected to take such actions as may be necessary on their part to complete such investigations and recoveries.

SUBPART F—SUPPLEMENTS, AMENDMENTS, ETC.

§ 322.9 *Supplements, amendments, etc.* The Secretary of the Treasury may at any time or from time to time supplement, amend, or withdraw, in whole or in part, the provisions of this part, or of any amendments or supplements thereto, information as to which will be furnished promptly to the Federal Reserve Banks and to eligible financial institutions qualified to make payments of savings bonds or Armed Forces Leave Bonds under the provisions of Part 321 and Part 325, respectively, of this chapter.

Part 323—Availability of Records

Sec.

323.1 Opinions and orders.

323.2 Records.

AUTHORITY: §§ 323.1 and 323.2 issued under R. S. 161, as amended; 5 U. S. C. 22.

SOURCE: §§ 323.1 and 323.2 appear at 11 F. R. 177A-91, Sept. 11, 1946. Redesignated at 13 F. R. 9497, Dec. 31, 1948.

§ 323.1 *Opinions and orders.* Final opinions and orders by the Bureau of the Public Debt in the adjudication of cases involve the ownership of securities and transactions with respect thereto by individuals, organizations, and others. These final opinions and orders are not cited as precedents and, except under limited circumstances as set forth in § 323.2, are held confidential for the reason that they involve private financial affairs of individuals, organizations, and others who purchased Government securities in the belief that in so doing their affairs would not be exposed to public scrutiny.

§ 323.2 *Records.* Apart from records pertaining solely to internal management, the records maintained by the Bureau of the Public Debt and organizations associated with the Bureau in carrying on its work pertain to the purchase and ownership of Government securities and transactions in connection therewith. These records ordinarily will be disclosed only to the owners of such securities, to their executors, administrators, or other legal representatives or to their survivors, or to investigative and certain other agencies of the Federal and State Governments, to trustees in bankruptcy, receivers of insolvents' estates, or to Federal and State courts, where proper order has been entered requesting disclosure of information. The records are held confidential as to others for the reason that they involve private financial affairs of individuals, organizations, and others who purchased Government securities in the belief that in so doing their affairs would not be exposed to public scrutiny. Persons seeking information concerning official records should submit their applications to the Division of Loans and Currency, Bureau of the Public Debt, Treasury Department, Washington 25, D. C., if it concerns marketable securities; to the agency of issue if it concerns Treasury Savings Notes and to the Chicago office of the Bureau of the Public Debt, 536 South Clarke Street, Chicago

5, Illinois, if it concerns United States Savings Bonds of any series. The request for the information should be accompanied by a statement of the reasons why such information is requested and evidence that the person requesting the information is entitled thereto.

Part 325—Payments by Banks and Other Financial Institutions in Connection With Redemption of Armed Forces Leave Bonds**Subpart A—Authority to Act**

Sec.

325.1 Financial institutions authorized to act.

325.2 Application and qualification.

325.3 Termination of an agent's qualification to pay bonds.

Subpart B—General

325.4 Meaning of terms in this part.

325.5 Reimbursement of agents' costs.

325.6 Announcements, etc., of authority to pay bonds.

Subpart C—Scope of Authority of Paying Agents

325.7 General.

325.8 Payments; to owner named on bond.

325.9 Specific limitations of payment authority.

Subpart D—Payment and Accounting

325.10 Examination of bonds presented for payment.

325.11 Certification of requests for payment.

325.12 Determination of redemption values and payment of bonds.

325.13 Forwarding paid bonds to the Federal Reserve Bank.

325.14 Redemption of paid bonds by Federal Reserve Banks.

325.15 Losses resulting from payments.

325.16 Preservation of rights.

325.17 Redemption of bonds not payable by agents.

325.18 Functions of Federal Reserve Banks.

325.19 Supplements, amendments, etc.

Exhibit A.

Exhibit B.

AUTHORITY: §§ 325.1 to 325.19 issued under sec. 22, 49 Stat. 41, as amended; 31 U. S. C. 757c.

SOURCE: §§ 325.1 to 325.19 contained in 1947 Department Circular 811, 12 F. R. 5361, Aug. 7, 1947.

SUBPART A—AUTHORITY TO ACT

§ 325.1 *Financial institutions authorized to act.* Commercial banks, trust companies, savings banks, savings and

loan associations, building and loan associations (including cooperative banks), credit unions, cash depositories, industrial banks, and similar financial institutions which (a) are incorporated under Federal Law or under the laws of a State, Territory or possession of the United States or the District of Columbia; (b) in the usual course of business accept, subject to withdrawal, funds for deposit or the purchase of shares; (c) are under the supervision of the banking department or equivalent authority of the jurisdiction in which incorporated; (d) maintain regular offices for the transaction of their business; and (e) are open daily and observe regular business hours, are eligible to become paying agents of Armed Forces Leave Bonds and, upon qualification in accordance with § 325.2, are hereby authorized to make payments in connection with the redemption of Armed Forces Leave Bonds (referred to as bonds in this part), subject to the provisions of this part and any instructions issued hereunder.

§ 325.2 *Application and qualification.* Federal Reserve Banks, as Fiscal Agents of the United States, are authorized to qualify eligible institutions hereunder, and to terminate any such qualification as hereinafter provided. Any financial institution qualified as a paying agent of United States Savings Bonds is authorized hereunder to act as a paying agent of Armed Forces Leave Bonds. The institution will not be required to effect a new formal Application-Agreement for the purpose. The act of payment of an Armed Forces Leave Bond by a qualified paying agent of savings bonds will qualify it as a paying agent of Armed Forces Leave Bonds and will render it subject to the terms and conditions applicable to the payment of such bonds and subject to the same terms and conditions as are set forth in the Application-Agreement entered into by it as a paying agent of savings bonds. Any other eligible institution not now qualified to pay savings bonds but possessing adequate authority under its charter that desires to qualify to make payments in connection with the redemption of the bonds should make application to the Federal Reserve Bank of the Federal Reserve District in which it is located¹ on Application-

¹For the purpose of this part, eligible institutions in Puerto Rico, the Virgin Islands and the Canal Zone shall be considered as being within the Second Federal Reserve Dis-

trict and shall make application to the Federal Reserve Bank of New York, and eligible institutions in Alaska, Hawaii and Guam shall be considered as being within the Twelfth Federal Reserve District and shall make application to the Federal Reserve Bank of San Francisco.

Agreement Form FD 2125 (see appended Exhibit A), copies of which may be obtained from the appropriate Federal Reserve Bank. If the application is approved, the Federal Reserve Bank will forward to the applicant a Notice of Qualification Form FD 2126 (see appended Exhibit B), establishing that it is qualified to make payments in connection with the redemption of the bonds. If the application is not approved, the applicant will be so advised in writing by the Federal Reserve Bank of the District.

§ 325.3 *Termination of an agent's qualification to pay bonds.* The Secretary of the Treasury or under authority of the Secretary the appropriate Federal Reserve Bank, as Fiscal Agent of the United States, may, by written notice, at any time and without previous demand or notice, terminate the qualification of any paying agent hereunder. A duly qualified paying agent may discontinue making payments at any time upon written notice to the Federal Reserve Bank, and its qualification shall thereupon cease.

SUBPART B—GENERAL

§ 325.4 *Meaning of terms in this part.* For the purpose of this part, unless otherwise indicated specifically, or by context, the terms:

(a) "Paying agent(s)" or "agent(s)" shall mean any eligible financial institution duly qualified pursuant to the provisions of this part to make payments in connection with the redemption of Armed Forces Leave Bonds including such branches located within the United States (including its Territories and possessions and the Canal Zone) and the Republic of the Philippines, as it may wish to utilize. For the purpose of this part the term "branches" shall include any bank facilities which may be established with the specific approval of the Treasury Department at Army and Navy installations and other places.

(b) "Bond(s)" shall include only Armed Forces Leave Bonds unless otherwise indicated specifically or by context.

(c) "Owner(s)" shall mean the living member or former member of the

district and shall make application to the Federal Reserve Bank of New York, and eligible institutions in Alaska, Hawaii and Guam shall be considered as being within the Twelfth Federal Reserve District and shall make application to the Federal Reserve Bank of San Francisco.

armed forces whose name is inscribed in his or her own right on a bond.

(d) "Federal Reserve Bank" includes each Federal Reserve Bank and any Branch thereof authorized by the parent Federal Reserve Bank to conduct any of the transactions in connection with which the term is used in this part.

§ 325.5 *Reimbursement of agents' costs.* (a) Each paying agent shall be entitled to receive reimbursement for its service for all bonds paid and accounted for by it during the period from September 1, 1947 through December 31, 1947 at the rate of:

15 cents each for the first 1,000 bonds
10 cents each for all over 1,000 bonds

Thereafter the number of Armed Forces Leave Bonds paid will be combined with the number of savings bonds paid in computing reimbursement. In other words, paying agents will be entitled to receive 15 cents each for the first 1,000 Armed Forces Leave Bonds and savings bonds combined paid and accounted for in each calendar quarter, and 10 cents each for all over 1,000 bonds of either kind paid and accounted for in that quarter. Each Federal Reserve Bank is authorized to establish a definite and regular closing time for determining those paid bonds to be considered as accounted for in a reimbursable period. Such closing time may be based upon a time that the paid bonds are forwarded to, or received by, the Federal Reserve Bank and shall be uniformly applied throughout the District of such Bank. The scale of rates shall be applicable separately to the agent and to each of its branches utilized in making payments under this part, if the bonds paid by each are separately scheduled and accounted for. The payment of such amount as the agent is entitled to receive shall be made by the Federal Reserve Bank on behalf of the Treasury Department.

(b) Paying agents shall not make any charge whatever to the owners of the bonds in connection with payments hereunder.

§ 325.6 *Announcements, etc., of authority to pay bonds.* Any announcement of or any reference to an agent's authority to pay bonds may be made only in a form or manner or contain such statements or substance as may be

approved by the Secretary of the Treasury or, under authority of the Secretary, by the Federal Reserve Bank of the District, as Fiscal Agent of the United States.

SUBPART C—SCOPE OF AUTHORITY OF PAYING AGENTS

§ 325.7 *General.* Only one Armed Forces Leave Bond has been or will be issued to any one living member or former member of the armed forces discharged under honorable conditions and otherwise entitled to receive a payment in such form (except for a very few instances where adjustments have been necessary after payment was made). That bond will be inscribed only in such member's name. The lowest denomination bond authorized for issuance is \$50 (except for \$25 adjustment bonds) and higher denomination bonds are issued only in multiples of \$25. The bonds are issued pursuant and subject to the terms of Part 324 of this chapter. The bonds are not transferable by sale, exchange, assignment, pledge, hypothecation or otherwise except as they may be assigned to the Administrator of Veterans Affairs pursuant to the Armed Forces Leave Act of 1946, as amended, and regulations prescribed by that Administrator pursuant thereto. No claims by attempted transferees or by persons loaning money on the security of the bonds will be recognized. By the terms of the Armed Forces Leave Act of 1946, as amended, the bonds are exempt from claims of creditors, including any claim of the United States, and shall not be subject to attachment, levy, or seizure by or under any legal or equitable process whatever. Accordingly, no claims of creditors, assignees for the benefit of creditors, trustees or receivers in bankruptcy or equity will be recognized, and no payment of the bonds to any such persons will be made, either during the lifetime of the person whose name is inscribed on the bond or after his death. Upon the death of an owner of a bond the bond becomes payable only to his survivors as defined in the Armed Forces Leave Act. It is of the utmost importance that payment of the appropriate redemption value of the bonds be made only to and received by the persons entitled and strictly under the terms and conditions of the bonds and applicable regulations.

§ 325.8 *Payments; to owner named on bond.* Subject to the terms of the bonds and to the provisions of the regulations governing them and the provisions of this part, an agent may make payment of a bond only to the individual whose name is inscribed as the owner in his own right on the bond: *Provided*, That such individual presents the bond to the agent for payment and that the individual is known to the agent or establishes his identity to the complete satisfaction of the agent. This authority shall be held to include the payment of bonds to a person whose name as inscribed on the bond has been changed by marriage (but not otherwise). Both names must be shown, for example—“(Miss) Mary T. Jones, now by marriage Mrs. Mary J. Smith.”

§ 325.9 *Specific limitations of payment authority.* An agent is not authorized to pay a bond:

(a) If the bond is presented for payment prior to September 2, 1947. Payment in any form or manner to a bond owner before that date is not authorized in any circumstance.

(b) If the agent does not know or cannot establish to its complete satisfaction the identity of the person requesting payment as the owner of the bond.

(c) If the owner requesting payment (form for which appears on the back of each bond) does not sign his name in ink exactly as it is inscribed on the face of the bond and show his home or business address. (See also § 325.10 (d).)

(d) If the bond appears to bear a material irregularity, for example, an altered, illegible, incomplete or unauthorized inscription or issue date; or if a bond appears to be altered, or is mutilated or defaced in such a manner as to create doubt or arouse suspicion with respect to the bond or any essential part thereof.

(e) If the bond is marked ‘Duplicate.’ (An owner of a bond marked ‘Duplicate’ must submit it to the Treasury Department, Division of Loans and Currency, Washington 25, D. C., after completing the request for payment and having it duly certified by an authorized certifying officer.)

(f) If the owner is deceased, incompetent or under legal guardianship or the owner's name as inscribed on a bond is changed for any reason other than mar-

riage, or if it is known to the agent that the owner has been declared, in accordance with law, incompetent to manage his estate.

(g) If partial redemption is requested. (Only payment of the entire amount of principal and interest due may be made and under no circumstances will an exchange be permitted for bonds of a lower denomination.)

Attention is directed to § 325.17 for handling bonds of the foregoing classes of cases which may not be paid by agents.

SUBPART D—PAYMENT AND ACCOUNTING

§ 325.10 *Examination of bonds presented for payment.* Before making payment of bonds presented hereunder the agent:

(a) Shall determine that the person requesting payment as the ‘owner’ (as defined in this part) is known or his identity is established to the satisfaction of the agent.

(b) Shall examine the bond and determine that it is a bond which the agent is authorized to pay under the provisions of this part.

(c) If the request for payment on the back of the bond is already executed, shall determine that the request is properly signed by the registered owner presenting the bond and that his home or business address is shown.

(d) If the request for payment on the back of the bond has not been executed or has been improperly executed by the owner presenting the bond, shall require such owner to properly sign the request and show his home or business address.

§ 325.11 *Certification of requests for payment.* In view of the provisions of this part governing the payment of the bonds and the requirements as to the data to be endorsed on each bond, under § 325.12, an agent will not be required in the case of any bond paid by it to complete the certification form at the end of the request for payment, nor determine the authenticity of any certification which may appear on the bond at the time it is presented for payment: *Provided, however*, That each agent submitting paid bonds shall be understood by such submission to have represented and certified that the identity of the owner requesting payment has been duly established by one of its officers or by an employee duly authorized by the agent.

§ 325.12 *Determination of redemption values and payment of bonds.* The redemption value of a bond is determined according to the number of months that it has been outstanding. The Federal Reserve Bank of the District will furnish each agent monthly with a table of redemption values from which it will be possible, after determining the month and year of issue of any bond, to establish its current value. After establishing such value, payment thereof to the owner requesting payment shall be made in cash. No objection will be made to an arrangement between the owner and the agent under which the owner accepts, in lieu of cash, a credit to his checking, savings or share account with the agent, or a check or similar instrument payable to his order. Each agent shall place in the upper left-hand portion on the face of each bond paid by it the word "Paid," the amount and date of payment and the name, location and code number assigned to the agent by the Federal Reserve Bank. Other data pertinent to the payment procedure of an agent may be included if approved by the Federal Reserve Bank of the District. Each paying agent of savings bonds acting also as a paying agent of Armed Forces Leave Bonds should use the same payment stamp for both activities. The Federal Reserve Bank will furnish any additional rubber stamps necessary for this purpose, or, in lieu thereof, will approve suitable stamps in the possession of or prepared by an agent. The affixation of such data shall be construed by and between the agent and the Treasury Department to be a certification by the paying agent that the bond has been paid in accordance with the terms and requirements of this part and the Armed Forces Leave Act of 1946, as amended, and regulations issued pursuant thereto, and that payment of the proceeds of the bond has been made to the owner.

§ 325.13 *Forwarding paid bonds to the Federal Reserve Bank.* After payment, the bonds shall be forwarded to the Federal Reserve Bank of the District in accordance with instructions issued by such Federal Reserve Bank.

§ 325.14 *Redemption of paid bonds by Federal Reserve Banks.* Upon receipt of the paid bonds the Federal Reserve Bank will make immediate settlement with the paying agent for the total amount of payments made on such bonds; however, such settlement shall be subject to ad-

justment if any discrepancies are discovered at a later date.

§ 325.15 *Losses resulting from payments.* The amendment to the Armed Forces Leave Act of 1946, Public Law 254, enacted July 26, 1947, provides in section 4 thereof that the provisions of subsection (1) of section 22 of the Second Liberty Bond Act, as amended, shall apply with equal force to payments of Armed Forces Leave Bonds. The said subsection provides:

(1) Any losses resulting from payments made in connection with the redemption of savings bonds shall be replaced out of the fund established by the Government Losses in Shipment Act, as amended, under such regulations² as may be prescribed by the Secretary of the Treasury. The Treasurer of the United States, any Federal Reserve bank, or any qualified paying agent authorized or permitted to make payments in connection with the redemption of such bonds, shall be relieved from liability to the United States for such losses, upon a determination by the Secretary of the Treasury that such losses resulted from no fault or negligence on the part of the Treasurer, the Federal Reserve Bank, or the qualified paying agent. * * * The provisions of section 3 of the Government Losses in Shipment Act, as amended,³ with respect to the finality of decisions by the Secretary of the Treasury shall apply to the determinations made pursuant to this subsection. * * *

(a) *Consideration of facts concerning loss.* In any case in which a loss occurs, the paying agent shall be afforded ample opportunity to present all of the facts pertaining to the circumstances of the payment for consideration by the Secretary.

§ 325.16 *Preservation of rights.* Nothing contained in the regulations in this part shall be construed to limit or restrict any existing rights which holders of bonds may have acquired under the

²Regulations governing replacement of losses resulting from payments made in connection with the redemption of Armed Forces Leave Bonds are set forth in Part 322 of this chapter.

³The provisions of section 3 of the Government Losses in Shipment act, as amended, with respect to the finality of decisions by the Secretary of the Treasury are—"Notwithstanding any provision of law to the contrary, the decision of the Secretary of the Treasury that such loss, destruction, or damage has occurred or that such shipment was made substantially in accordance with such regulations shall be final and conclusive and shall not be subject to review by any other officer of the United States."

Armed Forces Leave Act or the regulations prescribed thereunder.

§ 325.17 *Redemption of bonds not payable by agents.* Any bonds which an agent is not authorized to pay pursuant to the provisions of this part should be forwarded by the owner, or his agent, after certification of the requests for payment, to the Federal Reserve Bank or Branch of the District for redemption except that in the case of bonds marked "Duplicate" the bonds should be sent to the Treasury Department, Division of Loans and Currency, Washington 25, D. C. If an agent should undertake to forward such unpaid bonds at the request and in behalf of the person entitled to payment, such bonds must be sent separate and apart from bonds which the agent has paid.

§ 325.18 *Functions of Federal Reserve Banks.* The Federal Reserve Banks, as fiscal agents of the United States, are authorized to perform such duties, and prepare and issue such forms and instructions, as may be necessary to the fulfillment of the purpose and requirements of this part. The Federal Reserve Banks, when authorized by the Treasury Department, may utilize any or all of their Branches in the performance of these duties.

§ 325.19 *Supplements, amendments, etc.* The Secretary of the Treasury may at any time or from time to time revise, supplement, amend, or withdraw, in whole or in part, the provisions of this part, or any revisions, supplements or amendments thereto, information as to which will be furnished promptly to the Federal Reserve Banks and to the agents qualified hereunder.

EXHIBIT A

Form PD 2125
Treasury Department
Fiscal Service
Bureau of the Public Debt

APPLICATION—AGREEMENT

Payments by banks and other financial institutions in connection with the redemption of Armed Forces Leave Bonds

Dated _____, 19____

To the Federal Reserve Bank of _____,
Fiscal Agent of the United States:

The _____, hereinafter referred to as the undersigned, hereby applies for qualification to make payments in connection with the redemption of Armed Forces Leave Bonds, as provided in Treasury Department Circular No. 811. The undersigned

hereby certifies that (a) it is incorporated under the laws of _____; (b) in the usual course of business it accepts, subject to withdrawal, funds for deposit or the purchase of shares; (c) it is under the supervision of the _____

(Name of supervising dept. or similar office) of _____; (d) it maintains a regular office for the transaction of its business at the address specified below; (e) it is open daily and observes regular business hours; and (f) it has adequate authority under its charter to enter into this agreement.

(State or other jurisdiction)

In consideration of being qualified as a paying agent, the undersigned hereby agrees:

1. To be bound by and to comply with the provisions of Treasury Department Circular No. 811, including all supplements and amendments thereof and instructions issued thereunder.

2. That the Secretary of the Treasury, or the Federal Reserve Bank of _____, by written notice, may, at any time, and without previous demand or notice, terminate the qualification of the undersigned; and that in the event of such termination the undersigned, after receipt of such notice or after the date of termination specified therein, will not thereafter pay any Armed Forces Leave Bonds.

It is understood that the undersigned may withdraw from this Agreement at any time upon written notice of such intention to the Federal Reserve Bank of _____

In Witness Whereof, the undersigned has caused this Agreement to be executed under seal by the officer below named, thereunto duly authorized by a resolution of its governing board or committee adopted on the _____ day of _____, 19____.

(Name)

(Address)

[SEAL] By _____
(Signature of officer)

(Title of officer)

ACKNOWLEDGMENT

State of _____, County of _____, ss:

On this _____ day of _____, 19____, before me appeared _____, to me personally known, who, being by me duly sworn, did say that he is the _____

(Title of officer)

of the _____ and that the seal (Name of institution)

affixed to the above instrument is the corporate seal of said institution, and that the above instrument was signed and sealed in behalf of said institution by authority of its governing board or committee, and said officer acknowledged said instrument to be the free act and deed of said institution.

[SEAL] _____

Notary Public.

My commission expires -----
(In case the applicant has no corporate seal omit the words, "and that the seal affixed to the above instrument is the corporate seal of said institution," and add at the end of the affidavit "The institution has no corporate seal.")

EXHIBIT B

Form FD 2126
Treasury Department
Fiscal Service
Bureau of the Public Debt

NOTICE OF QUALIFICATION OF A BANK OR OTHER FINANCIAL INSTITUTION TO MAKE PAYMENTS IN CONNECTION WITH THE REDEMPTION OF ARMED FORCES LEAVE BONDS

-----, 19--
To -----

Gentlemen:
Your Application-Agreement Form FD 2126, dated -----, has been approved as of this date. You are hereby notified that you are qualified to make payments in connection with the redemption of Armed Forces Leave Bonds pursuant to the provisions of Treasury Department Circular No. 811, and any supplements or amendments thereof and instructions issued pursuant thereto.

FEDERAL RESERVE BANK OF -----
Fiscal Agent of the United States.

By -----

Part 328—Restrictive Endorsements of Bearer Securities

- Sec.
 - 328.1 Scope of regulations.
 - 328.2 Authorization for restrictive endorsement.
 - 328.3 Form of endorsement.
 - 328.4 Requirements for endorsement.
 - 328.5 Preparation of securities for shipment.
 - 328.6 Shipment of securities.
 - 328.7 Loss, theft, or destruction of securities bearing restrictive endorsements.
 - 328.8 Miscellaneous.
- Appendix A.

AUTHORITY: §§ 328.1 to 328.8 issued under R. S. 161, as amended, sec. 1, 40 Stat. 288, as amended; 5 U. S. C. 22, 31 U. S. C. 752.

SOURCE: §§ 328.1 to 328.8 contained in 1949 Department Circular 853, 14 F. R. 6172, Oct. 12, 1949, except as otherwise noted.

§ 328.1 *Scope of regulations.* The regulations in this part are applicable only to bearer securities presented by or through banks for payment at maturity, or for redemption prior to maturity, or in exchange for any securities pursuant to an optional exchange offering. The

term "bearer securities" as used in this part shall include Treasury bonds, notes, certificates of indebtedness, and Treasury bills, issued by the United States and payable to bearer. The term "banks" as used in this part shall include incorporated banks (which for this purpose are defined as banks doing a general commercial banking business), incorporated trust companies (which for this purpose are defined as trust companies doing either a general banking business or a general trust business), and savings banks (whether or not mutual). The regulations in this part do not apply to securities presented for any other transaction, nor do they apply to registered bonds assigned in blank or so assigned as to become, in effect, payable to bearer.

§ 328.2 *Authorization for restrictive endorsement.* (a) At any time after one calendar month prior to (1) maturity date, (2) the date securities become payable pursuant to a call for redemption, or (3) the date upon which an exchange may be effected pursuant to an optional exchange offering, banks are authorized, under the conditions and in the manner hereinafter provided, to place restrictive endorsements upon the face of bearer securities owned by themselves or their customers for the purpose of presentation to Federal Reserve Banks or Branches, or to the Treasurer of the United States, for payment, redemption, or optional exchange. Bearer securities bearing such restrictive endorsements will thereafter be nonnegotiable and payment, redemption, or exchange will be made only as provided in such endorsements.

(b) Federal Reserve Banks will inform eligible banks in their respective districts as to the procedure to be followed under the authority granted by the regulations in this part. No bank should imprint restrictive endorsements on securities or make shipments as provided in this part until it has received such information from the Federal Reserve Bank.

§ 328.3 *Form of endorsement.* The endorsement should be in the following form:

For presentation to the Federal Reserve Bank of -----, Fiscal Agent of the United States, for redemption or in exchange for securities of a new issue, in accordance with written instructions submitted by -----
(insert name of presenting bank)
ABA No. -----

The name of the Federal Reserve Bank of the district must appear on the plate or stamp used for the imprinting of the endorsement and presentation to the appropriate Branch of the Federal Reserve Bank named will be considered as presentation to the bank. When securities are to be presented to the Treasurer of the United States, the words "The Treasurer of the United States" should be used in lieu of the words "The Federal Reserve Bank of -----, Fiscal Agent of the United States." No subsequent endorsement will be permitted and no other form of endorsement may be made.

§ 328.4 *Requirements for endorsement.* The endorsement must be imprinted in the left-hand portion of the face of each security with the first line thereof parallel to the left edge of the security and in such manner as to be clearly legible and in such position that it will not obscure the serial number, series designation, or other identifying data, and that it will cover the smallest possible portion of the text on the face of the security being endorsed. The dimensions of the endorsement should approximate four inches in width and one and one-half inches in height, and must be imprinted by stamp or plate of such character, with a carbon pigment ink, and by such means, as will render the endorsement substantially ineradicable. Immediately below and as a part of the endorsement the ABA code number of the presenting bank must be perforated in figures approximately one-half inch in height. The perforation should be placed as nearly as possible beneath the endorsement but without obliterating any of the above-mentioned identifying data.

§ 328.5 *Preparation of securities for shipment*—(a) *Coupons.* All matured coupons, including (except where otherwise specifically provided in an announcement of an optional exchange) all coupons which will mature on or before the date of redemption or exchange, should be detached from securities upon which restrictive endorsements are to be imprinted, and all coupons maturing subsequent to the date of redemption or exchange should be left attached and appropriately cancelled in accordance with the instructions given by the Federal Reserve Banks. If any such subsequently dated coupons are missing, deduction of the face amount of

such missing coupons will be made in cases of redemption and in cases of optional exchange remittance equal to the face amount of the missing coupons must accompany the securities.

(b) *Mingling of issues.* Securities of different issues may be included in a single shipment but they should be sorted by issue, denomination, and serial number. When securities to be redeemed are included in the same shipment as securities to be presented in payment for an exchange subscription, the securities to be redeemed should be clearly segregated from those to be exchanged, and if any securities offered are available in registered form and registration is desired, complete registration instructions should be given on the list required in this section.

(c) *Listing.* After the endorsements have been imprinted and the securities segregated, as required by paragraph (b) of this section, a list of all securities of each issue included in the shipment should be prepared in triplicate. The list should be prepared in the order in which the securities are to be packaged and dispatched and should show in the case of each issue the date of the next maturing coupon, specifying either that all subsequent coupons are attached or indicating which coupons, if any, are missing and whether or not remittance for the value of any missing coupons accompanies the securities. Appropriate forms for the preparation of such lists may be procured from the Federal Reserve Banks of the respective districts. The lists must be verified against the securities.

(d) *Microfilming.* Where adequate facilities for making microfilms or other photographic reproductions of endorsed securities are available, banks are urged to make use thereof for their own protection and for that of their customers. Relief in case of loss, theft, or destruction of securities cannot be given except upon satisfactory proof that such securities were endorsed as provided in the regulations in this part. Microfilms or other photographic reproductions of securities bearing such endorsements will constitute the best evidence that such endorsements were made prior to loss, theft, or destruction, and will materially expedite any application for relief. No prints may be made from the film, except as provided in § 328.7, or when otherwise specifically authorized by a Federal Re-

serve Bank or by the Treasury Department.

(e) *Supervision of listing and verification.* In all cases the listing and verification, as well as the checking of any photographic reproductions, must be made under the supervision of a responsible officer of the bank concerned, who will sign all three copies of the list. The officer verifying and signing the list must also supervise the packaging and shipment of the securities. The original and triplicate copies of the list and the photographic records, if made, should be retained by the bank until the transaction is completed by receipt of payment or receipt of the securities issued in exchange.

§ 328.6 *Shipment of securities.* Securities bearing restrictive endorsements and prepared for shipment as provided in this section, under the terms of this part, are no longer securities payable to bearer and may be forwarded by messenger, armored car service, express, or by registered mail, accompanied in each case by the duplicate copy of the list required in § 328.5. Postmasters under existing Postal Laws and Regulations and supplemental instructions are authorized to accept such securities for shipment by registered mail upon payment of postage at the first-class rate at the declared value of the known or estimated cost of duplication, including the cost of an indemnity bond if required: *Provided*, That a surcharge shall be paid in any case for the cost of duplication in excess of the maximum amount of indemnity payable for the registration. Such securities may not be shipped as cancelled vouchers or as cancelled securities. Shipments may be made only to the Federal Reserve Bank of the district in which the presenting bank is located or the appropriate Branch of such Federal Reserve Bank, and will be at the risk and expense of the shipper. No shipment to any other Federal Reserve Bank is authorized and no shipment by mail or express may be made to the Treasury Department, Washington, D. C.; delivery to the Treasury Department may be made by messenger or armored car.

§ 328.7 *Loss, theft, or destruction of securities bearing restrictive endorsements.* In the case of loss, theft, or destruction of securities bearing restrictive endorsements made strictly in accordance with the provisions of the regulations in this part, relief will be given

as provided by U. S. C. 1946 ed., Title 31, sec. 738a as applied to securities not payable to bearer. (See Appendix A of this part for more detailed information regarding the applicable provisions of the law.) Applications for relief accompanied by the necessary supporting evidence and by the original of the list required by § 328.5 (e) will be acted upon promptly by the Department. Application should be made on Form PD 2211, should give full details so far as known of the loss, theft, or destruction, and should be accompanied by an affidavit from the officer who supervised the listing, verification, and shipment of the securities and who signed the list, a copy of which accompanied the shipment. This affidavit should show that to the officer's personal knowledge each security claimed to have been lost, stolen, or destroyed bore the restrictive endorsement in the form prescribed in § 328.3, fully completed, and that shipment was actually made under his direction, and should describe the method of shipment. If photographic records were made, prints thereof should also accompany the claim and be verified as records of the securities claimed to have been lost, stolen, or destroyed. A bond of indemnity with surety satisfactory to the Secretary of the Treasury for the full value of the securities claimed to have been lost, stolen, or destroyed, including the value of any interest payable thereon, will be required from the owner of the securities. A bank will be considered as the owner, if it so desires, for securities handled by the bank on behalf of its customers. If such bond is executed by a bank or other corporation, the execution must be authorized by general or special resolution of the board of directors or other body exercising similar functions, or of some other board or committee authorized to act under the bylaws on behalf of such bank or corporation. Ordinarily no surety will be required on a bond executed by the presenting bank. The Secretary of the Treasury reserves the right, however, to require a surety in any case in which he considers such action necessary for the protection of the United States.

§ 328.8 *Miscellaneous.* Any provisions of Part 306 of this subchapter (Department Circular No. 300, Revised) which are in conflict with the provisions of the regulations in this part are hereby superseded. The Secretary of the Treasury reserves the right at any time to

amend, supplement, or withdraw any or all of the provisions of the regulations in this part.

[23 F. R. 10185, Dec. 24, 1958]

APPENDIX A

The statutory authority for relief on account of loss, theft, or destruction of United States securities is contained in 31 U. S. C. 1946 ed., sec. 738a, and reads as follows:

Interest-bearing security destroyed, mutilated, defaced, lost or stolen—(a) Issuance of duplicate; redemption of matured security. Whenever it is clearly proved to the satisfaction of the Secretary of the Treasury—

(1) That any interest-bearing security of the United States, identified by number and description, payable to bearer or so assigned as to become, in effect, payable to bearer, has been wholly or partly destroyed, or so mutilated or defaced as to impair its value to the owner, or has been lost or stolen under such circumstances, and such a period of time having elapsed after it has matured or has become redeemable pursuant to a call for redemption, as in the judgment of the Secretary would indicate that it has been destroyed or irretrievably lost, is not held by any person as his own property and will never become the basis of a valid claim against the United States; or

(2) That any interest-bearing security of the United States, identified by number and description, which is not payable to bearer and which has not been so assigned as to become, in effect, payable to bearer, has been lost or stolen, so that it is not held by any person as his own property, or has been wholly or partly destroyed, or so mutilated or defaced as to impair its value to the owner; the Secretary, upon receipt and approval by him of a bond of indemnity, if and as required by subsection (b) hereof, shall, in the case of a security which has not matured or become redeemable pursuant to a call for redemption, issue a substitute marked "duplicate" and showing the serial number of the original security; or shall, in the case of a security which has matured or become redeemable pursuant to a call for redemption, make payment thereof to the owner, with such interest only as would have been paid had the security been presented when it became due and payable: *Provided*, That in the case of an interim certificate relief may be given by the issue of a definitive security, whether before or after maturity, rather than by the issue of a substitute or by payment: *And provided further*, That no payment shall be made on account of interest coupons claimed to have been attached to such original security unless the Secretary is satisfied that such coupons have not been paid, and are in fact destroyed or can never become the basis of a valid claim against the United States.

(b) *Bond of indemnity; exceptions.* Except as provided in paragraphs (1) to (4) of this subsection, the owner of such lost, stolen, destroyed, mutilated, or defaced security shall file with the Secretary of the Treasury a bond, to indemnify the United States, in such form and amount and with such surety, sureties, or security as the Secretary of the Treasury shall require: *Provided*, That in case of securities payable to bearer or so assigned as to become, in effect, payable to bearer, the destruction of which has not been proved, a corporate surety, qualified under sections 6 to 13 of Title 6, shall be required on such bond of indemnity: *And provided further*, That a bond of indemnity shall not be required in any of the following classes of cases, except as provided in paragraph (4) of this subsection:

(1) If the Secretary of the Treasury is satisfied that the loss, theft, destruction, mutilation, or defacement, as the case may be, occurred without fault of the owner and while the security was in the custody or the control of the United States (not including the Postal Service when acting solely in its capacity as the public carrier of the mails), or of a person thereunto duly authorized as lawful agent of the United States, or while it was in the course of shipment effected pursuant to and in accordance with the regulations issued under section 194 of Title 5:

(2) If substantially the entire security is presented and surrendered by the owner and the Secretary of the Treasury is satisfied as to the identity of the security presented and that any missing portions are not sufficient to form the basis of a valid claim against the United States;

(3) If the lost, stolen, destroyed, mutilated, or defaced security is one which by the provisions of law or by the terms of its issue is transferable only by operation of law;

(4) If the owner or holder is the United States or an officer or employee thereof in his official capacity, a State, the District of Columbia, a Territory or possession of the United States, a municipal corporation or political subdivision of any of the foregoing, a corporation the whole of whose capital is owned by the United States, a foreign government, or a Federal Reserve bank: *Provided, however*, That in any of the foregoing classes of cases the Secretary of the Treasury may require a bond of indemnity if he deems it essential to the public interest."

(c) *Definitions.* The term "interest-bearing security of the United States" or "security", wherever used in this section, means any direct obligation of the United States issued pursuant to law for valuable consideration and which by its terms bears interest, or is issued on a discount basis, and includes (but is not limited to) bonds, notes, certificates of indebtedness, and Treasury bills, and

interim certificates issued for any such security, and also means any bond issued under section 780 of Title 26.

(d) *Rules and regulations.* The Secretary of the Treasury shall have the power to make such rules and regulations as he may deem necessary for the administration of this section.

United States securities payable to bearer, which have been restrictively endorsed and shipped to Federal Reserve Banks or Branches, or to the Treasury Department, Washington, D. C., all in strict accordance with the provisions of the regulations, have been made nonnegotiable and relief in case of their loss, theft, mutilation, or destruction may be given under the provisions of paragraph (2) of subsection (a) of the above statute.

In case a bank does not receive within a reasonable time payment or securities offered in exchange for securities surrendered prompt notice should be given the agency to which the securities were forwarded. If payment or new securities are received after such notice has been given, the agency to which the securities were forwarded should be immediately notified.

Application for relief should be made on Form PD 2211, copies of which may be secured from the Federal Reserve Banks of the various districts or from the Treasury Department, Washington, D. C. If the bank is the actual owner of the securities or wishes to be considered as the owner, as provided in § 328.7, the application may be executed in the name of the bank by an officer thereof. If not executed by the officer who supervised the endorsement and shipment, it must be accompanied by an affidavit from such officer. If the bank is not the owner and does not elect to be considered the owner, the application must be signed by the owner of the securities for which relief is sought and must be accompanied by an affidavit from the officer of the bank who supervised the preparation and shipment. The original of the list made by the bank must also be submitted and if photographic reproductions were made prints therefrom should accompany the application as provided in § 328.7. If the loss, theft, mutilation, or destruction occurred in the mail, a postal inspector's report ordinarily will be required.

Form PD 2211 and the accompanying evidence must be submitted to the agency to which the securities were forwarded and will be expedited both by that agency and by the Department at Washington, and, if approved, a bond of indemnity (which is required by the statute) will be forwarded for execution; if the bond of indemnity is executed by the presenting bank as owner, ordinarily no surety will be required. However, the Secretary reserves the right to require surety in any particular case.

[1949 Dept. Circ. 853, 14 F. R. 6172, Oct. 12, 1949, as amended at 23 F. R. 10185, Dec. 24, 1958]

Part 330—Regulations Governing the Special Endorsement of United States Savings Bonds of any Series and the Payment of Matured Series F and G Bonds by Eligible Paying Agents

Sec.	Purpose of regulations in this part.
330.1	Agents eligible to process bonds.
330.2	Bonds eligible for processing.
330.3	Guaranty given to the United States.
330.4	Evidence of owner's authorization to agent.
330.5	Endorsement of bonds.
330.6	Bonds in coownership form.
330.7	Payment or exchange of bonds.
330.8	Functions of Federal Reserve Banks.
330.9	Modification of other parts.
330.10	Other parts generally applicable.
330.11	Supplements and amendments.
330.12	

AUTHORITY: §§ 330.1 to 330.12 issued under sec. 22, 49 Stat. 21, as amended; 31 U. S. C. 757c.

SOURCE: §§ 330.1 to 330.12 contained in 1953 Department Circular 888, Revised, 18 F. R. 2100, Apr. 15, 1953.

§ 330.1 *Purpose of regulations in this part.* The regulations in this part (a) prescribe a procedure whereby eligible qualified paying agents may specially endorse United States Savings Bonds of certain classes, with or without the owners' signatures to the requests for payment, and (b) make provisions for such agents to pay certain bonds so endorsed or forward them to the Federal Reserve Bank of the District for payment or for any authorized exchange. See § 330.3 for classes of bonds which such paying agents may endorse and § 330.8 for those which they may pay or present to the Federal Reserve Bank of the District for payment or exchange. Although the provisions of this part are designed primarily to permit payment without the signatures of the owners to the requests for payment on bonds held by paying agents in safekeeping or trust accounts for known customers, application thereof is not so limited. For example, an eligible paying agent may process a matured bond of Series F or G by special endorsement under the provisions and conditions of this part for the owner, whether or not he signs the request for payment, and whether or not the bond is held in a safekeeping or trust account. Under no circumstances shall the provisions of this part be used to give

effect to a transfer, hypothecation, or pledge of a bond or to permit payment to any person other than the owner or coowner. Violation of these prohibitions will be cause for the withdrawal of an agent's privilege to process any bonds under this part.

§ 330.2 *Agents eligible to process bonds.* Any institution qualified as a paying agent of United States Savings Bonds under the provisions of Part 321 of this subchapter (Department Circular No. 750, Revised), upon establishing its eligibility in accordance with this section, is hereby authorized to process savings bonds and to pay matured savings bonds of Series F and G, subject to the provisions and conditions of this part and any instructions issued under this part. In order to establish such eligibility, the institution should apply on Treasury Department Form PD 2291, Revised, to the Federal Reserve Bank of the District in which it is located. This form provides a certification that by duly-executed resolution of its governing board or committee the institution has been authorized to apply for the privilege of processing and paying bonds in accordance with the provisions and conditions of this part (Department Circular No. 888, Revised), including all supplements, amendments, and revisions thereof, and any instructions issued in connection therewith. If the application is approved, the Federal Reserve Bank will so notify the institution by means of Treasury Department Form PD 2292, Revised. The authority given in this circular to pay matured savings bonds of Series F and G and to otherwise process savings bonds will become effective upon the receipt of such duly-executed Form PD 2292, Revised, but not before May 1, 1953. The Secretary of the Treasury reserves the right to withdraw such privilege from any institution at any time and such action may be taken either by the Treasury Department direct or through a Federal Reserve Bank, acting as fiscal agent of the United States. The eligibility established by any institution to process savings bonds under this part prior to revision (Department Circular No. 888, dated May 15, 1951), is hereby withdrawn, effective at the close of business April 30, 1953.

§ 330.3 *Bonds eligible for processing.* A United States Savings Bond of any series may be processed under the regu-

lations in this part upon the request of the registered owner (which term as now and hereafter used in this part includes a coowner) named on the bond. The term "owner" is defined to include individuals, incorporated and unincorporated bodies, executors, administrators, and other fiduciaries named on the bonds. The procedure does not apply, for example, to cases where a parent requests payment or exchange in behalf of a minor child who is named on the bond as its owner or to cases where requests for payment or exchange are made by surviving beneficiaries, or to any other cases requiring death certificates or other supporting evidence.

§ 330.4 *Guaranty given to the United States.* Each paying agent by the act of paying or presenting to the Federal Reserve Bank of the District either for payment or for exchange a bond bearing the special endorsement prescribed in § 330.6 shall be deemed thereby (a) to have unconditionally guaranteed to the United States the validity of the transaction, including the identification of the owner and the disposition of the proceeds or the new bonds, as the case may be, in accordance with his instructions, (b) to have assumed complete and unconditional liability to the United States for any loss which may be incurred by the United States as a result of the transaction, and (c) to have unconditionally agreed to make prompt reimbursement for the amount of the loss upon request of the Treasury Department.

§ 330.5 *Evidence of owner's authorization to agent.* By the act of paying or presenting to the Federal Reserve Bank of the District for payment or for exchange a bond bearing the special endorsement prescribed in § 330.6, the paying agent represents to the United States that it has obtained adequate instructions from the owner with respect to payment or exchange of the bond and disposition of its proceeds or the new bond, as the case may be. To support this representation agents should maintain such records as may be necessary to establish the receipt of such instructions as well as records establishing compliance therewith.

§ 330.6 *Endorsement of bonds.* Each bond processed under the regulations in this part shall bear the following endorsement (see § 330.7 for additional

instructions covering bonds inscribed in coownership form):

Request by owner and validity of transaction guaranteed in accordance with T. D. Circular No. 888, Revised.

(Name and location of agent)

This endorsement must be placed on the back of the bond in the space provided for the owner to request payment. The endorsement stamp must be legibly impressed in black or other dark-colored ink. The Federal Reserve Bank of the District will furnish rubber stamps for impressing the above endorsement or, in lieu thereof, will approve designs for suitable stamps to be obtained by paying agents. Requests for endorsement stamps to be furnished or approved by the Federal Reserve Bank shall be made in writing by an officer of the institution. The use of endorsement stamps which have been approved or furnished by Federal Reserve Banks pursuant to this part prior to revision (Department Circular No. 888, dated May 15, 1951), shall be discontinued at the close of business April 30, 1953.

§ 330.7 *Bonds in coownership form.* In addition to the endorsement prescribed in § 330.6, the paying agent shall, in the case of bonds registered in coownership form, indicate which coowner requested payment or exchange. This should be done by encircling in black or other dark-colored ink the name of such coowner (or both coowners if a joint request for payment or exchange is made) as it appears in the inscription on the face of the bond.

§ 330.8 *Payment or exchange of bonds—(a) Payment of Series A to E, inclusive, by paying agents.* Bonds of Series A to E, inclusive, bearing the special endorsement (see §§ 330.3 and 330.6) may be paid by a paying agent pursuant to the authority and subject to the provisions and conditions of Part 321 of this subchapter (Department Circular No. 750, Revised), and the instructions issued pursuant thereto, except, of course, that the owner's signature to the request for payment of the bond will not be required, and except also that each such endorsed bond carries with it a guarantee to the United States against loss (see § 330.4). Series A to E bonds, inclusive, which bear the special endorsement and which are thereafter paid by the paying agent under Part 321 of this subchapter (Department Circular No. 750, Revised), will be combined with

other Series A to E bonds paid under that circular and forwarded to the Federal Reserve Bank of the District.

(b) *Payment of matured bonds—Series F and G—by paying agents.* Matured savings bonds of Series F and G other than those marked "Duplicate", bearing the special endorsement (see §§ 330.3 and 330.6), may be paid by qualified paying agents whose eligibility to pay matured Series F and G bonds has been duly established pursuant to § 330.2. No fees will be paid to the agent for making these payments. Such matured bonds may be paid only under the provisions and conditions of this paragraph and such instructions as may be issued pursuant thereto. It will be required that the bonds be of a class which may be processed by special endorsement (see § 330.3), the owner (as defined in § 330.3) has requested the payment, the bonds bear no material alteration, irregularity, mutilation, or other defect that may be a basis for questioning payment thereof, and the bonds bear the special endorsement (see § 330.6). The payment of matured bonds of Series F and G shall be made in accordance with the following provisions:

(1) A series F bond shall be paid at its face value.

(2) A series G bond shall be paid at its face value together with the final interest due thereon at the rate of \$1.25 for each \$100 of face value. The total amount payable at maturity for each authorized denomination, including the final interest due, is as follows:

Series G bond authorized denominations:	Amount payable (face value plus final interest)
\$100	\$101.25
\$500	506.25
\$1,000	1,012.50
\$5,000	5,062.50
\$10,000	10,125.00

(3) Each bond shall bear on its face, in the upper right portion, a payment stamp setting forth the word "paid" and the amount of the payment (including the final interest on Series G bonds), the date of payment (month, day, year), and the name and location of the paying agent including the ABA transit number or other identifying code approved or assigned by the Federal Reserve Bank of the District (the payment stamp prescribed for use under Part 321 of this subchapter (Department Circular No. 750, Revised), may be used).

(4) The proceeds of each bond shall be disposed of pursuant to the owner's instructions.

(5) Paid bonds shall be forwarded to the Federal Reserve Bank of the District at such time or times pursuant to such instructions as may be prescribed by such Bank, as fiscal agent of the United States.

(6) Each payment shall be subject to the guaranty and liability provisions of § 330.4.

(7) Paying agents shall be subject to such other instructions governing these payments as may be issued by the Federal Reserve Bank of the District, as fiscal agent of the United States. The Federal Reserve Bank of the District will make immediate settlement, subject to adjustment, with the paying agent for the total amount due on the paid bonds forwarded hereunder by the agent at any one time.

(c) *Payment or exchange of bonds by Federal Reserve Banks; all series*—(1) *General.* All bonds forwarded to a Federal Reserve Bank for payment or exchange under the provisions and conditions of this part must be accompanied by appropriate instructions governing the transaction and the disposition of the redemption checks or the new bonds, as the case may be. The bonds must be kept separate from any bonds the agent may pay and they must be presented in accordance with such instructions as may be issued by the Federal Reserve Bank of the District, as fiscal agent of the United States.

(2) *Payment.* Savings bonds presented to an eligible paying agent for payment which the agent elects to process by special endorsement under the provisions and conditions of this circular (see § 330.3 for bonds eligible to be so processed) must be forwarded to the Federal Reserve Bank of the District for payment (i) if the bonds are not payable under paragraph (a) or (b) of this section or (ii) if being payable under paragraph (a) or (b) of this section, the agent does not elect to make the payment.

(3) *Exchange.* Savings bonds which are to be exchanged, in whole or in part, pursuant to an authorized exchange may

be processed by an eligible paying agent by special endorsement under the provisions and conditions of this part (see § 330.3 for bonds eligible to be so processed): *Provided*, That each such specially endorsed bond must be forwarded to the Federal Reserve Bank of the District which, as fiscal agent of the United States, is authorized to effect the exchange.

§ 330.9 *Functions of Federal Reserve Banks.* The Federal Reserve Banks, as fiscal agents of the United States, are authorized and directed to perform such duties, and prepare and issue such instructions, as may be necessary to the fulfillment of the purpose and requirements of this part. The Federal Reserve Banks may utilize any or all of their branches in the performance of these duties.

§ 330.10 *Modification of other parts.*¹ The provisions of the regulations in this part shall be considered as amendatory of and supplementary to Parts 315, 316, 321, 322, and 332 of this subchapter (Department Circulars 530, 653, 750, 751, and 905 and any revisions thereof, and those parts are hereby modified where necessary to accord with the provisions in this part.

§ 330.11 *Other parts generally applicable.* Except as provided by the regulations in this part, the parts referred to in § 330.10 will continue to be generally applicable.

§ 330.12 *Supplements and amendments.* The Secretary of the Treasury may at any time or from time to time supplement or amend the terms of the regulations in this part, or of any amendment or supplement thereto.

Part 332—Offering of United States Savings Bonds, Series H

Sec.

332.1 Offering of bonds.

332.1a Special offering to owners of outstanding matured and maturing savings bonds of Series F and G.

¹ The provisions of this section also apply to terminated Parts 318, 329, and 333 (Department Circulars 654, 885, and 906, respectively).

Sec.	Description.
332.2	Term.
332.3	Interest.
332.4	Applicability to bonds bearing issue dates of February 1 through April 1, 1957 as well as subsequent issue dates.
332.5	Bonds purchased before new stock is available.
332.6	Taxation.
332.7	Registration.
332.8	Limitation on holdings.
332.9	Nontransferability.
332.10	Purchase of bonds.
332.11	Delivery of bonds.
332.12	Lost, stolen, or destroyed bonds.
332.13	Payment or redemption.
332.14	General provisions.
332.15	

Appendix—Tables of checks issued and investment yields.

AUTHORITY: §§ 332.1 to 332.15 issued under sec. 22, 49 Stat. 21, as amended; 31 U. S. C. 757c.

SOURCE: §§ 332.1 to 332.15 contained in 1957 Department Circular 905, Revised, 22 F. R. 2949, Apr. 26, 1957; 22 F. R. 3173, May 4, 1957, except as otherwise noted.

CROSS REFERENCE: For amendatory and supplementary provisions governing the special endorsement of United States Savings Bonds of any series and the payment of matured Series F and G Bonds by eligible paying agents, see Part 330 of this subchapter.

§ 332.1 *Offering of bonds.* The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, as amended (31 U. S. C. 757c), offers for sale to the people of the United States, United States Savings Bonds of Series H (referred to in this part as bonds of Series H). These bonds will be substantially a continuation of the bonds of Series H heretofore available, except as otherwise indicated herein. This offering of bonds will continue until terminated by the Secretary of the Treasury.

§ 332.1a *Special offering to owners of outstanding matured and maturing savings bonds of Series F and G—(a) General.* The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, as amended (31 U. S. C. 757c) hereby offers owners of outstanding bonds of Series F and Series G the privilege of applying the proceeds of the bonds, at or after maturity, to the

purchase of bonds of Series H without regard to the limitation on holdings prescribed in § 332.9.

(b) *Restrictions and conditions.* This offering is subject to the following restrictions and conditions:

(1) It extends to all owners of matured and maturing bonds of Series F and Series G, except bonds registered in the names of commercial banks in their own right (as distinguished from a representative or fiduciary capacity). For this purpose commercial banks are defined as those accepting demand deposits.

(2) It is subject to the restrictions prescribed in § 315.6 of this chapter (Department Circular No. 530).

(3) The matured bonds must be presented to a Federal Reserve Bank or Branch for the specified purpose of taking advantage of this offering.

(4) Bonds of Series H may be purchased with the proceeds of the matured bonds only up to the denominational amounts that the proceeds thereof will fully cover; any difference between such proceeds and the purchase price of bonds of Series H will be paid to the owner.

(5) The bonds of Series H will be registered in the name of the owner in any authorized form of registration.

(6) They will be dated as of the first day of the month in which the matured bonds are presented to a Federal Reserve Bank or Branch.

(c) *Termination of offering.* This offering will continue until terminated by the Secretary of the Treasury.

[Dept. Circ. 905, Rev., Amdt. 3, 23 F. R. 8542, Nov. 1, 1958]

§ 332.2 *Description.* Bonds of Series H will be issued only in registered form. See § 332.8 for information concerning registration. They will be issued at par in denominations of \$500, \$1,000, \$5,000, and \$10,000. Each bond will bear the facsimile signature of the Secretary of the Treasury, and will bear an imprint of the Seal of the Treasury Department. At the time of issue, the issuing agent will inscribe on the face of each bond the name and address of the owner and the name of the coowner or beneficiary,

if any; will enter the issue date of the bond; and will imprint the agent's dating stamp (to show the date the bond is actually inscribed). A bond of Series H shall be valid only if an authorized issuing agent receives payment therefor, duly inscribes, dates, and stamps the bond, and delivers it to the purchaser or his agent.

§ 332.3 *Term.* A bond of Series H will 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 the bonds. This date is the issue date and the bond will mature 10 years from such issue date. The issue date should not be confused with the date appearing in the issuing agent's stamp, which indicates the date the bond is actually inscribed. The bonds may not be called for redemption by the Secretary of the Treasury prior to maturity, but any bond of Series H may be redeemed at PAR prior to maturity, after 6 months from the issue date, at the owner's option, but only upon one calendar month's notice as provided in § 332.14.

§ 332.4 *Interest.* Bonds of Series H will be issued at par, and will bear interest from the issue date payable semi-annually by check drawn to the order of the registered owner or coowners, beginning six months from issue date. Interest payments will be based on a graduated scale of amounts (as shown in Table A of the appendix to this part) which have been fixed to afford an investment yield of approximately 3.25 percent per annum compounded semi-annually, if the bonds are held to maturity; if the owner exercises his option to redeem a bond prior to maturity, the yield will be less. Interest will cease at maturity, or in 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.

§ 332.5 *Applicability to bonds bearing issue dates of February 1 through April 1, 1957 as well as subsequent issue dates.* The term of maturity and the yield provided for in §§ 332.3 and 332.4 shall apply

to all bonds of Series H bearing issue dates of February 1 through April 1, 1957 (as well as those bearing subsequent issue dates). Final interest on such bonds will not be payable until held 10 years from the issue date, instead of at the end of 9 years and 8 months.¹

§ 332.6 *Bonds purchased before new stock is available.* Until bonds have been printed and are ready for issue bonds of Series H in the form on sale prior to February 1, 1957, will be issued for purchases made under this part. Bonds of Series H purchased in the interval until the new stocks are available will carry the new interest rate and the term of maturity provided for in § 332.3 and all other privileges as fully as if expressly set forth in the text of the bonds themselves. The owners, if they desire to do so, may exchange such bonds at any Federal Reserve Bank or Branch or at the Treasury Department, Washington 25, D. C., for bonds in the new form (with the same registration and issue dates), when the latter become available; but they need not do so because the Treasury Department will, as a matter of course, issue interest checks for all bonds of Series H bearing issue dates on and after February 1, 1957, in the appropriate amounts as set forth in Table A of the appendix to this part.

§ 332.7 *Taxation.* The income derived from bonds of Series H 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.

§ 332.8 *Registration—(a) General.* Generally, only residents (whether natural persons or others) of the United States, its territories and possessions, the Commonwealth of Puerto Rico, the

¹ Table B of the appendix in this part shows the schedule of checks, the interim investment yields and the yield to maturity of bonds of Series H bearing issue dates beginning June 1, 1952 (when they were first offered for sale), through January 1, 1957.

Canal Zone and citizens of the United States temporarily residing abroad are eligible to invest in bonds of Series H. Full information regarding eligibility to invest in savings bonds, and authorized forms of registration and rights thereunder, will be found in the regulations currently in force governing United States Savings Bonds.¹

(b) *Individuals.* 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 form.

(c) *Others (only in single ownership form).* The bonds may also be registered as follows:

(1) *Fiduciaries.* In the names of any persons or organizations, public or private, as fiduciaries, except 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, which are defined for this purpose as those accepting demand deposits.

[Amdt. 1, 23 F. R. 5, Jan. 1, 1958]

§ 332.9 *Limitation on holdings.* The amount of bonds of Series H originally issued during any one calendar year that may be held by any one person at any one time shall not exceed \$10,000 (maturity value) for the calendar year 1957,² and each calendar year thereafter, which will be computed in accordance

¹ Part 315 of this subchapter (Department Circular No. 530).

² Effective May 1. Accordingly, investors who purchase \$20,000 (maturity value) of bonds of Series H—1957 bearing issue dates of January 1 through April 1 will not be entitled to purchase additional bonds of that series during 1957. Investors who have purchased less than \$10,000 (maturity value) of bonds of Series H prior to May 1 will be entitled only to purchase enough to bring their total for 1957 to \$10,000 (maturity value).

with the regulations currently in force governing United States Savings Bonds.

§ 332.10 *Nontransferability.* Bonds of Series H may not be used as collateral for a loan or as security for the performance of an obligation, or transferred *inter vivos* by voluntary sale or gift, discounted or disposed of in any manner other than as provided in the regulations governing United States Savings Bonds. Except as provided in said regulations, the Treasury Department will recognize only the inscribed owner, during his lifetime, and thereafter his estate or heirs.

§ 332.11 *Purchase of bonds—(a) Agencies.* Bonds of Series H may be purchased only at Federal Reserve Banks and Branches, and at the Treasury Department, Washington 25, D. C. Customers of commercial banks and trust companies may be able to arrange for the purchase of such bonds through such institutions, but only the Federal Reserve Banks and Branches and the Treasury Department are authorized to act as official agencies, and the date of receipt of application and payment at an official agency will govern the dating of the bonds issued.

(b) *Issue prices.* The issue prices of bonds of Series H of the various denominations will be the par amount thereof as follows: \$500, \$1,000, \$5,000, and \$10,000.

(c) *Application.* In applying for bonds under this part, care should be taken to furnish: (1) Instructions for registration of the bonds to be issued, which must be in one of the authorized forms (see § 332.8); (2) the post office address of the owner; (3) the address for delivery of the bonds; and (4) the address for mailing interest checks. The application should be forwarded to a Federal Reserve Bank or Branch, or to the Treasurer of the United States, Washington 25, D. C., accompanied by a remittance to cover the purchase price as shown in paragraph (b) of this section. 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 Part 203 of this chapter (Treasury Department Circular No. 92 Revised) 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.

§ 332.12 *Delivery of bonds.* Authorized issuing agencies will deliver bonds of Series H 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 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.

§ 332.13 *Lost, stolen, or destroyed bonds.* If a bond of Series H is lost, stolen, or destroyed, a substitute may be issued or payment may be obtained upon identification of the bond and proof of its loss, theft, or destruction. The owner should keep a description of his bonds by series, denomination, serial number and name of coowner or beneficiary, if any, apart from the bonds, and in case of loss, theft, or destruction should immediately notify the Bureau of the Public Debt, Division of Loans and Currency Branch, 536 South Clark Street, Chicago 5, Illinois, briefly stating the facts and describing the bonds. Full instructions for obtaining substitute bonds or payment will then be given.

§ 332.14 *Payment or redemption—(a) General.* A bond of Series H will be redeemed at PAR, in whole or in part (in the amount of an authorized denomination or multiple thereof), at the option

*During any war emergency the Treasury may suspend deliveries to be made at its risk and expense from or to the continental United States and its territories and possessions and the Canal Zone, or between any of such places.

of the owner, at any time after 6 months from the issue date, but only on the first day of a calendar month and upon one calendar month's notice in writing of desire to redeem by the owner. The request for payment of the bond must be executed and certified in accordance with the provisions of the applicable regulations. The presentation of the bond (with the request for payment duly executed) will be accepted as notice. Payment will be made when due following presentation of the bond to (1) a Federal Reserve Bank or Branch, (2) the Bureau of the Public Debt, Division of Loans and Currency Branch, 536 South Clark Street, Chicago 5, Illinois, or (3) the Treasurer of the United States, Washington 25, D. C. Formal notice to be effective must be timely received by one of the above agencies and the bond must be presented to the same agency not less than 20 days before the redemption date fixed by the notice.

(b) *Disability or death.* In case of the disability of the registered owner, or the death of the registered owner not survived by a coowner or a designated beneficiary, instructions should be obtained from a Federal Reserve Bank or Branch, or the Bureau of the Public Debt, Division of Loans and Currency Branch, 536 South Clark Street, Chicago 5, Illinois, before the request for payment is executed.

§ 332.15 *General provisions—(a) Regulations.* All bonds of Series H issued pursuant to this part shall be subject to the regulations prescribed from time to time by the Secretary of the Treasury to govern United States Savings Bonds. The present regulations are set forth in Part 315 of this chapter (Treasury Department Circular No. 530, current revision), copies of which may be obtained on application to the Treasury Department or to any Federal Reserve Bank or Branch.

(b) *Reservation as to issue of bonds.* The Secretary of the Treasury reserves the right to reject any application for bonds of Series H, 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.

(c) *Previous circulars; preservation of existing rights.* The provisions of previous Treasury Department circulars not in conformity herewith are hereby modified and amended accordingly: *Provided, however,* That nothing contained in this part shall limit or be construed to limit or restrict any existing rights which owners of bonds of Series H have acquired under the circular previously in force.

(d) *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 savings bonds of Series H.

(e) *Reservation as to terms of circular.* The Secretary of the Treasury may at any time or from time to time supplement or amend the terms of this part, or of any amendments or supplements thereto.

APPENDIX—TABLES OF CHECKS ISSUED AND INVESTMENT YIELDS

TABLE A—UNITED STATES SAVINGS BONDS—SERIES H

TABLE OF CHECKS ISSUED AND INVESTMENT YIELDS FOR BONDS BEARING ISSUE DATES BEGINNING FEBRUARY 1, 1957

Table showing: (1) Amount of interest checks paid on United States Savings Bonds of Series H bearing issue dates beginning February 1, 1957, 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.

Face value:	\$500.00	\$1,000.00	\$5,000.00	\$10,000.00	Approximate investment yield on face value	
Maturity value.....	500.00	1,000.00	5,000.00	10,000.00		
Redemption value ¹	500.00	1,000.00	5,000.00	10,000.00		
Issue price.....	500.00	1,000.00	5,000.00	10,000.00		
Period of time bond is held after issue date	(1) Amount of interest check for each denomination				(2) From issue date to each interest payment date	(3) From each interest payment date to maturity ²
					Percent	Percent
1/2 year.....	\$4.00	\$8.00	\$40.00	\$80.00	1.60	3.35
1 year.....	7.25	14.50	72.50	145.00	2.25	3.38
1 1/2 years.....	8.45	16.90	84.50	169.00	2.62	3.38
2 years.....	8.45	16.90	84.50	169.00	2.80	3.38
2 1/2 years.....	8.45	16.90	84.50	169.00	2.92	3.38
3 years.....	8.45	16.90	84.50	169.00	2.99	3.38
3 1/2 years.....	8.45	16.90	84.50	169.00	3.04	3.38
4 years.....	8.45	16.90	84.50	169.00	3.08	3.38
4 1/2 years.....	8.45	16.90	84.50	169.00	3.11	3.38
5 years.....	8.45	16.90	84.50	169.00	3.14	3.38
5 1/2 years.....	8.45	16.90	84.50	169.00	3.16	3.38
6 years.....	8.45	16.90	84.50	169.00	3.18	3.38
6 1/2 years.....	8.45	16.90	84.50	169.00	3.19	3.38
7 years.....	8.45	16.90	84.50	169.00	3.20	3.38
7 1/2 years.....	8.45	16.90	84.50	169.00	3.21	3.38
8 years.....	8.45	16.90	84.50	169.00	3.22	3.38
8 1/2 years.....	8.45	16.90	84.50	169.00	3.23	3.38
9 years.....	8.45	16.90	84.50	169.00	3.24	3.38
9 1/2 years.....	8.45	16.90	84.50	169.00	3.24	3.38
10 years (maturity).....	8.45	16.90	84.50	169.00	3.25	3.38

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 3.25 percent per annum.

TABLE B—UNITED STATES SAVINGS BONDS—SERIES H

TABLE OF CHECKS ISSUED AND INVESTMENT YIELDS FOR BONDS BEARING
ISSUE DATES FROM JUNE 1, 1952, THROUGH JANUARY 1, 1957

Table showing: (1) Amount of interest checks paid on United States Savings Bonds of Series H, 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.

Face value: Maturity value..... Redemption value ¹ Issue price.....	\$500	\$1,000	\$5,000	\$10,000	Approximate investment yield on face value	
					(2) From issue date to each interest pay- ment date	(3) From each interest pay- ment date to maturity ²
Period of time bond is held after issue date	(1) Amount of interest check for each denomination				Percent	Percent
1/2 year.....	\$2.00	\$4.00	\$20.00	\$40	0.80	3.13
1 year.....	6.25	12.50	62.50	125	1.65	3.18
1 1/2 years.....	6.25	12.50	62.50	125	1.83	3.22
2 years.....	6.25	12.50	62.50	125	2.07	3.27
2 1/2 years.....	6.25	12.50	62.50	125	2.15	3.34
3 years.....	6.25	12.50	62.50	125	2.21	3.41
3 1/2 years.....	6.25	12.50	62.50	125	2.25	3.49
4 years.....	6.25	12.50	62.50	125	2.28	3.58
4 1/2 years.....	8.50	17.00	85.00	170	2.40	3.60
5 years.....	8.50	17.00	85.00	170	2.49	3.63
5 1/2 years.....	8.50	17.00	85.00	170	2.57	3.66
6 years.....	8.50	17.00	85.00	170	2.63	3.69
6 1/2 years.....	8.50	17.00	85.00	170	2.69	3.74
7 years.....	8.50	17.00	85.00	170	2.73	3.81
7 1/2 years.....	8.50	17.00	85.00	170	2.77	3.91
8 years.....	8.50	17.00	85.00	170	2.81	4.07
8 1/2 years.....	8.50	17.00	85.00	170	2.84	4.35
9 years.....	8.50	17.00	85.00	170	2.87	5.10
9 1/2 years.....	8.50	17.00	85.00	170	2.89	10.37
9 years and 9 months (maturity).....	8.50	17.00	85.00	170	3.00	.....

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 3.00 percent per annum.

Part 337—Supplemental Regulations Governing Federal Housing Administration Debentures

Sec.

337.0 Scope of regulations.

337.1 Transportation charges and risks.

337.2 Termination of transfers and denominational exchange transactions.

337.3 Presentation and surrender.

337.4 Assignments of matured or called debentures or debentures submitted for purchase.

337.5 Payment of final interest.

337.6 Address for further information.

337.7 General provisions.

AUTHORITY: §§ 337.0 to 337.7 issued under R. S. 161, as amended, sec. 303, 59 Stat. 601, as amended; 5 U. S. C. 22, 31 U. S. C. 868.

SOURCE: §§ 337.0 to 337.7 contained in 1954 Department Circular 941, 19 F. R. 1952, Apr. 7, 1954.

§ 337.0 *Scope of regulations.* The United States Treasury Department is the agent of the Federal Housing Administration for transactions in any debentures which have been or may be issued pursuant to the authority conferred by the National Housing Act (48 Stat. 1246), as amended; 12 U. S. C. 1701 et seq.), as amended from time to time, including Mutual Mortgage Insurance Fund Debentures, Housing Insurance Fund Debentures, War Housing Insurance Fund Debentures, Military Housing Insurance Fund Debentures, and National Defense Housing Insurance Fund Debentures. In accordance with the regulations adopted by the Federal Housing Commissioner and approved by the Secretary of the Treasury, such transactions are governed by the general regulations of the Treasury Department governing United States bonds and notes (Part 306 of this subchapter) so far as

applicable. The following rules and regulations are prescribed to supplement such general regulations.

§ 337.1 *Transportation charges and risks.* Debentures presented for redemption at call or maturity, or for authorized prior purchase, must be delivered to a Federal Reserve Bank or Branch or to the Bureau of the Public Debt, Division of Loans and Currency, Washington 25, D. C., at the expense and risk of the holder. Debentures bearing restricted assignments may be forwarded by registered mail, but for the owner's protection debentures bearing unrestricted assignments should be forwarded by registered mail insured or by express prepaid.

§ 337.2 *Termination of transfers and denominational exchange transactions.* Debentures, which by their terms are subject to call, may be called for redemption, in whole or in part, at par and accrued interest, on any interest date on three months' notice. No transfers or denominational exchanges in debentures covered by a given call will be made on the books of the Treasury Department on or after the announcement of such call. However, this does not affect the right of a holder of such debenture to sell and assign it on or after the announcement of the call date.

§ 337.3 *Presentation and surrender—*
(a) *For redemption.* To facilitate the redemption of called or maturing debentures, they may be presented and surrendered in the manner prescribed in this section, in advance (but not more than one month in advance) of the call or maturity date, as the case may be. Early presentation by holders will insure prompt payment of principal and interest when due. The debentures must first be assigned by the registered payee or his assignee, or by his duly constituted representative, in the form and manner indicated in § 337.4, and should then be submitted to any Federal Reserve Bank or to the Bureau of the Public Debt, Division of Loans and Currency, Washington 25, D. C., accompanied by appropriate written advice. A form for this purpose will be printed on the reverse of the notice of call.

(b) *For purchase.* Debentures, the purchase of which has been authorized prior to call or maturity, may be assigned and immediately submitted as

instructed in paragraph (a) of this section, accompanied by written instructions.

§ 337.4 *Assignments of matured or called debentures or debentures submitted for purchase.* (a) If the registered payee, or an assignee holding under proper assignment from the registered payee, desires that payment be made to himself, the debentures should be assigned by such payee or assignee, or on his behalf by a duly constituted representative, to "The Federal Housing Commissioner for redemption" or to "The Federal Housing Commissioner for purchase", according to whether the debentures are to be presented for redemption upon call, or at maturity, or for purchase prior to call if purchase is offered. If the owner desires for any reason that payment be made to another, without intermediate assignment, the debentures should be assigned to "The Federal Housing Commissioner for redemption (or, purchase) for the account of -----", inserting the name and address of the person to whom payment is to be made.

(b) An assignment in blank or other assignment having similar effect will be recognized, but in that event the debenture would be, in effect, payable to bearer, and payment will be made in accordance with the instructions received from the person surrendering the debenture for redemption or purchase. For the owner's protection, such assignments should be avoided unless the owner is willing to lose the protection afforded by registration.

(c) Upon call or at maturity a debenture registered in the name of or assigned to a corporation or unincorporated association will be paid on or after the call or maturity date, upon appropriate assignment for that purpose executed on such organization's behalf by a duly authorized officer thereof. An assignment so executed and duly witnessed in accordance with Treasury Department general bond regulations will ordinarily be accepted without proof of the officer's authority. In such cases payment will be made only by check drawn to the order of the corporation or unincorporated association. If debentures registered in the name of or assigned to a corporation or unincorporated association are presented upon call or at maturity and payment is to be

made to some other person, or are presented for purchase prior to the call date if authorized, proof of the authority of the officer assigning on behalf of such organization will be required in accordance with the general regulations.

(d) All assignments must be made on the debentures themselves unless otherwise authorized by the Treasury Department.

§ 337.5 *Payment of final interest.* Final interest on any debenture, whether purchased prior to or redeemed on or after the call or the maturity date, will be paid with the principal in accordance with the assignments on the debentures surrendered. In all cases the check in payment of principal and final interest will be mailed to the address given in the Form of Advice accompanying the debentures surrendered.

§ 337.6 *Address for further information.* Any further information which may be desired regarding the redemption of called or matured debentures, or purchase if authorized, may be obtained from any Federal Reserve Bank or Branch or from the Bureau of the Public Debt, Division of Loans and Currency, Washington 25, D. C.

§ 337.7 *General provisions.* As fiscal agents of the United States, Federal Reserve Banks are authorized and requested to perform any necessary acts under this circular. The Secretary of the Treasury may at any time or from time to time prescribe supplemental and amendatory regulations governing the matters covered by this part, which shall be communicated promptly to the registered owners of the debentures.

Part 338—Regulations Governing Treasury Savings Stamp Agents for the Sale of United States Savings Stamps at Schools ¹

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|---|--|
| <p>Sec.
338.1
338.2
338.3
338.4
338.5</p> | <p>Authority for circular.
Eligibility for applying for agency.
Qualification of agents.
Responsibility of agents.
Scope of authority of Treasury Savings Stamp Agent.</p> |
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¹This is to facilitate the carrying out of the Treasury's School Savings Program as administered by the Savings Bonds Division of the Treasury Department.

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| <p>Sec.
338.6
338.7
338.8

338.9
338.10
338.11

338.12</p> | <p>Supplying stamps to agents.
Accounting for stamps by agents.
Records and reports, preparation, maintenance and destruction by agents.
Losses in transportation.
Action by postmasters in connection with an agent's failure to account.
Termination of an agent's qualification.
Miscellaneous.</p> |
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AUTHORITY: §§ 338.1 to 338.12 issued under sec. 22, 49 Stat. 21, as amended; 31 U. S. C. 757c.

SOURCE: §§ 338.1 to 338.12 contained in 1958 Department Circular 1008, 23 F. R. 2913, May 1, 1958.

§ 338.1 *Authority for circular.* The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, as amended (49 Stat. 21, as amended, 31 U. S. C. 757c), hereby prescribes the regulations in this part for the qualification and control of Treasury Savings Stamp Agents.

§ 338.2 *Eligibility for applying for agency.* Any individual is eligible to apply for qualification as a Treasury Savings Stamp Agent to sell United States Savings Stamps referred to in this part as stamps) at a specific school or schools in the United States, its territories and possessions and the Canal Zone, upon being recommended for qualification by (a) the principal or superintendent, or other person in charge of a school, (b) a duly constituted school board, or (c) with the consent of the appropriate school official or board to the sale of stamps at the subject school, an organization, association or a unit of a state or nationally federated civic, parents', parent-teachers', service, teachers', veterans', or women's organization.

§ 338.3 *Qualification of agents.* An eligible applicant seeking qualification as a Treasury Savings Stamp Agent (hereinafter referred to as an agent) shall file a duly completed Application-Agreement, Treasury Form PD 2949 (original and two copies), with the local State Director of the Treasury's U. S. Savings Bonds Division. The term "State Director" shall include any director appointed by the U. S. Savings Bonds Division for the District of Columbia or for any territory or possession of the United States or the Canal Zone. If such Application-Agreement is accepted, the State Director will certify it and distribute a copy bearing his certification to (a) the postmaster

of the post office, branch or station designated in the application, and (b) the agent. Upon receipt of such copies, the postmaster and the agent are authorized to perform the functions necessary to effect the sale of stamps as provided in this part. An applicant is not authorized to act as or to represent himself to be a Treasury Savings Stamp Agent unless and until he receives a completed copy of his Application-Agreement bearing the certification of the State Director.

§ 338.4 *Responsibility of agents.* Each agent will be responsible for the faithful performance of his duties and functions and for fully accounting for all stamps received without prepayment, as provided in this part.

§ 338.5 *Scope of authority of Treasury Savings Stamp Agent.* An agent qualified pursuant to this part is authorized to sell stamps only at the school or schools designated in the agent's Application-Agreement, and in accordance with the provisions of this part. Agents may sell stamps only for cash and at their face value. Qualification as a Treasury Savings Stamp Agent does not authorize an individual to act in any other agency capacity for or on behalf of the Treasury Department.

§ 338.6 *Supplying stamps to agents—*(a) *Agents.* Each agent is authorized to obtain stamps without prepayment in denominations and amounts sufficient to meet the agent's anticipated sales for the day of a school week designated by the appropriate school official as the day when U. S. Savings Stamps may be purchased by students of the school, provided that the agent has properly accounted for stamps previously obtained without prepayment. Each agent shall call at the post office designated in his Application-Agreement to obtain the stamps and in exchange therefor shall sign a Post Office Department receipt form covering the full amount of the stamps. The stamps may be obtained by the agent on the day they are to be sold or on the preceding business day. The post office from which an agent obtains stamps shall be kept advised by the agent of his stamp requirements.

(b) *Post Offices.* The post office, branch, or station designated in an agent's Application-Agreement (hereinafter referred to as the post office) is authorized to supply such agent with stamps without prepayment in accord-

ance with the provisions and limitations of this section. The receipt which the agent is required to sign shall be retained by the post office subject to return to the agent when all of the stamps covered by the receipt have been fully accounted for.

§ 338.7 *Accounting for stamps by agents—*(a) *General.* All stamps obtained by an agent without prepayment, and the proceeds of sales thereof, are the property of the United States and shall be held in trust by the agent for the United States until duly accounted for. The total value of such stamps must be accounted for by the agent not later than the second business day following the day the stamps were to be sold at the school served by the agent. The accounting shall be in the form of unsold stamps or cash, or both, and shall be made at the post office from which the stamps were obtained. If sickness or other disability prevents the agent from making a timely accounting, he shall cause the appropriate post office to be notified of the reasons for his failure to make such accounting.

(b) *Accounting made in full.* When the stamps are fully accounted for the postal employee to whom the accounting is made shall mark "canceled" over his signature and the current date on the receipt covering the stamps (see § 338.6), and shall immediately return the receipt to the agent. If such receipt is not available for any reason the postal employee shall, over his signature and current date, appropriately record the facts of the accounting and the unavailability of the receipt on Treasury Form PD 2950 (see § 338.8 (b)) for the agent's record.

(c) *Accounting not made in full.* If the agent does not fully account for the stamps, the postal employee to whom the accounting is made shall appropriately note the facts, under the current date, on the agent's receipt and require the agent to endorse such notation. The receipt will be retained by the post office until a full accounting is made. A similar notation of the facts shall be made and endorsed by the postal employee on Treasury Form PD 2950 for the agent's record.

§ 338.8 *Records and reports, preparation, maintenance and destruction by agents—*(a) *Receipts by agents for stamps obtained without prepayment.*

Sections 338.6 and 338.7 cover the preparation and distribution of receipts for stamps obtained by agents without prepayment. A receipt duly canceled and returned to an agent shall be retained by him one calendar month after the month in which it is returned after which the agent may retain or destroy the receipt as he may elect.

(b) *Record of transportation of stamps and proceeds thereof to post office.* Each agent shall keep a record, in duplicate, by calendar month, of unsold stamps and/or the proceeds of stamp sales shipped or otherwise delivered during the month to the post office. A Treasury Form PD 2950 is provided for this purpose. Entries shall be made on Form PD 2950 at the time each shipment or delivery is made. The agent shall take the duplicate copy of Form PD 2950 with him each time he makes an accounting to the post office for stamps that he obtained without prepayment. The original and the duplicate copy of this form shall be retained one calendar month after the date of the last shipment recorded thereon, after which the agent may retain or destroy them: *Provided, however,* That when (1) unsold stamps or the proceeds of stamp sales are lost, stolen or destroyed in transit, or (2) the agent does not account in full for stamps covered by a receipt, the Form PD 2950 (both copies) shall be retained by the agent until one calendar month after the deficiency is removed, unless the form is delivered to the Treasury.

(c) *Other.* Other records prepared and maintained by and for the agent's own use may be disposed of at the discretion of the agent: *Provided, however,* That any records, affidavits, etc., that are prepared in connection with a loss which may be the subject of a claim to the Treasury for relief shall be retained as provided in § 338.9 (d).

§ 338.9 *Losses in transportation*—(a) *General.* The Government Losses in Shipment Act, as amended (5 U. S. C. 134-134h), provides protection against losses arising from shipments of valuables made at the risk of the United States, if the shipments are made in accordance with prescribed regulations. The term "shipment" as used in this part is defined (in the same manner as provided in the Government Losses in Shipment Act, as amended) to mean "the transportation or the effecting of transportation of valuables without lim-

itation as to the means or facilities used * * *." The transportation of stamps from the post office to the school and of unsold stamps and/or cash from the school to the post office by or in the possession of a Treasury Savings Stamp Agent are shipments of valuables at the risk of the United States. Accordingly, an agent may be relieved of his accountability for stamps if they are lost, stolen or destroyed in shipment (see paragraph (d) of this section).

(b) *Preparation for transportation.* The amount of stamps and/or proceeds thereof being transported from or to the post office must be established, prior to transportation, by actual count by the agent. The agent's receipt given at the post office for stamps obtained without prepayment will constitute an adequate record of the amount of stamps being transported by the agent to the school.

(c) *Procedure for transportation and delivery.* An agent must transport and deliver the stamps and/or the proceeds thereof in person, using due care to prevent loss, theft or destruction in transit. The agent's trip may be made on foot or by private or public transportation facilities.

(d) *Report of losses and presentation of claims for relief.* Losses occurring during the transportation by an agent of stamps or the proceeds thereof shall be promptly reported by the agent to (1) the State Director who certified the agent's Application-Agreement and (2) the post office. Local police authorities should also be notified if the loss is occasioned by theft. If prompt recovery of the loss does not seem possible, the agent should supplement the report of loss by presenting his claim for relief to the State Director who, in turn, will present it for consideration by the Treasury Department. The agent's claim should be supported by the appropriate duplicate copy of Form PD 2950; the report of any investigation made; action taken or expected to be taken and of any results obtained or expected; statements by the agent as to the circumstances and cause of the loss; and, if available, statements or affidavits of any witnesses to the incident causing the loss. The foregoing data need not be furnished if it has previously been furnished to or obtained by the Treasury's Secret Service. Stamp agents should bear the foregoing requirements in mind so that in the event of a loss, they may be in a position to

obtain data for justifying a claim for relief from the loss. Unless the records referred to in this part have been turned over to the Treasury they should be retained, notwithstanding the provisions of § 338.8, until one calendar month after the claim is settled. An agent will be relieved of liability for a loss occurring during his transportation of stamps or the proceeds thereof, unless it arose as a result of his failure to comply with the provisions of this part and instructions issued hereunder.

§ 338.10 *Action by postmasters in connection with an agent's failure to account.* Postmasters should promptly report any failure of an agent to account, in whole or in part, for stamps supplied to the agent without prepayment. Such reports should be made to the State Director of the U. S. Savings Bonds Division who certified the respective agent's Application-Agreement.

§ 338.11 *Termination of an agent's qualification.* The Secretary of the

Treasury, the Fiscal Assistant Secretary of the Treasury, the National Director or a State Director of the U. S. Savings Bonds Division may terminate the qualification of a Treasury Savings Stamp Agent at any time, by written notice to the agent, in which event a copy of such notice will be sent to the post office concerned. A qualified agent may withdraw from and discontinue his agency by giving an appropriate written notice to the office of the State Director of the U. S. Savings Bonds Division who certified the agent's Application-Agreement: *Provided, however,* That the agent will be obligated to make a full accounting for all stamps received by him without prepayment.

§ 338.12 *Miscellaneous.* The Secretary of the Treasury reserves the right, in his discretion, to waive or modify any provision or provisions of this part and to provide supplementary instructions for operations hereunder. Information as to any such actions shall be promptly furnished to agents concerned.

SUBCHAPTER C—OFFICE OF THE TREASURER OF THE UNITED STATES

Part 351—Availability of Records

Sec.

351.1 Availability of final opinions and orders.

351.2 Official records.

AUTHORITY: §§ 351.1 and 351.2 issued under R. S. 161, as amended; 5 U. S. C. 22.

SOURCE: §§ 351.1 and 351.2 appear at 11 F. R. 177A-94, Sept. 13, 1946. Redesignated at 13 F. R. 9497, Dec. 30, 1948.

§ 351.1 *Availability of final opinions and orders.* Final opinions and orders in the adjudication of cases falling within the jurisdiction of the Office of the Treasurer of the United States are made available to public inspection except those held confidential and not cited as precedents. The determination as to whether in a particular case a final opinion or order is confidential will be made in accordance with the standards set forth in § 351.2. All rules issued by the Office of the Treasurer will be made available upon request. Requests for such opinions, orders, or rules may be made to the Treasurer of the United States, Treasury Department, Washington 25, D. C.

§ 351.2 *Official records.* The official records on file in the Office of the Treasurer include paid checks and records thereof; retired obligations of the United States and records thereof; records relating to coin, bullion and currency; and various accounting and other records relating to the functions of the Office of the Treasurer. Certain of the information contained in these records is held confidential and is not available to the public because it relates to personal financial transactions of individuals or corporations, or because the disclosure of the information would clearly be inimical to the public interest. All requests for information in respect to matters contained in the official records of the Office of the Treasurer of the United States, should be addressed to the Treasurer of the United States, Treasury Department, Washington 25, D. C. The request should set forth the interest of the applicant in the subject matter and the purpose for which the information is desired. The determination as to whether the information is available for disclosure will be made by

the Secretary, the Under Secretary or the Fiscal Assistant Secretary. Whenever it is determined that a matter of official record is available for disclosure in a particular case, a copy of said official record will be furnished the party requesting the same, or the officer passing upon the request may, in his discretion, allow a personal inspection of the official record in question at the place where the document is normally kept. The regulations contained in this section shall supersede any other Treasury Department orders, rules or regulations to the extent that they are in conflict with the regulations in this part.

Part 359—Settlement by the Treasurer of the United States, in Advance of Reclamation, With Payees or Special Endorsees of Lost or Stolen Checks, Which Have Been Paid on Forged Endorsements

- Sec.
- 359.0 Authority for regulations.
- 359.1 Check forgery insurance fund account.
- 359.2 Settlement of claim.
- 359.3 Deposit of amounts received by way of reclamation.
- 359.4 Time limitation with respect to presentation of claims.

AUTHORITY: §§ 359.0 to 359.4 issued under sec. 4, 55 Stat. 778; 31 U. S. C. 564. Interpret or apply sec. 2, 55 Stat. 777; 31 U. S. C. 562.

SOURCE: §§ 359.0 to 359.4 contained in 1942 Department Circular 678, 7 F. R. 600, Jan. 30, 1942, except as otherwise noted. Redesignated at 12 F. R. 252, Jan. 16, 1947.

§ 359.0 *Authority for regulations.* The regulations in this part are prescribed and issued pursuant to the authority granted by section 4 of the act of November 21, 1941 (Sec. 4, 55 Stat. 778; 31 U. S. C. 564), "To authorize the Treasurer of the United States to make settlements with payees of lost or stolen checks, which have been paid on forged indorsements, in advance of reclamation, and for other purposes."

§ 359.1 *Check forgery insurance fund account.* The Treasurer of the United States is hereby directed to establish a special account in which shall be deposited (a) all sums appropriated pursuant to the authorizations contained in the above act, and (b) amounts received by the Treasurer by way of reclamation, as

hereinafter provided. The account shall be designated:

Treasurer of the United States Check Forgery Insurance Fund (Revolving Fund) Symbol Number -----

§ 359.2 *Settlement of claim.* The Treasurer is authorized to make a settlement in favor of a payee or a special endorsee and to issue a check to him, when the facts in the case establish:

(a) That a claim has been received from a payee or a special endorsee in which it is alleged that the check was lost or stolen, that the check was negotiated and paid on a forged endorsement of the claimant, and that the claimant did not participate directly or indirectly in its proceeds.

(b) That the report of the investigation of the forgery, submitted by or approved by the Secret Service Division, or submitted by the State Department, or by any governmental officer authorized by law or regulation to conduct such an investigation, substantiates the allegations of the claimant, as set forth in paragraph (a) of this section, and discloses that the check was lost or stolen without fault of the claimant.

(c) That reclamation has been or may be delayed more than ten days, or be unsuccessful.

[1942 Dept. Circ. 678, 7 F. R. 600, Jan. 30, 1942, as amended at 12 F. R. 252, Jan. 16, 1947; 13 F. R. 3583, June 29, 1948]

§ 359.3 *Deposit of amounts received by way of reclamation.* Amounts received by the Treasurer of the United States on said checks shall be deposited to the credit of the Check Forgery Insurance Fund (Revolving Fund), to the extent that such amounts are necessary to reimburse the fund for payments made to payees or special endorsees.

§ 359.4 *Time limitation with respect to presentation of claims.* No claim for settlement in favor of a payee or a special endorsee shall be considered unless such claim is received within six years after the date of issuance of the check in question.

Part 360—Indorsement and Payment of Checks Drawn on the Treasurer of the United States

- Sec.
- 360.0 Scope of part.
- 360.1 Definitions.
- 360.2 Guaranty of indorsements.

- Sec.
 360.3 Form of indorsement.
 360.4 Deceased payees.
 360.5 Checks indorsed by an attorney in fact.
 360.6 Incompetent payees.
 360.7 Minor payees.
 360.8 Change of address.
 360.9 Checks payable without limitation of time.
 360.10 General provisions.
 Appendix.

AUTHORITY: §§ 360.0 to 360.10 issued under R. S. 161, as amended; 5 U. S. C. 22. Statutory provisions interpreted or applied are cited to text in parentheses.

SOURCE: §§ 360.0 to 360.10 contained in 1946 Revised Department Circular 21, 11 F. R. 9848, Sept. 7, 1946, except as otherwise noted.

NOTE: Forms mentioned in this part were filed as part of the original document.

§ 360.0 *Scope of part.* The indorsement of checks drawn on the Treasurer of the United States shall be governed by the regulations in this part. The regulations in this part governing the indorsement of checks by the payee shall also apply to and govern the indorsement of checks by any person, firm, corporation, or association to which any check has been specially indorsed.

§ 360.1 *Definitions.* The word "check" or "checks" shall be deemed to mean checks drawn on the Treasurer of the United States; the term "presenting bank" shall be deemed to mean (a) a bank or depositor of a Federal Reserve Bank presenting a check to a Federal Reserve Bank for payment and from which the Federal Reserve Bank is authorized by the provisions of Part 202 of this title to receive such checks or (b) a bank presenting a check for payment direct to the Treasurer under special arrangements with the Treasurer; and the word "Treasurer" shall be deemed to mean the Treasurer of the United States.

§ 360.2 *Guaranty of indorsements.* The presenting bank and the indorsers of a check presented to the Treasurer for payment are deemed to guarantee to the Treasurer that all prior indorsements are genuine including that of the drawer when the check is drawn in the drawer's favor, whether or not an express guaranty is placed on the check. When the first indorsement has been made by one other than the payee personally, the

presenting bank and the indorsers are deemed to guarantee to the Treasurer, in addition to other warranties, that the person who so indorsed had unqualified capacity and authority to indorse the check in behalf of or in lieu of the payee.

§ 360.3 *Form of indorsement.* All indorsements should be in ink or indelible pencil. If the name of the payee is misspelled on the check, he should indorse the check as drawn and also in his correct name. If the name of the payee has been changed by marriage, or court decree or order, the check should be indorsed in the name as it appears on the face thereof and also in the present name. In case of a material deviation from the correct designation of the payee, the check, accompanied by a statement as to the payee's correct designation, should be returned to the drawer without alteration, correction, or indorsement in order that appropriate steps may be taken for authorization of payment to the party ascertained to be entitled, or the issuance of a corrected check.

(a) *Individual payees.* All checks should be indorsed by the payee personally or by his attorney in fact or legal representative. As to indorsements by attorneys in fact or legal representatives, see §§ 360.4, 360.5, 360.6 and 360.7.

(b) *Indorsement by mark.* Indorsement by mark (X) should be witnessed by two persons who must sign their names as witnesses and give their addresses in full, as:

His
 John (X) Doe
 Mark

Witness: James Smith, 1000 Columbia Road, Doeville, N. Y.

Witness: Martha Jones, 2121 9th Street, Doeville, N. Y.

(c) *Corporations, governmental organizations (towns, cities, counties, districts, etc.), partnerships, and other business firms.* Stamped indorsements of corporations, governmental organizations (towns, cities, counties, districts, etc.), partnerships, and other business firms used in due course of business are acceptable when the check is presented for payment by a bank. When such checks are indorsed manually they should be indorsed in the name of the payee by, as the case may be, a duly authorized officer over his official title, a

are issued. The request for change of address should always describe the character of the checks received, give the name and former address of the payee, the new address, and the payee's identification number, if one has been assigned. The request should be signed by the payee of the checks.

§ 360.9 *Checks payable without limitation of time.* All checks heretofore or hereafter drawn on the Treasurer of the United States, including those drawn by wholly owned and mixed-ownership Government corporations, are payable without limitation of time: *Provided*, That where on presentation of any check for payment the Treasurer of the United States is on notice of a doubtful question of law or fact the payment of such check will be deferred pending settlement by the General Accounting Office.

(Sec. 1, 71 Stat. 464; 31 U. S. C. 132) [23 F. R. 10354, Dec. 25, 1958]

§ 360.10 *General provisions.* Further regulations concerning the payment of checks by the Treasurer are contained in Part 202 of this chapter, § 202.25 of which prescribes the procedure for handling of checks by Federal Reserve Banks. The Secretary of the Treasury may waive, withdraw, or amend at any time or from time to time any or all of the provisions of this part.

APPENDIX

TREASURY DEPARTMENT FORMS FOR POWER OF ATTORNEY AND THEIR APPLICATION

None of the various types of checks issued by the Government are assignable and many represent classes of payments the right to which ceases with the death of the payee. In order to give effect to the laws under which the payments are made it has been necessary to require that checks representing certain classes of payments be indorsed by the payee personally or that they be indorsed under authority evidenced by special types of powers of attorney, prescribed by the Treasury Department.

Form 6569—A general power of attorney on this form may be executed by an individual, firm or sole owner, for all checks drawn on the Treasurer of the United States, with the exception of the following classes:

1. Compensation, excepting salary, pay, etc.
2. Dependency (family) allowances
3. Educational subsistence payments
4. Mustering-out payments
5. Pensions
6. Unemployment readjustment allowances
7. Settlement warrants
8. Armed Forces Leave Act of 1946

9. Allotments
10. Annuities
11. Social security benefits
12. Insurance
13. District of Columbia Teachers' Retirement and Policemen's and Firemen's Relief

Form 6570—A specific power of attorney on this form, which must be executed after the issuance of the check, describing the check in full, is required for classes 1 to 13 inclusive of those checks listed above: *Provided, however*, That for classes 9 to 13, inclusive, Form 6711 may be used subject to the conditions set forth below.

Form 6571-2—A general power of attorney on this form may be executed by a corporation under the same conditions as prescribed for Form 6569.

Form 6573-4—A specific power of attorney on this form is required by a corporation for checks drawn by the Treasurer of the United States in payment of settlement warrants.

Form 6711—A special power of attorney on this form naming a bank as attorney in fact, limited to a period not to exceed 12 months and reciting that it is not given to carry into effect an assignment of the right to receive the payment, either to the attorney in fact or to any other person, may be used for classes 9 to 13 inclusive, of those checks listed above.

Form P. D. 1036—A power of attorney on this form may be used for checks in payment of interest on or principal of securities registered on the books of the Treasury Department. (Form 6569 may also be used for this purpose.)

Form P. D. 1036A—This form is intended for the use of one or more of several trustees to empower one of the cotrustees to indorse checks in payment of interest on or principal of securities registered on the books of the Treasury Department.

Form P. D. 1037-42—This form is intended for use by a corporation under the same conditions as prescribed for Form 1036. (Form 6571-2 may also be used.)

NOTE: A general power need not be reexecuted for the collection of subsequent checks under the same power. Powers of attorney are revoked by the death of the grantor and may also be revoked by notice from the grantor to the parties concerned. Notice of revocation to the Treasury will not ordinarily serve to revoke the power.

CLAIM FORMS FOR USE WHEN PAYEE IS DECEASED

Form 1055—This form may be used in filing claim with the General Accounting Office, Washington, D. C., for the amounts of checks of classes referred to in § 860.4 (a), in cases where an executor or administrator is not acting.

Form 1310—This form may be used instead of Form 1055 if the check represents a tax refund.

Part 361—Distribution of Uncirculated Coins for Collection Purposes

§ 361.0 *Distribution of sets of uncirculated coins.* The Treasurer of the United States is authorized to furnish during the period from January 1 to March 31, 1952, and during the like period in each calendar year thereafter, to persons applying therefor, sets of uncirculated coins minted during the preceding year upon receipt of an amount equal to the face value of the coins included in each set and the charges described below. These sets will consist ordinarily of two of each of the coins, other than commemorative and proof coins, struck at each of the coinage mints during the preceding year. The Treasurer of the United States, with the approval of the Secretary of the Treasury, shall prescribe a fee for each set of uncirculated coins, such fee to be based, in so far as practical, upon the estimated direct and indirect cost to the Government of the special work involved in assembling, packaging, handling, arranging for delivery, etc. in supplying sets of uncirculated coins. Each person who applies for sets of uncirculated coins shall pay the postage or other transportation expenses incidental to their delivery and shall deliver to the Treasurer with the application an amount equal to the face value of the coins included in each set, the amount of the handling fee and the amount of the postage or other transportation expenses incidental to their delivery. The Treasurer will accumulate sufficient uncirculated coins to meet the estimated yearly requirements for sets of uncirculated coins, but if the supply of uncirculated coins is exhausted prior to March 31 in any calendar year, no further sets will be supplied during such year. No more than one set of uncirculated coins for each calendar year shall be furnished to any person. Further information relative to the distribution of sets of uncirculated coins may be obtained by addressing the Treasurer of the United States, Cash Division, Washington 25, D. C.

(R. S. 161, as amended, sec. 501, 65 Stat. 290; 5 U. S. C. 22, 140) [16 F. R. 12044, Nov. 30, 1951]

Part 365—Issue of Substitutes of Lost, Destroyed, Mutilated and Defaced Checks Drawn on the Treasurer of the United States

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| Sec. | |
| 365.1 | Introductory. |
| 365.2 | Advice of nonreceipt or loss. |
| 365.3 | Request for substitute check; requirements for undertaking of indemnity; execution of applications in foreign countries. |
| 365.4 | Issuance of substitute check. |
| 365.5 | Receipt or recovery of original check. |
| 365.6 | Removal of stoppage of payment. |
| 365.7 | Amendment of regulations. |

AUTHORITY: §§ 365.1 to 365.7 issued under R. S. 3646, as amended; 31 U. S. C. 528.

SOURCE: §§ 365.1 to 365.7 contained in Department Circular 1001, 22 F. R. 10956, Dec. 26, 1957.

§ 365.1 *Introductory.* This part governing the issuance of substitutes of checks drawn on the Treasurer of the United States, other than those drawn by officers or employees of the Post Office Department, is prescribed pursuant to the provisions of section 3646 of the Revised Statutes, (31 U. S. C. 528), and shall be effective January 1, 1958.

§ 365.2 *Advice of nonreceipt or loss.*
 (a) In the event of the nonreceipt, loss, or destruction of a check drawn on the Treasurer of the United States, or the mutilation or defacement of such a check to an extent which renders it non-negotiable, the owner, better to protect his interest, should immediately notify the drawer, describing the check, stating the purpose for which it was issued, giving, if possible, its date, number and amount, and requesting that payment be stopped. If the name or address of the drawer is not known the request for stoppage of payment should be sent to the Treasurer of the United States, stating the purpose for which the check was issued, the name of the department or agency authorizing the payment and if possible, the date, number and amount of the check. In cases involving mutilated or defaced checks the owner should enclose the mutilated or defaced check with his communication to the drawer or Treasurer.

(b) Upon receipt of advice from an owner as to the nonreceipt, loss, destruction, mutilation, or defacement of a

CHAPTER IV—SECRET SERVICE

DEPARTMENT OF THE TREASURY

- Part*
- 401 Seizure and forfeiture of vessels, vehicles and aircraft used to transport counterfeit coins, obligations, securities, and paraphernalia.
 - 402 Reproduction of canceled United States Internal Revenue stamps.
 - 403 Authorization of all banks, United States Post Offices, and disbursing officers of the United States and their agents to deliver to the Treasury Department counterfeit obligations and other securities and coins of the United States or of any foreign government.
 - 405 Illustration of war savings bonds and stamps.
 - 406 Seizure and forfeiture of gold for violations of Gold Reserve Act of 1934 and Gold Regulations.

SUPPLEMENTAL PUBLICATION: *Know Your Money, relating to how to know counterfeit money, what to do about it, and how to guard against forged Government checks.*

Part 401—Seizure and Forfeiture of Vessels, Vehicles and Aircraft Used to Transport Counterfeit Coins, Obligations, Securities, and Paraphernalia

- Sec.
- 401.1 Secret Service agents authorized to make seizures.
 - 401.2 Custody.
 - 401.3 Authority of collectors of customs to hold in custody.
 - 401.4 Duties of Bureau of Customs.
 - 401.5 Disposition.

AUTHORITY: §§ 401.1 to 401.5 issued under sec. 8, 53 Stat. 1293; 49 U. S. C. 788. Statutory provisions interpreted or applied are cited to text in parentheses.

SOURCE: §§ 401.1 to 401.5 appear at 4 F. R. 8945, Sept. 16, 1939, as amended at 13 F. R. 7302, Nov. 30, 1942.

CROSS REFERENCE: For regulations of the Bureau of Customs, see 19 CFR Chapter I.

§ 401.1 *Secret Service agents authorized to make seizures.* All officers of the United States Secret Service engaged in the enforcement of counterfeiting laws are hereby authorized and designated to seize such vessels, vehicles, and aircraft as may be subject to seizure because of violations of the said act of August 9, 1939, pertaining to contraband articles referred to in section 1 (b) (3) of said act.

§ 401.2 *Custody.* Each vessel, vehicle, or aircraft seized pursuant to the said act of August 9, 1939 and the regulations in this part shall forthwith be placed by the seizing officer in the custody of the collector of customs for the customs district in which such seizure is made. Such placing in custody shall be effected by immediate notification of the appropriate collector of customs of the seizure, together with a statement of the facts including a description of the ves-

sel, vehicle, or aircraft, and the holding by the seizing officer of such vessel, vehicle, or aircraft subject to the instructions of the said collector of customs.

§ 401.3 *Authority of collectors of customs to hold in custody.* Collectors of customs are hereby authorized and designated to hold in custody awaiting appropriate disposition vessels, vehicles, and aircraft seized pursuant to the said act of August 9, 1939, and the regulations in this part.

§ 401.4 *Duties of Bureau of Customs.* With respect to every vessel, vehicle, and aircraft seized and placed in the custody of a collector of customs pursuant to the said act of August 9, 1939, and the regulations in this part, the appropriate officials of the Bureau of Customs are hereby authorized and designated as the officers who shall perform such administrative duties in connection with:

(a) The summary and judicial forfeiture and condemnation of such vessel, vehicle, or aircraft;

(b) The disposition of such vessel, vehicle, or aircraft or the proceeds from the sale thereof;

(c) The remission or mitigation of the forfeiture of such vessel, vehicle, or aircraft; and

(d) The compromise of claims and the award of compensation to informers in respect to such vessel, vehicle, or aircraft;

as may be necessary and proper by virtue of the provisions of said act of August 9, 1939, and by virtue of the provisions of the customs laws which the said act makes applicable in connection with seizures and forfeitures incurred or alleged to have been incurred under the said act and the regulations in this part. In the performance of said administrative duties the said appropriate officials of the Bureau of Customs shall be governed by the procedures established by the customs regulations, in so far as such procedures are applicable and not inconsistent with the provisions of the said act of August 9, 1939, and the regulations in this part. Powers of the character of those exercised by the Secretary of the Treasury and the Commissioner of Customs in connection with the remission or mitigation of forfeitures un-

der the customs laws and in connection with the compromise of claims and the award of compensation to informers under the customs laws shall be exercised by the Secretary of the Treasury in connection with the remission or mitigation of forfeitures under the said act of August 9, 1939, and in connection with the compromise of claims and the award of compensation to informers under the said act.

§ 401.5 *Disposition.* With respect to each vessel, vehicle, and aircraft seized pursuant to the said act of August 9, 1939, and the regulations in this part, the Chief of the Secret Service shall promptly notify the Administrator of the General Services Administration and the Commissioner of Customs whether the Secret Service Division desires to have such vessel, vehicle, or aircraft for its official use. When forfeiture of any vessel, vehicle, or aircraft has been perfected otherwise than by court decree, the collector of customs holding in custody such vessel, vehicle, or aircraft shall: (a) Either return the same to the Secret Service Division, if the Chief of the Secret Service has requested it for the official use of the Secret Service Division, (b) or, if the Secret Service Division does not desire such vessel, vehicle, or aircraft for its official use, hold such vessel, vehicle, or aircraft subject to the instructions of the Administrator of the General Services Administration.

(Secs. 301-308, 49 Stat. 879-880; 40 U. S. C. 304f-304m)

Part 402—Reproduction of Canceled United States Internal Revenue Stamps

§ 402.1 *Reproductions authorized.* Authority is hereby given to make, hold and dispose of black and white reproductions of canceled United States internal revenue stamps: *Provided*, That such reproductions are made, held and disposed of as part of and in connection with the making, holding, and disposition, for lawful purposes, of the reproductions of the documents to which such stamps are attached.

(Secs. 474, 492, 62 Stat. 706, 710; 18 U. S. C. 474, 402) [5 F. R. 220, Jan. 18, 1940. as amended at 13 F. R. 7302, Nov. 30, 1942]

Part 403—Authorization of All Banks, United States Post Offices, and Disbursing Officers of the United States and Their Agents to Deliver to the Treasury Department Counterfeit Obligations and Other Securities and Coins of the United States or of Any Foreign Government

§ 403.1 *Delivery of counterfeit obligations and other securities and coins authorized.* Authority is hereby given to all banks and banking institutions of any nature whatsoever organized under general or special Federal or State statutes, to all United States Post Offices, and to all disbursing officers of the United States and their agents, to take possession of and deliver to the Treasury Department through the Secret Service Division all counterfeit obligations and other securities and coins of the United States or of any foreign government which shall be presented at their places of business.

(Sec. 492, 62 Stat. 710; 18 U. S. C. 492) [14 F. R. 1591, Apr. 5, 1949]

Part 405—Illustration of War Savings Bonds and Stamps

§ 405.1 *Illustrations authorized.* (a) Authority is hereby given to make, hold, dispose of and use illustrations of War Savings Bonds and War Savings Stamps for publicity purposes in connection with the making of and use illustrations of War Savings Bonds and Stamps: *Provided*, That illustrations of stamps are of a size less than three-quarters or more than one and one-half, in linear dimension, of each part of such stamp.

(b) The making of any reproduction of a War Savings Bond or Stamp in any manner or in any form other than as provided in this part is not permitted. (Sec. 474, 62 Stat. 706; 18 U. S. C. 474) [8 F. R. 2187, Feb. 19, 1943, as amended at 13 F. R. 7302, Nov. 30, 1942]

Part 406—Seizure and Forfeiture of Gold for Violations of Gold Reserve Act of 1934 and Gold Regulations

Sec.

- 406.1 Secret Service officers authorized to make seizures of gold.
- 406.2 Custody of seized gold valued not in excess of \$2,500.
- 406.3 Forfeiture of gold valued not in excess of \$2,500.
- 406.4 Duties of customs officers.
- 406.5 Forfeiture of gold valued in excess of \$2,500.

AUTHORITY: §§ 406.1 to 406.5, issued under E. S. 161, as amended; 5 U. S. C. 22. Interpret or apply sec. 4, 48 Stat. 340; 31 U. S. C. 443.

SOURCE: §§ 406.1 to 406.5 appear at 23 F. R. 1791, Mar. 15, 1958.

CROSS REFERENCE: For regulations of the Bureau of Customs, see 19 CFR Ch. I. For Gold Regulations issued by the Secretary of the Treasury, see Part 54 of this title.

§ 406.1 *Secret Service officers authorized to make seizures of gold.* All agents of the United States Secret Service, in addition to officers of the customs, are hereby authorized and designated to seize any gold which may be subject to forfeiture for violations of the Gold Reserve Act of 1934 (31 U. S. C. 440-445) and the Gold Regulations.

§ 406.2 *Custody of seized gold valued not in excess of \$2,500.* Any gold, the value of which does not exceed \$2,500, seized by officers of the Secret Service pursuant to the Gold Reserve Act of 1934 and the Gold Regulations, if not needed as evidence or for further investigation by the Secret Service, shall be placed forthwith by the seizing officer in the custody of the collector of customs for the customs district in which such seizure is made. Such gold shall be accompanied by a report from the Secret Service showing the basis of the seizure and a citation to each of the statutes and sections of the Gold Regulations violated.

§ 406.3 *Forfeiture of gold valued not in excess of \$2,500.* The collector of customs receiving custody of gold seized by the Secret Service, shall, if no petition is filed for the remission or mitigation of

the forfeiture incurred, institute summary forfeiture proceedings in the judicial district in which such seizure is made under the appropriate provisions of the law and Customs Regulations applicable to the forfeiture of merchandise imported contrary to law.

§ 406.4 *Duties of customs officers.* The appropriate officials of the Bureau of Customs are hereby authorized and designated as the officers who shall perform such administrative duties in connection with the summary forfeiture of gold seized by the Secret Service, the sale or other disposition of such gold, and the remission or mitigation of the forfeiture of such gold, as may be necessary or proper by virtue of the provisions of the Gold Reserve Act of 1934 and the Gold Regulations, and by virtue of the provisions of the customs laws which the said Gold Reserve Act makes applicable in connection with the seizures and forfeitures incurred or alleged to have been

incurred under the said act and regulations. In the performance of said administrative duties the appropriate officials of the Bureau of Customs shall be governed by the procedures established by the Customs Regulations insofar as such procedures are applicable and not inconsistent with the provisions of the Gold Reserve Act of 1934 and the Gold Regulations.

§ 406.5 *Forfeiture of gold valued in excess of \$2,500.* When the value of the gold seized by the Secret Service exceeds \$2,500, the seizing officer shall furnish a report, approved by the principal local officer, to the United States attorney, and shall include in such report a statement of all the facts and circumstances of the case, together with the names of the witnesses and a citation to each of the statutes and sections of the Gold Regulations believed to have been violated and on which reliance may be had for forfeiture.

CHAPTER V—FOREIGN ASSETS CONTROL, DEPARTMENT OF THE TREASURY

- Part*
500 Foreign Assets Control regulations.
505 Regulations prohibiting transactions involving the shipment of certain merchandise between foreign countries.

Part 500—Foreign Assets Control Regulations

Subpart A—Relation of this Chapter to Other Laws and Regulations

- Sec.*
500.101 Relation of this chapter to other laws and regulations including 8 CFB Ch. II.

Subpart B—Prohibitions

- 500.201 Transactions involving designated foreign countries or their nationals; effective date.
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Subpart C—General Definitions

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500.327 Blocked estate of a decedent.
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Subpart D—Interpretations

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500.403 Termination and acquisition of the interest of a designated national.
500.404 Transactions between principal and agent.
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500.406 Drafts under irrevocable letters of credit; documentary drafts.
500.407 Administration of blocked estates of decedents.
500.408 Access to certain safe deposit boxes prohibited.

in the name of any designated national is prohibited irrespective of the fact that at any time (either prior to, on, or subsequent to the "effective date") the registered or inscribed owner thereof may have, or appears to have, assigned, transferred or otherwise disposed of any such security.

§ 500.203 *Effect of transfers violating the provisions of this chapter.* (a) Any transfer after the "effective date" which is in violation of any provision of this chapter or of any regulation, ruling, instruction, license, or other direction or authorization thereunder and involves any property in which a designated national has or has had an interest since such "effective date" is null and void and shall not be the basis for the assertion or recognition of any interest in or right, remedy, power or privilege with respect to such property.

(b) No transfer before the "effective date" shall be the basis for the assertion or recognition of any right, remedy, power, or privilege with respect to, or interest in, any property in which a designated national has or has had an interest since the "effective date" unless the person with whom such property is held or maintained had written notice of the transfer or by any written evidence had recognized such transfer prior to such "effective date."

(c) Unless otherwise provided, an appropriate license or other authorization issued by or pursuant to the direction or authorization of the Secretary of the Treasury before, during or after a transfer shall validate such transfer or render it enforceable to the same extent as it would be valid or enforceable but for the provisions of section 5 (b) of the Trading With the Enemy Act, as amended, and this chapter and any ruling, order, regulation, direction or instruction issued thereunder.

(d) Transfers of property which otherwise would be null and void, or unenforceable, by virtue of the provisions of this section shall not be deemed to be null and void, or unenforceable pursuant to such provisions, as to any person with whom such property was held or maintained (and as to such person only) in cases in which such person is able to establish each of the following:

(1) Such transfer did not represent a willful violation of the provisions of this chapter by the person with whom such property was held or maintained;

(2) The person with whom such property was held or maintained did not have reasonable cause to know or suspect, in view of all the facts and circumstances known or available to such person, that such transfer required a license or authorization by or pursuant to the provisions of this chapter and was not so licensed or authorized or if a license or authorization did purport to cover the transfer, that such license or authorization had been obtained by misrepresentation or the withholding of material facts or was otherwise fraudulently obtained; and

(3) Promptly upon discovery that:

(i) Such transfer was in violation of the provisions of this chapter or any regulation, ruling, instruction, license or other direction or authorization thereunder, or

(ii) Such transfer was not licensed or authorized by the Secretary of the Treasury, or

(iii) If a license did purport to cover the transfer, such license had been obtained by misrepresentation or the withholding of material facts or was otherwise fraudulently obtained;

the person with whom such property was held or maintained filed with the Treasury Department, Washington, D.C., a report in triplicate setting forth in full the circumstances relating to such transfer. The filing of a report in accordance with the provisions of this paragraph shall not be deemed to be compliance or evidence of compliance with paragraph (d) (1) and (2) of this section.

(e) Unless licensed or authorized by § 500.504 or otherwise licensed or authorized pursuant to this chapter any attachment, judgment, decree, lien, execution, garnishment, or other judicial process is null and void with respect to any property in which on or since the "effective date" there existed the interest of a designated foreign country or national thereof.

(f) For the purpose of this section the term "property" includes gold, silver, bullion, currency, coin, credit, securities (as that term is defined in section 2 (1) of the Securities Act of 1933, as amended), bills of exchange, notes, drafts, acceptances, checks, letters of credit, book credits, debts, claims, contracts, negotiable documents of title, mortgages, liens, annuities, insurance

policies, options and futures in commodities, and evidences of any of the foregoing. The term "property" shall not, except to the extent indicated, be deemed to include chattels or real property.

§ 500.204 *Importation of and dealings in certain merchandise.* (a) Except as specifically authorized by the Secretary of the Treasury (or any person, agency, or instrumentality designated by him) by means of regulations, or rulings, instructions, licenses, or otherwise, no person subject to the jurisdiction of the United States may purchase, transport, import, or otherwise deal in or engage in any transaction with respect to any merchandise outside the United States if such merchandise is:

(1) Merchandise the country of origin of which is China (except Formosa) or North Korea. Articles which are the growth, produce, or manufacture of China (except Formosa) or North Korea shall be deemed for the purposes of this chapter to be merchandise whose country of origin is China (except Formosa) or North Korea notwithstanding that they may have been subjected to one or any combination of the following in another country: (i) Grading; (ii) testing; (iii) checking; (iv) shredding; (v) slic-

ing; (vi) peeling or splitting; (vii) scraping; (viii) cleaning; (ix) washing; (x) soaking; (xi) drying; (xii) cooling, chilling, or refrigerating; (xiii) roasting; (xiv) steaming; (xv) cooking; (xvi) curing; (xvii) combining of fur skins into plates; (xviii) blending; (xix) flavoring; (xx) preserving; (xxi) pickling; (xxii) smoking; (xxiii) dressing; (xxiv) salting; (xxv) dyeing; (xxvi) bleaching; (xxvii) tanning; (xxviii) packing; (xxix) canning; (xxx) labeling; (xxxi) carding; (xxxii) combing; (xxxiii) pressing; (xxxiv) any process similar to any of the foregoing. Any article wheresoever manufactured shall be deemed for the purposes of this chapter to be merchandise whose country of origin is China (except Formosa) or North Korea, if there shall have been added to such article any embroidery, needle point, petit point, lace, or any other article of adornment which is the product of China (except Formosa) or North Korea notwithstanding that such addition to the merchandise may have occurred in a country other than China (except Formosa) or North Korea.

(2) Merchandise specified in this subparagraph, however processed, unless such merchandise is imported directly from a country named as excepted for that type of merchandise:

<i>Type of merchandise</i>	<i>Exceptions</i>
(1) All merchandise, not elsewhere specified in this paragraph, if prior to Dec. 17, 1950, imports thereof into the United States were chiefly of Chinese origin within the meaning of this chapter, and	None.
(ii) All of the following specified types of merchandise:	
Aniseed.....	Mexico, Spain, Turkey.
Aniseed oil.....	None.
Antiques, Chinese type (other than Chinese porcelain which qualifies within the provisions of par. 1811 of the Tariff Act of 1930 and which is decorated with the armorial bearings, crests, monograms, cyphers, or badges of European or American families or societies or bearing motifs based thereon, or with European or American political, memorial, or Masonic scenes or devices or with European or American figures, ships, or other scenes, or with motifs or inscriptions in English, Latin, or any other European language).	None.
Bamboo, split.....	None.
Beverages, Chinese type.....	None.
Braids, straw.....	Italy, Japan.
Bristles, hog, including such bristles in knots or other processed condition.	None.
Brushes, paint (including parts thereof), regardless of value, containing hog bristles, if any such bristle is more than one and one-half inches in total length or more than one and one-quarter inches in length out of the ferrule.	None.

<i>Type of merchandise</i>	<i>Exceptions</i>
Carpet wool, Tibetan and Nepalese types.....	None.
Cashmere.....	Iran.
Cassia.....	Indonesia.
Cassia oil.....	None.
Cinnamon oil.....	Ceylon, Seychelles.
Drugs, Chinese type.....	None.
Eggs, poultry:	
Whole in the shell, other than chicken.....	None.
Whole, dried.....	None.
Albumen, dried.....	None.
Yolks, dried.....	None.
Feathers and down, Asiatic.....	Burma, India, Taiwan, Thailand, and those areas of Viet-Nam which are not under Communist control.
Firecrackers.....	None.
Floor coverings, grass and straw, including seagrass mats and squares.	Japan.
Foodstuffs, Chinese type.....	None.
Fur skins:	
Goat and kid.....	Argentina, Ethiopia (including Eritrea), Iran, Iraq.
Kolinsky.....	Republic of Korea.
Weasel.....	Canada.
Gallnuts, including tannic acid, other than Aleppo....	None.
Ginger root, candied or otherwise prepared or preserved.	None.
Hair, human:	
Raw, Asiatic.....	None.
Nets and netting.....	None.
Hats, unfinished:	
Manila Hemp (Abaca).....	None.
Palm Leaf.....	Mexico, Philippines.
Straw.....	Brazil, Dominican Republic, Italy, Japan, Philippines.
(Unfinished hats of the following types are not included: Lindu, Lintao, Macorra, Panama, Pandan, Raffia, Toquilla, and Yeddo.)	
Jade, stones, cut but not set and suitable for use in jewelry.	None.
Medicines, prepared, Chinese type.....	None.
Menthol, natural and synthetic (other than racemic) -	Brazil.
Musk.....	None.
Silk piece goods, tussah and muga.....	None.
Silk, tussah and muga.....	None.
Sophora Japonica, including Rutin.....	None.
Tea, Chinese type.....	Formosa.
Tung oil.....	Argentina, Brazil, Paraguay.
Walnuts.....	France, Iran, Italy, Turkey.
Yak hair.....	None.

(3) Merchandise specified in this subparagraph, howsoever processed, if such merchandise is or has been located in or transported from or through Hong Kong, Macao, or any country not in the authorized trade territory.

<i>Type of Merchandise</i>
Agar-agar.
Antimony.
Bamboo:
Bags, baskets and other manufactures excluding furniture.
Poles and sticks.

Bismuth.
Camphor, natural and synthetic.
Camphor oil, natural and synthetic.
Cane webbing.
Carpet wool.
Carpets.
Castor bean.
Castor oil.
Chinaware (other than Dresdenware and Meissenware).
Citronella oil.
Cotton manufactures, all, other than Western style shirts.
Cotton waste.

Earthenware.
 Hair, animal.
 Hair nets, regardless of the material from which made.
 Hardwood manufactures, including furniture other than bentwood furniture.
 Hats, paper.
 Hides, buffalo, including India water buffalo.
 Ivory manufactures.
 Linen manufactures:
 Handkerchiefs.
 Embroideries and laces.
 Embroidered and lace articles.
 Other articles excluding wearing apparel.
 Molybdenum.
 Peanuts and peanut products.
 Quicksilver.
 Ramie.
 Rugs.
 Seagrass and straw manufactures, excluding floor covering.
 Sesame, oil and seed.
 Shoes, leather-soled with non-leather uppers.
 Silk:
 Raw and manufactures other than Western style suits and Indian saris.
 Waste.
 Skins, deer and goat.
 Stones, semiprecious and manufactures thereof including jewelry.
 Tapestries (including needlework tapestries).
 Tapioca (including tapioca flour).
 Tin:
 Alloys.
 Bars, blocks and pigs.
 Ore.
 Tungsten ores and concentrates.

NOTE: The term "western style shirts" means shirts of the style worn in the Occident, as distinguished from shirts of the style worn in the Far East. Sport shirts are considered western style within the meaning of the Foreign Assets Control regulations only if they have collars, are open all the way down the front, and are woven rather than knitted. Thus, T shirts and polo shirts, for example, are not considered western style shirts. (23 F. R. 601, Jan. 29, 1958)

(4) Merchandise specified in this subparagraph, howsoever processed, if such merchandise is or has been located in or transported from or through Hong Kong or Macao.

Type of merchandise

Edible marine products.
 Feather manufactures.
 Glass, sheet (window).
 Graphite.
 Honey.
 Poultry, including pigeons, frozen or otherwise prepared or preserved.
 [19 F. R. 5481, Aug. 27, 1954, amended at 20 F. R. 1378, Mar. 8, 1955; 20 F. R. 3911, June 4, 1955; 21 F. R. 3725, June 1, 1956, 22 F. R. 10121, Dec. 18, 1957; 23 F. R. 5874, Aug. 2, 1958]

SUBPART C—GENERAL DEFINITIONS

§ 500.301 *Foreign country.* The term "foreign country" also includes, but not by way of limitation:

(a) The state and the government of any such territory on or after the "effective date" as well as any political subdivision, agency, or instrumentality thereof or any territory, dependency, colony, protectorate, mandate, dominion, possession or place subject to the jurisdiction thereof.

(b) Any other government (including any political subdivision, agency, or instrumentality thereof) to the extent and only to the extent that such government exercises or claims to exercise control, authority, jurisdiction or sovereignty over territory which on the "effective date" constituted such foreign country.

(c) Any person to the extent that such person is, or has been, or to the extent that there is reasonable cause to believe that such person is, or has been, since the "effective date", acting or purporting to act directly or indirectly for the benefit or on behalf of any of the foregoing, and

(d) Any territory which on or since the "effective date" is controlled or occupied by the military, naval or police forces or other authority of such foreign country.

§ 500.302 *National.* (a) The term "national" shall include:

(1) A subject or citizen of, or any person who has been within, a foreign country, whether domiciled or resident therein or otherwise, at any time on or since the "effective date".

(2) Any partnership, association, corporation, or other organization, organized under the laws of, or which on or since the "effective date" had or has had its principal place of business in a foreign country, or which on or since such effective date was or has been controlled by, or a substantial part of the stock, shares, bonds, debentures, notes, drafts, or other securities or obligations of which, was or has been owned or controlled by, directly or indirectly, a foreign country and/or one or more nationals thereof as defined in this section.

(3) Any person to the extent that such person is, or has been, since the "effective date" acting or purporting to act directly or indirectly for the benefit or on behalf of any national of a foreign country.

(4) Any other person who there is reasonable cause to believe is a "national" as defined in this section.

(b) The Secretary of the Treasury retains full power to determine that any person is or shall be deemed to be a "national" within the meaning of this section, and to specify the foreign country of which such person is or shall be deemed to be a national.

[17 F. R. 5348, June 12, 1952]

§ 500.303 *Nationals of more than one foreign country.* (a) Any person who by virtue of any provision in this chapter is a national of more than one foreign country shall be deemed to be a national of each of such foreign countries.

(b) In any case in which a person is a national of two or more designated foreign countries, a license or authorization with respect to nationals of one of such designated foreign countries shall not be deemed to apply to such person unless a license or authorization of equal or greater scope is outstanding with respect to nationals of each other designated foreign country of which such person is a national.

(c) In any case in which the combined interests of two or more designated foreign countries and/or nationals thereof are sufficient in the aggregate to constitute control or ownership of 25 per centum or more of the stock, shares, bonds, debentures, notes, drafts, or other securities or obligations of a partnership, association, corporation or other organization, but such control or a substantial part of such stock, shares, bonds, debentures, notes, drafts, or other securities or obligations is not held by any one such foreign country and/or national thereof, such partnership, association, corporation or other organization shall be deemed to be a national of each of such foreign countries.

§ 500.304 [Reserved]

§ 500.305 *Designated national.* The term "designated national" shall mean any country designated in § 500.201 and any national thereof including any person who is a specially designated national.

§ 500.306 *Specially designated national.* (a) The term "specially designated national" shall mean:

(1) Any person who is determined by the Secretary of the Treasury to be a specially designated national,

(2) Any person who on or since the "effective date" has acted for or on behalf of the Government or authorities exercising control over any designated foreign country, or

(3) Any partnership, association, corporation or other organization which on or since the "effective date" has been owned or controlled directly or indirectly by the Government or authorities exercising control over any designated foreign country or by any specially designated national.

§ 500.307 *Unblocked national.* Any person licensed as an "unblocked national" shall, while so licensed, be regarded as a person within the United States who is not a national of any designated foreign country: *Provided, however,* That the licensing of any person as an "unblocked national" shall not be deemed to suspend in any way the requirements of any section of this chapter relating to reports, and the production of books, documents, records, etc.

§ 500.308 *Person.* The term "person" means an individual, partnership, association, corporation, or other organization.

§ 500.309 *Transactions.* The phrase "transactions which involve property in which any designated foreign country, or any national thereof, has any interest of any nature whatsoever, direct or indirect," includes, but not by way of limitation (a) any payment or transfer to any such designated foreign country or national thereof, (b) any export or withdrawal from the United States to such designated foreign country, and (c) any transfer of credit, or payment of an obligation, expressed in terms of the currency of such designated foreign country.

§ 500.310 *Transfer.* The term "transfer" shall mean any actual or purported act or transaction, whether or not evidenced by writing, and whether or not done or performed within the United States, the purpose, intent, or effect of which is to create, surrender, release, transfer, or alter, directly or indirectly, any right, remedy, power, privilege, or interest with respect to any property and without limitation upon the foregoing shall include the making, execution, or delivery of any assignment, power, conveyance, check, declaration, deed, deed of trust, power of attorney, power of

appointment, bill of sale, mortgage, receipt, agreement, contract, certificate, gift, sale, affidavit, or statement; the appointment of any agent, trustee, or other fiduciary; the creation or transfer of any lien; the issuance, docketing, filing, or the levy of or under any judgment, decree, attachment, execution, or other judicial or administrative process or order, or the service of any garnishment; the acquisition of any interest of any nature whatsoever by reason of a judgment or decree of any foreign country; the fulfillment of any condition, or the exercise of any power of appointment, power of attorney, or other power.

§ 500.311 *Property; property interests.* Except as defined in § 500.203 (f) for the purposes of that section the terms "property" and "property interest" or "property interests" shall include, but not by way of limitation, money, checks, drafts, bullion, bank deposits, savings accounts, any debts, indebtedness obligations, notes, debentures, stocks, bonds, coupons, any other financial securities, bankers' acceptances, mortgages, pledges, liens or other rights in the nature of security, warehouse receipts, bills of lading, trust receipts, bills of sale, any other evidences of title, ownership or indebtedness, powers of attorney, goods, wares, merchandise, chattels, stocks on hand, ships, goods on ships, real estate mortgages, deeds of trust, vendors' sales agreements, land contracts, real estate and any interest therein, leaseholds, ground rents, options, negotiable instruments, trade acceptances, royalties, book accounts, accounts payable, judgments, patents, trademarks, copyrights, contracts or licenses affecting or involving patents, trademarks or copyrights, insurance policies, safe deposit boxes and their contents, annuities, pooling agreements, contracts of any nature whatsoever, and any other property, real, personal, or mixed, tangible or intangible, or interest or interests therein, present, future, or contingent.

§ 500.312 *Interest.* The term "interest" when used with respect to property shall mean an interest of any nature whatsoever, direct or indirect.

§ 500.313 *Property subject to the jurisdiction of the United States.* (a) The phrase "property subject to the jurisdiction of the United States" includes, without limitation, securities, whether registered or bearer, issued by:

(1) The United States or any State, district, territory, possession, county, municipality, or any other subdivision or agency or instrumentality of any thereof; or

(2) Any person within the United States whether the certificate which evidences such property or interest is physically located within or outside the United States.

(b) The phrase "property subject to the jurisdiction of the United States" also includes, without limitation, securities, whether registered or bearer, by whomsoever issued, if the certificate evidencing such property or interest is physically located within the United States.

§ 500.314 *Banking institution.* The term "banking institution" shall include any person engaged primarily or incidentally in the business of banking, of granting or transferring credits, or of purchasing or selling foreign exchange or procuring purchasers and sellers thereof, as principal or agent, or any person holding credits for others as a direct or incidental part of his business, or any broker; and, each principal, agent, home office, branch or correspondent of any person so engaged shall be regarded as a separate "banking institution."

§ 500.315 [Reserved]

§ 500.316 *License.* The term "license" shall mean any license or authorization contained in or issued pursuant to this chapter.

§ 500.317 *General license.* A general license is any license or authorization the terms of which are set forth in this chapter.

§ 500.318 *Specific license.* A specific license is any license or authorization issued pursuant to this chapter but not set forth in this chapter.

§ 500.319 *Blocked account.* The term "blocked account" shall mean an account in which any designated national has an interest, with respect to which account payments, transfers or withdrawals or other dealings may not be made or effected except pursuant to an authorization or license authorizing such action. The term "blocked account" shall not be deemed to include accounts of unblocked nationals.

§ 500.320 *Domestic bank.* The term "domestic bank" shall mean any branch or office within the United States of any

of the following which is not a national of any designated foreign country: any bank or trust company incorporated under the banking laws of the United States or of any state, territory, or district of the United States, or any private bank or banker subject to supervision and examination under the banking laws of the United States or of any state, territory or district of the United States. The Secretary of the Treasury may also authorize any other banking institution to be treated as a "domestic bank" for the purpose of this definition or for the purpose of any or all sections of this chapter.

§ 500.321 *United States; continental United States.* The term "United States" means the United States and all areas under the jurisdiction or authority thereof including the Panama Canal Zone and the Trust Territory of the Pacific Islands. The term "continental United States" means the states of the United States, the District of Columbia, and the Territory of Alaska.

§ 500.322 *Authorized trade territory; member of the authorized trade territory.* (a) The term "authorized trade territory" shall include:

(1) North, South, and Central America, including the Caribbean region;

(2) Africa;

(3) Oceania, including Indonesia and the Philippines;

(4) Andorra, Austria, Belgium, Denmark, Eire, the Federal Republic of Germany and the Western sector of Berlin, Finland, France (including Monaco), Greece, Iceland, Italy, Liechtenstein, Luxembourg, the Netherlands, Norway, Portugal, San Marino, Spain, Sweden, Switzerland, Turkey, the United Kingdom and Yugoslavia;

(5) Afghanistan, Bhutan, British Malaya, Burma, Cambodia, Ceylon, Formosa, Hong Kong, India, Iran, Iraq, Israel, Japan, Jordan, Kuwait, Laos, Lebanon, Macao, Nepal, Oman, Pakistan, Portuguese India, Saudi Arabia, South Korea, Syria, Thailand, Viet-Nam (except those areas under Communist control) and Yemen;

(6) Any colony, territory, possession, or protectorate of any country included within this paragraph; but the term shall not include the United States.

(b) The term "member of the authorized trade territory" shall mean any of the foreign countries or political subdivisions

comprising the authorized trade territory.

[15 F. R. 9040, Dec. 19, 1950, as amended at 19 F. R. 6502, Oct. 8, 1954; 20 F. R. 1378, Mar. 8, 1955; 23 F. R. 5874, Aug. 2, 1958]

§ 500.323 *Occupied area.* The term "occupied area" shall mean any territory occupied by a designated foreign country which was not occupied by such country prior to June 25, 1950.

§ 500.324 [Reserved]

§ 500.325 *National securities exchange.* The term "national securities exchange" shall mean an exchange registered as a national securities exchange under section 6 of the Securities Exchange Act of 1934 (48 Stat. 885, 15 U. S. C. 78f).

§ 500.326 *Custody of safe deposit boxes.* Safe deposit boxes shall be deemed to be in the "custody" not only of all persons having access thereto but also of the lessors of such boxes whether or not such lessors have access to such boxes. The foregoing shall not in any way be regarded as a limitation upon the meaning of the term "custody".

§ 500.327 *Blocked estate of a decedent.* The term "blocked estate of a decedent" shall mean any decedent's estate in which a designated national has an interest. A person shall be deemed to have an interest in a decedent's estate if he (a) was the decedent; (b) is a personal representative; or (c) is a creditor, heir, legatee, devisee, distributee, or beneficiary.

§ 500.328 *Status of the recognized governments of China and Korea and of the diplomatic and consular representatives of China and Korea.* (a) Those portions of China and Korea which are under the control of the Governments of China and Korea which are recognized by the United States are not included within the term designated foreign country.

(b) The diplomatic and consular representatives of the Governments of China and Korea which are recognized by the United States are not deemed to be acting or purporting to act directly or indirectly for the benefit or on behalf of any designated foreign country.

§ 500.329 *Person subject to the jurisdiction of the United States.* (a) The term, "person subject to the jurisdiction of the United States," includes:

(1) Any person, wheresoever located, who is a citizen or resident of the United States;

(2) Any person actually within the United States;

(3) Any corporation organized under the laws of the United States or of any State, territory, possession, or district of the United States; and

(4) Any partnership, association, corporation, or other organization, wheresoever organized or doing business, which is owned or controlled by persons specified in subparagraph (1), (2), or (3) of this paragraph.

[20 F. R. 1379, Mar. 8, 1955]

§ 500.330 *Person within the United States.* (a) The term, "person within the United States," includes:

(1) Any person, wheresoever located, who is a resident of the United States;

(2) Any person actually within the United States;

(3) Any corporation organized under the laws of the United States or of any state, territory, possession, or district of the United States; and

(4) Any partnership, association, corporation, or other organization, wheresoever organized or doing business, which is owned or controlled by any person or persons specified in subparagraph (1), (2), or (3) of this paragraph.

[20 F. R. 1379, Mar. 8, 1955]

SUBPART D—INTERPRETATIONS

§ 500.401 *Reference to amended sections.* Reference to any section of this chapter or to any regulation, ruling, order, instruction, direction or license issued pursuant to this chapter shall be deemed to refer to the same as currently amended unless otherwise so specified.

§ 500.402 *Effect of amendment of sections of this chapter or of other orders, etc.* Any amendment, modification, or revocation of any section of this chapter or of any order, regulation, ruling, instruction, or license issued by or under the direction of the Secretary of the Treasury pursuant to section 3 (a) or 5 (b) of the Trading With the Enemy Act, as amended, shall not unless otherwise specifically provided be deemed to affect any act done or omitted to be done, or any suit or proceeding had or commenced in any civil or criminal case, prior to such amendment, modification, or revocation, and all penalties, for-

feitures, and liabilities under any such section, order, regulation, ruling, instruction or license shall continue and may be enforced as if such amendment, modification, or revocation had not been made.

§ 500.403 *Termination and acquisition of the interest of a designated national.* (a) Except as provided in § 500.525, whenever a transaction licensed or authorized by or pursuant to this chapter results in the transfer of property (including any property interest) away from a designated national, such property shall no longer be deemed to be property in which a designated national has or has had an interest unless there exists in such property an interest of a designated national, the transfer of which has not been effected pursuant to license or other authorization.

(b) Unless otherwise specifically provided in a license or authorization contained in or issued pursuant to this chapter, if property (including any property interest) is transferred to a designated national such property shall be deemed to be property in which there exists the interest of a designated national.

§ 500.404 *Transactions between principal and agent.* A transaction between any person within the United States and any principal, agent, home office, branch, or correspondent, outside the United States of such person is a transaction prohibited by § 500.201 to the same extent as if the parties to the transaction were in no way affiliated or associated with each other.

§ 500.405 *Exportation of securities, etc. to designated foreign countries.* Section 500.201 prohibits the exportation of securities, currency, checks, drafts and promissory notes to designated foreign countries.

§ 500.406 *Drafts under irrevocable letters of credit; documentary drafts.* Section 500.201 prohibits the presentation, acceptance or payment of:

(a) Drafts or other orders for payment drawn under irrevocable letters of credit issued in favor or on behalf of any designated national;

(b) Drafts or other orders for payment, in which any designated national has on or since the "effective date" had any interest, drawn under any irrevocable letter of credit; and

(c) Documentary drafts in which any designated national has on or since the "effective date" had any interest.

§ 500.407 *Administration of blocked estates of decedents.* Section 500.201 prohibits all transactions incident to the administration of the blocked estate of a decedent, including the appointment and qualification of personal representatives, the collection and liquidation of assets, the payment of claims, and distribution to beneficiaries. Attention is directed to § 500.523 which authorizes certain transactions in connection with the administration of blocked estates of decedents.

§ 500.408 *Access to certain safe deposit boxes prohibited.* Section 500.201 prohibits access to any safe deposit box within the United States in the custody of any designated national or containing any property in which any designated national has any interest or which there is reasonable cause to believe contains property in which any such designated national has any interest. Attention is directed to § 500.517 which authorizes access to such safe deposit boxes under certain conditions.

§ 500.409 *Certain payments to designated foreign countries and nationals through third countries.* Section 500.201 prohibits any request or authorization made by or on behalf of a bank or other person within the United States to a bank or other person outside of the United States as a result of which request or authorization such latter bank or person makes a payment or transfer of credit either directly or indirectly to a designated national.

[18 F. R. 2080, Apr. 14, 1953]

SUBPART E—LICENSES AND AUTHORIZATIONS

§ 500.501 [Reserved]

§ 500.502 *Effect of subsequent license or authorization.* No license or other authorization contained in this chapter or otherwise issued by or under the direction of the Secretary of the Treasury pursuant to section 3 (a) or 5 (b) of the Trading With the Enemy Act, as amended, shall be deemed to authorize or validate any transaction effected prior to the issuance thereof, unless such license or other authorization specifically so provides.

§ 500.503 *Exclusion from licenses and authorizations.* The Secretary of the Treasury reserves the right to exclude

from the operation of any license or from the privileges therein conferred or to restrict the applicability thereof with respect to particular persons, transactions or property or classes thereof. Such action shall be binding upon all persons receiving actual notice or constructive notice thereof.

§ 500.504 *Certain judicial proceedings with respect to property of designated nationals.* (a) Subject to the limitations of paragraphs (b), (c) and (d) of this section judicial proceedings are authorized with respect to property in which on or since the "effective date" there has existed the interest of a designated national.

(b) A judicial proceeding is authorized by this section only if it is based upon a cause of action which accrued prior to the "effective date."

(c) This section does not authorize or license:

(1) The entry of any judgment or of any decree or order of similar or analogous effect upon any judgment book, minute book, journal or otherwise, or the docketing of any judgment in any docket book, or the filing of any judgment roll or the taking of any other similar or analogous action.

(2) Any payment or delivery out of a blocked account based upon a judicial proceeding nor does it authorize the enforcement or carrying out of any judgment or decree or order of similar or analogous effect with regard to any property in which a designated national has an interest.

(d) If a judicial proceeding relates to property in which there exists the interest of any designated national other than a person who would not have been a designated national except for his relationship to an occupied area, such proceeding is authorized only if it is based upon a claim in which no person other than any of the following has had an interest since the "effective date":

(1) A citizen of the United States;

(2) A corporation organized under the laws of the United States or any State, territory or possession thereof, or the District of Columbia;

(3) A natural person who is and has been since the "effective date" a resident of the United States and who has not been a specially designated national;

(4) A legal representative (whether or not appointed by a court of the United

States) or successor in interest by inheritance, devise, bequest, or operation of law, who falls within any of the categories specified in subparagraphs (1), (2) and (3) of this paragraph but only to the same extent that their principals or predecessors would be qualified by such paragraph.

§ 500.505 Certain persons in the United States unblocked. (a) Except as provided in paragraph (b) of this section the following are hereby licensed as unblocked nationals:

(1) Any individual in the United States except an individual who on or after the "effective date," was in, or who, on or since such date, has acted or purported to act directly or indirectly for the benefit of or on behalf of any designated foreign country,

(2) Any partnership, association, corporation, or other organization which is a national of a designated foreign country solely by reason of the interest of persons licensed by this section.

(b) This section does not license as an unblocked national any person who is a specially designated national.

§ 500.506 Certain persons in authorized trade territory unblocked. (a) Except as provided in paragraph (b) of this section the following are hereby licensed as unblocked nationals:

(1) Any individual in the authorized trade territory except an individual who on or after the "effective date," was in, or who on or since such date, has acted or purported to act directly or indirectly for the benefit of, or on behalf of any designated foreign country,

(2) Any partnership, association, corporation, or other organization which is a national of a designated foreign country solely by reason of the interest of persons licensed by this section.

(b) This section does not license as an unblocked national any person who is a specially designated national.

§ 500.507 Individuals who are citizens of, and residing only in the United States, unblocked. (a) Any individual who is a citizen of the United States, residing only in the United States, and who is a national of a designated foreign country solely by reason of having been formerly domiciled or resident therein is hereby licensed as an unblocked national.

(b) This section does not license as an unblocked national any individual citizen of the United States who is a national of a designated foreign country by reason of any fact other than his former domicile or residence in such country.

§ 500.508 Payments to blocked accounts in domestic banks. (a) Any payment or transfer of credit to a blocked account in a domestic bank in the name of any designated national is hereby authorized providing such payment or transfer shall not be made:

(1) From any blocked account in a domestic bank; or

(2) From any other blocked account if such payment or transfer represents, directly or indirectly, a transfer of the interest of a designated national to any other country or person.

(b) This section does not authorize:

(1) Any payment or transfer to any blocked account held in a name other than that of the designated national who is the ultimate beneficiary of such payment or transfer; or

(2) Any foreign exchange transaction including, but not by way of limitation, any transfer of credit, or payment of an obligation, expressed in terms of the currency of any foreign country.

(c) This section does not authorize any payment or transfer of credit comprising an integral part of a transaction which cannot be effected without the subsequent issuance of a further license.

(d) This section does not authorize the crediting of the proceeds of the sale of securities held in a blocked account or a sub-account thereof, or the income derived from such securities to a blocked account or sub-account under any name or designation which differs from the name or designation of the specific blocked account or sub-account in which such securities were held.

§ 500.509 Entries in certain accounts for normal service charges. (a) Any banking institution within the United States is hereby authorized to:

(1) Debit any blocked account with such banking institution (or with another office within the United States of such banking institution) in payment or reimbursement for normal service charges owed to such banking institution by the owner of such blocked account.

(2) Make book entries against any foreign currency account maintained by it with a banking institution in any designated foreign country for the purpose of responding to debits to such account for normal service charges in connection therewith.

(b) As used in this section, the term "normal service charge" shall include charges in payment or reimbursement for interest due; cable, telegraph, or telephone charges; postage costs; custody fees; small adjustment charges to correct bookkeeping errors; and, but not by way of limitation, minimum balance charges, account carrying charges, notary and protest fees, and charges for reference books, photostats, credit reports, transcripts of statements, registered mail insurance, stationery and supplies, check books, and other similar items.

§ 500.510 *Payments to the United States, States and political subdivisions.*

(a) The payment from any blocked account to the United States or any agency or instrumentality thereof or to any State, territory, district, county, municipality or other political subdivision in the United States, of customs duties, taxes, and fees payable thereto by the owner of such blocked account is hereby authorized.

(b) This section also authorizes transactions incident to the payment of customs duties, taxes, and fees from blocked accounts, such as the levying of assessments, the creation and enforcement of liens, and the sale of blocked property in satisfaction of liens for customs duties, taxes, and fees.

§ 500.511 *Transactions by certain business enterprises.* (a) Except as provided in paragraphs (b), (c) and (d) of this section any partnership, association, corporation or other organization which on the "effective date" was actually engaged in a commercial, banking or financial business within the United States and which is a national of any designated foreign country, is hereby authorized to engage in all transactions ordinarily incidental to the normal conduct of its business activities within the United States.

(b) This section does not authorize any transaction which would require a license if such organization were not a national of any designated foreign country.

(c) This section does not authorize any transaction by a specially designated national.

(d) Any organization engaging in business pursuant to this section shall not engage in any transaction, pursuant to this section or any other license or authorization contained in this chapter, which, directly or indirectly, substantially diminishes or imperils the assets of such organization or otherwise prejudicially affects the financial position of such organization.

(e) No dealings with regard to any account shall be evidence that any person having an interest therein is actually engaged in commercial, banking or financial business within the United States.

§ 500.512 [Reserved]

§ 500.513 *Purchase and sale of certain securities.* (a) The bona fide purchase and sale of securities on a national securities exchange by banking institutions within the United States for the account, and pursuant to the authorization, of nationals of any designated foreign country and the making and receipt of payments, transfers of credit, and transfers of such securities which are necessary incidents of any such purchase or sale are hereby authorized provided the following terms and conditions are complied with:

(1) In the case of the purchase of securities, the securities purchased shall be held in an account in a banking institution within the United States in the name of the national whose account was debited to purchase such securities; and

(2) In the case of the sale of securities, the proceeds of the sale shall be credited to an account in the name of the national for whose account the sale was made and in the banking institution within the United States which held the securities for such national.

(b) This section does not authorize the crediting of the proceeds of the sale of securities held in a blocked account or a sub-account thereof, to a blocked account or sub-account under any name or designation which differs from the name or designation of the specific blocked account or sub-account in which such securities were held.

(c) Securities issued or guaranteed by the Government of the United States or any State, territory, district, county,

municipality, or other political subdivision thereof (including agencies and instrumentalities of the foregoing) need not be purchased or sold on a national securities exchange, but purchases or sales of such securities shall be made at market value and pursuant to all other terms and conditions prescribed in this section.

§ 500.514 *Payment of dividends and interest on and redemption and collection of securities.* (a) The payment to, and receipt by, a banking institution within the United States of funds or other property representing dividends or interest on securities held by such banking institution in a blocked account is hereby authorized provided the funds or other property are credited to or deposited in a blocked account in such banking institution in the name of the national for whose account the securities were held. Notwithstanding § 500.202, this paragraph authorizes the foregoing transactions although such securities are registered or inscribed in the name of any designated national and although the national in whose name the securities are registered or inscribed may not be the owner of such blocked account.

(b) The payment to, and receipt by, a banking institution within the United States of funds payable in respect of securities (including coupons) presented by such banking institution to the proper paying agents within the United States for redemption or collection for the account and pursuant to the authorization of nationals of any designated country is hereby authorized provided the proceeds of the redemption or collection are credited to a blocked account in such banking institution in the name of the national for whose account the redemption or collection was made.

(c) The performance of such other acts, and the effecting of such other transactions, as may be necessarily incident to any of the foregoing, are also hereby authorized.

(d) This section does not authorize the crediting of the proceeds of the redemption or collection of securities (including coupons) held in a blocked account or a sub-account thereof, or the income derived from such securities to a blocked account or sub-account under any name or designation which differs from the name or designation of the specific blocked account or sub-account in which such securities were held.

(e) This section does not authorize any issuer or other obligor, with respect to a security, who is a designated national, to make any payment, transfer or withdrawal.

§ 500.515 *Transfers of securities to blocked accounts in domestic banks.* (a) Transactions ordinarily incident to the transfer of securities from a blocked account in the name of any person to a blocked account in the same name in a domestic bank are hereby authorized provided the following terms and conditions are complied with:

(1) Such securities shall not be transferred from any blocked account in a domestic bank; and

(2) Such securities shall not be transferred from any other blocked account if such transfer represents, directly or indirectly, a transfer of the interest of a designated national to any other country or person.

(b) This section does not authorize the transfer of securities held in a blocked account or sub-account thereof to a blocked account or sub-account under any name or designation which differs from the name or designation of the specific blocked account or sub-account in which such securities were held.

§ 500.516 *Voting and soliciting of proxies on securities.* Notwithstanding § 500.202, the voting and the soliciting of proxies or other authorizations is authorized with respect to the voting of securities issued by a corporation organized under the laws of the United States or of any State, territory, or district thereof, in which a designated national has any interest.

§ 500.517 *Access to safe deposit boxes under certain conditions.* (a) Access to any safe deposit box leased to a designated national or containing property in which any designated national has an interest, and the deposit therein or removal therefrom of any property is hereby authorized, provided the following terms and conditions are complied with:

(1) Access shall be permitted only in the presence of an authorized representative of the lessor of such box; and

(2) In the event that any property in which any designated national has any interest is to be removed from such box, access shall be permitted only in the presence of an authorized representative of a banking institution within the

the United States of any blocked estate of a decedent are authorized if:

(1) The decedent was not a national of a designated foreign country at the time of his death;

(2) The decedent was a citizen of the United States and a national of a designated foreign country at the time of his death solely by reason of his presence in a designated foreign country as a result of his employment by, or service with the United States Government; or

(3) The gross value of the assets within the United States does not exceed \$5,000.

(c) Any property or interest therein distributed pursuant to this section to a designated national shall be regarded for the purpose of this chapter as property in which such national has an interest and shall accordingly be subject to all the pertinent sections of this chapter. Any payment or distribution of any funds, securities or other choses in action to a designated national shall be made by deposit in a blocked account in a domestic bank or with a public officer, agency, or instrumentality designated by a court having jurisdiction of the estate. Any such deposit shall be made in one of the following ways:

(1) In the name of the national who is the ultimate beneficiary thereof;

(2) In the name of a person who is not a national of a designated foreign country in trust for the national who is the ultimate beneficiary; or

(3) Under some other designation which clearly shows the interest therein of such national.

(d) Any distribution of property authorized pursuant to this section may be made to a trustee of any testamentary trust or to the guardian of an estate of a minor or of an incompetent.

(e) This section does not authorize:

(1) Any designated national to act as personal representative or co-representative of any estate;

(2) Any designated national to represent, directly or indirectly, any person who has an interest in an estate;

(3) Any designated national to take distribution of any property as the trustee of any testamentary trust or as the guardian of an estate of a minor or of an incompetent; or

(4) Any transaction which could not be effected if no designated national had any interest in such estate.

(f) Any payment or distribution authorized by this section may be deposited in a blocked account in a domestic bank or with a public officer, agency, or instrumentality designated by the court having jurisdiction of the estate in one of the ways prescribed in paragraph (c) (1), (2) or (3) of this section, but this section does not authorize any other transaction directly or indirectly at the request, or upon the instructions of any designated national.

§ 500.524 Payment from, and transactions in the administration of certain trusts and estates. (a) Any bank or trust company incorporated under the laws of the United States, or of any State, territory, or district of the United States, or any private bank subject to supervision and examination under the banking laws of any state of the United States, acting as trustee of any trust administered in the United States or as legal representative of any estate of an infant or incompetent administered in the United States, in which trust or estate one or more persons who are nationals of a designated foreign country have an interest, beneficial or otherwise, or are co-trustees or co-representatives, is hereby authorized to engage in the following transactions:

(1) Payments of distributive shares of principal or income to all persons legally entitled thereto upon the condition prescribed in paragraph (b) of this section.

(2) Other transactions arising in the administration of such trust or estate which might be engaged in if no national of a designated foreign country were a beneficiary, co-trustee or co-representative of such trust or estate upon the condition prescribed in paragraph (b) of this section.

(b) Any payment or distribution of any funds, securities or other choses in action to a national of a designated foreign country under this section shall be made by deposit in a blocked account in a domestic bank in the name of the national who is the ultimate beneficiary thereof.

(c) Any payment or distribution into a blocked account in a domestic bank in the name of any such national of a

designated foreign country who is the ultimate beneficiary of and legally entitled to any such payment or distribution is authorized by this section, but this section does not authorize such trustee or legal representative to engage in any other transaction at the request, or upon the instructions, of any beneficiary, co-trustee or co-representative of such trust or estate or other person who is a national of any designated foreign country.

§ 500.525 *Certain transfers by operation of law.* (a) The following are hereby authorized:

(1) Any transfer of any dower, curtesy, community property, or other interest of any nature whatsoever, provided that such transfer arises solely as a consequence of the existence or change of marital status;

(2) Any transfer to any person by intestate succession;

(3) Any transfer to any person as administrator, executor, or other fiduciary by reason of any testamentary disposition; and

(4) Any transfer to any person as administrator, executor or fiduciary by reason of judicial appointment or approval in connection with any testamentary disposition or intestate succession.

(b) Except to the limited extent authorized by § 500.523 or by any other license or authorization contained in or issued pursuant to this chapter no transfer to any person by intestate succession and no transfer to any person as administrator, executor, or other fiduciary by reason of any testamentary disposition, and no transfer to any person as administrator, executor, or fiduciary by reason of judicial appointment or approval in connection with any testamentary disposition or intestate succession shall be deemed to terminate the interest of the decedent in the property transferred if the decedent was a designated national.

§ 500.526 *Transactions involving blocked life insurance policies.* (a) The following transactions are hereby authorized:

(1) The payment of premiums and interest on policy loans with respect to any blocked life insurance policy;

(2) The issuance, servicing or transfer of any blocked life insurance policy in which the only blocked interest is that of one or more of the following:

(i) A member of the armed forces of the United States or a person accompanying such forces (including personnel of the American Red Cross, and similar organizations);

(ii) An officer or employee of the United States; or

(iii) A citizen of the United States resident in a designated foreign country; and

(3) The issuance, servicing or transfer of any blocked life insurance policy in which the only blocked interest (other than that of a person specified in paragraph (a) (2) of this section) is that of a beneficiary.

(b) Paragraph (a) of this section does not authorize:

(1) Any payment to the insurer from any blocked account except a blocked account of the insured or beneficiary, or

(2) Any payment by the insurer to a national of a designated foreign country unless payment is made by deposit in a blocked account in a domestic bank in the name of the national who is the ultimate beneficiary thereof.

(c) The application, in accordance with the provisions of the policy or the established practice of the insurer, of the dividends, cash surrender value, or loan value, of any blocked life insurance policy is also hereby authorized for the purpose of:

(1) Paying premiums;

(2) Paying policy loans and interest thereon;

(3) Establishing paid-up insurance; or

(4) Accumulating such dividends or values to the credit of the policy on the books of the insurer.

(d) As used in this section:

(1) The term "blocked life insurance policy" shall mean any life insurance policy or annuity contract, or contract supplementary thereto, in which there is a blocked interest.

(2) Any interest of a national of a designated foreign country shall be deemed to be a "blocked interest."

(3) The term "servicing" shall mean the following transactions with respect to any blocked life insurance policy:

(i) The payment of premiums, the payment of loan interest, and the repayment of policy loans;

(ii) The effecting by a life insurance company or other insurer of loans to an insured;

(iii) The effecting on behalf of an insured of surrenders, conversions, modifications, and reinstatements; and

(iv) The exercise or election by an insured of non-forfeiture options, optional modes of settlement, optional disposition of dividends, and other policy options and privileges not involving payment by the insurer.

(4) The term "transfer" shall mean the change of beneficiary, or the assignment or pledge of the interest of an insured in any blocked life insurance policy subsequent to the issuance thereof.

(e) This section does not authorize any transaction with respect to any blocked life insurance policy issued by a life insurance company or other insurer which is a national of a designated foreign country or which is not doing business or effecting insurance in the United States.

§ 500.527 *Certain transactions with respect to United States patents, trademarks, and copyrights.* (a) There are hereby authorized:

(1) The filing in the United States Patent Office of applications for letters patent and for trademarks registration;

(2) The making and filing in the United States Copyright Office of applications for registration or renewal of copyrights;

(3) The prosecution in the United States Patent Office of applications for letters patent and for trademarks registration;

(4) The receipt of letters patent or trademark registration certificates or copyright registration or renewal certificates granted pursuant to any such applications

in which any designated national has at any time on or since the "effective date" had any interest.

(b) This section further authorizes, subject to the terms and conditions prescribed in paragraphs (c) and (d) of this section, the execution and recording of any instrument recordable in the United States Patent Office or the United States Copyright Office which affects title to or grants any interest in, including licenses under, any United States letters patent, trademark registration, copyright or renewal thereof, or application therefor, in

which a designated national, who is such a national solely by reason of his relationship to an occupied area, has at any time on or since the "effective date" had any interest, or which constitutes or evidences a transaction made by, or on behalf of, or pursuant to the direction of or with such a designated national, or if any of the parties to such instrument is such a designated national.

(c) Any such instrument the recording or the execution and recording of which is authorized by paragraph (b) of this section shall be recorded in the United States Patent Office or in the United States Copyright Office within ninety days of the date of execution thereof or ninety days from the "effective date" whichever is the longer period, or within such further time as may be allowed by the Secretary of the Treasury. The person presenting such instrument for recording shall file therewith in the United States Patent Office or United States Copyright Office a statement that such instrument is being recorded in accordance with the provisions of this section.

(d) Any such instrument the recording or the execution and recording of which is authorized by paragraph (b) of this section may be set aside by the Secretary of the Treasury at any time within a period of three years from the date of recording except that the Secretary of the Treasury may in his discretion reduce such period of time with respect to any such instrument after the recording thereof, and further, the patents, trademarks, interests, applications, or rights thereunder so transferred may be vested by the Secretary of the Treasury.

(e) This section also authorizes the payment from blocked accounts or otherwise, of fees currently due to the United States Government in connection with any transactions authorized by this section.

(f) This section further authorizes the payment from blocked accounts or otherwise of the reasonable and customary fees and charges currently due to attorneys or representatives within the United States in connection with the transactions referred to in paragraphs (a), (b), and (e) of this section, provided that such payment shall not exceed (1) \$100 for the preparation, filing, and prosecution of any letters patent; or (2) \$50 for the preparation,

filing and prosecution of any application for a trademark registration; or (3) \$25 for the securing and registration of any copyright; or (4) \$35 for the preparation and filing of any amendment to a pending application for letters patent or for a trademark registration.

(g) This section also authorizes the payment of a nominal consideration not exceeding one dollar, to any party to an instrument executed or recorded hereunder with respect to the property affected by such instrument, as long as such instrument is subject to being set aside in accordance with paragraph (d) of this section.

§ 500.528 *Certain transactions with respect to blocked foreign patents, trademarks and copyrights authorized.* (a) The following transactions by any person who is not a designated national are hereby authorized:

(1) The filing and prosecution of any application for a blocked foreign patent, trademark or copyright, or for the renewal thereof;

(2) The receipt of any blocked foreign patent, trademark or copyright;

(3) The filing and prosecution of opposition or infringement proceedings with respect to any blocked foreign patent, trademark, or copyright, and the prosecution of a defense to any such proceedings;

(4) The payment of fees currently due to the government of any foreign country, either directly or through an attorney or representative, in connection with any of the transactions authorized by subparagraphs (1), (2) and (3) of this paragraph or for the maintenance of any blocked foreign patent, trademark or copyright; and

(5) The payment of reasonable and customary fees currently due to attorneys or representatives in any foreign country incurred in connection with any of the transactions authorized by subparagraph (1), (2), (3) or (4) of this paragraph.

(b) Payments effected pursuant to the terms of paragraph (a) (4) and (5) of this section may not be made from any blocked account. Such payments shall be made in the manner and under the conditions specified in § 500.522 (a) (3) if the payee is within any designated foreign country.

(c) As used in this section the term "blocked foreign patent, trademark, or

copyright" shall mean any patent, petty patent, design patent, trademark or copyright issued by any foreign country, in which a designated foreign country or national thereof has an interest, including any patent, petty patent, design patent, trademark, or copyright issued by a designated foreign country.

§ 500.529 *Powers of attorney.* (a) No power of attorney, whether granted before or after the "effective date" shall be invalid by reason of any of the provisions of this chapter with respect to any transaction licensed by or pursuant to the provisions of this chapter.

(b) This section does not authorize any transaction pursuant to a power of attorney if such transaction is prohibited by § 500.201 and is not otherwise licensed or authorized by or pursuant to this chapter.

(c) This section does not authorize the creation of any power of attorney in favor of any person outside of the United States or the exportation from the United States of any power of attorney.

§ 500.530 *Exportation of powers of attorney or instructions relating to certain types of transactions.* (a) The exportation to any foreign country of powers of attorney or other instruments executed or issued by any person within the United States who is not a national of a designated foreign country, which are limited to authorizations or instructions to effect transactions incident to the following, are hereby authorized upon the condition prescribed in paragraph (b) of this section:

(1) The representation of the interest of such person in a decedent's estate which is being administered in any designated foreign country and the collection of the distributive share of such person in such estate;

(2) The maintenance, preservation, supervision or management of any property located in any designated foreign country in which such person has an interest; and

(3) The conveyance, transfer, release, sale or other disposition of any property specified in subparagraph (1) of this paragraph or any real estate or tangible personal property if the value thereof does not exceed the sum of \$5,000 or its equivalent in foreign currency.

(b) No instrument which authorizes the conveyance, transfer, release, sale or other disposition of any property may be

exported under this section unless it contains an express stipulation that such authority may not be exercised if the value of such property exceeds the sum of \$5,000 or the equivalent thereof in foreign currency.

(c) As used in this section, the term "tangible personal property" shall not include cash, bullion, deposits, credits, securities, patents, trademarks, or copyrights.

§ 500.531 [Reserved]

§ 500.532 [Reserved]

§ 500.533 *Transactions incident to exportations to designated countries.* (a) All transactions ordinarily incident to the exportation of goods, wares and merchandise from the United States to any person within a designated foreign country are hereby authorized, provided the following terms and conditions are complied with:

(1) The exportation is licensed or otherwise authorized by the Department of Commerce under the provisions of the Export Control Act of 1949 (sec. 3, 63 Stat. 7; 50 U. S. C. App. Sup. 2023); and

(2) Banking institutions within the United States, prior to issuing, confirming or advising letters of credit, or accepting or paying drafts drawn, or reimbursing themselves for payments made, under letters of credit, or making any other payment or transfer of credit, in connection with any exportation pursuant to this section, or engaging in any other transaction herein authorized, shall satisfy themselves that: (i) Each such transaction is incident to a bona fide exportation and is customary in the normal course of business, and that the value of such exportation reasonably corresponds with the sums of money involved in financing such transaction; and (ii) such exportation is made pursuant to all the terms and conditions of this section.

(b) This section does not authorize:

(1) The financing of any transaction from any blocked account;

(2) Any transaction involving, directly or indirectly, property in which any designated national, other than a person located in the country to which the exportation is consigned, has an interest, or has had an interest since the "effective date".

[15 F. R. 9040, Dec. 19, 1950, as amended at 18 F. R. 2080, Apr. 14, 1953; 22 F. R. 10121, Dec. 18, 1957]

§ 500.534 [Reserved]

§ 500.535 *Exchange of certain securities.* (a) Subject to the limitations and conditions of paragraph (b) of this section and notwithstanding § 500.202 of this chapter, any banking institution within the United States is authorized to engage in the following transactions with respect to securities listed on a national securities exchange, including the withdrawal of such securities from blocked accounts:

(1) Exchange of certificates necessitated by reason of changes in corporate name, par value or capitalization,

(2) Exchanges of temporary for permanent certificates,

(3) Exchanges or deposits under plans of reorganization,

(4) Exchanges under refunding plans, or

(5) Exchanges pursuant to conversion privileges accruing to securities held.

(b) This section does not authorize the following transactions:

(1) Any exchange of securities unless the new securities and other proceeds, if any, received are deposited in the blocked account in which the original securities were held immediately prior to the exchange.

(2) Any exchange of securities registered in the name of any designated national, unless the new securities received are registered in the same name in which the securities exchanged were registered prior to the exchange.

(3) Any exchange of securities issued by a person engaged in the business of offering, buying, selling, or otherwise dealing, or trading in securities, or evidences thereof, issued by another person.

(4) Any transaction with respect to any security by an issuer or other obligor who is a designated national.

[16 F. R. 787, Jan. 27, 1951]

§ 500.536 *Certain transactions with respect to merchandise affected by § 500.204.* (a) With respect to merchandise the importation of which is prohibited by § 500.204, all Customs transactions are authorized except the following:

(1) Entry for consumption (including any appraisement entry, any entry of goods imported in the mails, regardless of value, and any other informal entries);

(2) Entry for immediate exportation;
 (3) Entry for transportation and exportation;

(4) Withdrawal from warehouse;

(5) Transfer or withdrawal from a foreign-trade zone; or

(6) Manipulation or manufacture in a warehouse or in a foreign-trade zone.

(b) Paragraph (a) of this section is intended solely to allow certain restricted disposition of merchandise which is imported without proper authorization. Paragraph (a) of this section does not authorize the purchase or importation of any merchandise.

(c) The purchase outside the United States for importation into the United States of merchandise specified in § 500.204 (other than merchandise to which § 500.204 (a) (1) is applicable) and the importation of such merchandise into the United States (including transactions listed in paragraph (a) of this section) are authorized if there is presented to the collector of customs in connection with such importation the original of an appropriate certificate of origin as defined in paragraph (d) of this section and provided that the merchandise was shipped to the United States directly, or on a through bill of lading, from the country issuing the appropriate certificate of origin.

(d) A certificate of origin is appropriate for the purposes of this section only if:

(1) It is a certificate of origin the availability of which for Foreign Assets Control purposes has been announced in the FEDERAL REGISTER by the Foreign Assets Control; and

(2) It bears a statement by the issuing agency referring to the Foreign Assets Control Regulations and stating that the certificate has been issued under procedures agreed upon with the United States Government.

[18 F. R. 2080, Apr. 14, 1953, as amended at 19 F. R. 5483, Aug. 27, 1954; 20 F. R. 1379, Mar. 8, 1955]

§ 500.537 *Financing of merchandise affected by § 500.204.* (a) To the extent that the financing of merchandise is prohibited by § 500.204, such financing by any bank is authorized except as provided in paragraph (b) of this section.

(b) This section does not authorize the financing (including the opening, advising, or confirming of, or any trans-

action under, any letter of credit) in connection with:

(1) Any merchandise outside of the United States to which § 500.204 (a) (1) is applicable;

(2) The shipment of any merchandise to the United States or any transaction with respect to any merchandise on behalf of any person subject to the jurisdiction of the United States unless

(i) The purchase of the merchandise is authorized by § 500.536 (c) and

(ii) The bank is advised in writing by the person seeking the financing of such merchandise that the commodity is one to which the certification procedure specified in § 500.536 (c) applies and that the purchase and importation of the merchandise are authorized by that paragraph, or

(3) The shipment of any merchandise from or through Hong Kong, Macao, or any country not in the authorized trade territory except as provided in subparagraph (2) of this paragraph.

[19 F. R. 5483, Aug. 27, 1954]

§ 500.538 *Transportation of merchandise affected by § 500.204.* (a) To the extent that the transportation of merchandise is prohibited by § 500.204, such transportation by carriers is authorized except as provided in paragraph (b) of this section.

(b) This section does not authorize the transportation to any place other than the United States of merchandise specified in § 500.204 (a) (1) nor the transportation to any place other than the United States of any merchandise specified in § 500.204 (a) (2) or (3) from or through Hong Kong, Macao, or any country not in the authorized trade territory.

[17 F. R. 11719, Dec. 24, 1952]

§ 500.539 *Certain transactions with respect to hog bristles.* (a) Subject to the provisions of paragraph (c) of this section, the purchase outside the United States for importation into the United States of hog bristles, except hog bristles specified in paragraph (b) of this section, and the importation of such merchandise into the United States for warehouse entry is authorized.

(b) This section does not authorize any transaction with respect to hog bristles which, in whole or in part, consist of (1) dyed hog bristles, or (2) Asiatic hog bristles (except Indian hog

bristles other than soft black Indian hog bristles).

(c) This section does not authorize the release from bonded warehouse of any hog bristles. Merchandise purchased or imported pursuant to this section will be authorized for release from Customs custody for consumption in the United States only after the Foreign Assets Control is satisfied by physical inspection of such merchandise and such other measures as may be appropriate that the merchandise does not consist, in whole or in part, of merchandise specified in paragraph (b) of this section.

[20 F. R. 1379, Mar. 8, 1955]

SUBPART F—REPORTS

§ 500.601 *Records.* Every person engaging in any transaction subject to the provisions of this chapter shall keep a full record of each such transaction engaged in by him, regardless of whether such transaction is effected pursuant to license or otherwise, and such record shall be available for examination for at least two years after the date of such transaction.

§ 500.602 *Reports to be furnished on demand.* Every person is required to furnish under oath, in the form of reports or otherwise, from time to time and at any time as may be required by the Secretary of the Treasury or any person acting under his direction or authorization complete information relative to any transaction subject to the provisions of this chapter or relative to any property in which any foreign country or any national thereof has any interest of any nature whatsoever, direct or indirect. The Secretary of the Treasury or any person acting under his direction may require that such reports include the production of any books of account, contracts, letters or other papers, connected with any such transaction or property, in the custody or control of the persons required to make such reports. Reports with respect to transactions may be required either before or after such transactions are completed. The Secretary of the Treasury may, through any person or agency, investigate any such transaction or property or any violation of the provisions of this chapter regardless of whether any report has been required or filed in connection therewith.

§ 500.603 *Instructions relating to reports on Form TFR-603 with regard to*

property of nationals of China and Korea—(a) Requirement that reports be filed on Form TFR-603. Except as provided in paragraphs (b) and (c) of this section, reports on Form TFR-603 are hereby required to be filed on or before January 31, 1951, with respect to all property subject to the jurisdiction of the United States on the opening of business on December 18, 1950, in which on that date, hereafter referred to as the "specified date", China or Korea or any national of either thereof had any interest, direct or indirect.

(b) *Persons in connection with whose property reports are not required.* (1) No report is required to be filed with respect to the property of any individual other than:

(i) An individual who on the specified date was in China or Korea,

(ii) An individual who was on such date a specially designated national, or

(iii) An individual, wheresoever located, who, being a national of China or Korea, was on such date an employee, officer, or agent of, or who was associated with the United Nations or any of the organs of the United Nations including its Committees, Commissions, Subcommittees and Specialized Agencies or any other International Organization which has been accorded privileges and immunities under International Organizations Immunities Act (act of Dec. 29, 1945, ch. 652, Title I, 59 Stat. 669, 22 U. S. C. 288-288f).

(2) No report is required to be filed with respect to the property of any partnership, association, corporation or other organization in connection with which otherwise a report would be required solely by reason of the interest of a person exempted from the reporting requirement by subparagraph (1) of this paragraph.

(c) *Property which is not required to be reported.* No reports are required with respect to property of the following types:

(1) Patents, trademarks, copyrights and inventions, but this exemption shall not constitute a waiver of any reporting requirement with respect to royalties due and unpaid.

(2) Interests in nonproducing oil and gas leases.

(3) Property of any person (other than any associated foreign person) which any one person would otherwise

be required to report if the total value of all such property was less than \$1,000 on the specified date. In arriving at the value of \$1,000, no deduction shall be made for offsets, liens, or other deductions from gross value.

(d) *Who must make report.* Except as the exemptions provided in paragraphs (b) and (c) of this section are applicable, a report must be filed by:

(1) Every individual in the United States who is a national of China or Korea with respect to all property subject to the jurisdiction of the United States on the specified date in which on that date he had any interest of any nature whatsoever, direct or indirect.

(2) Every person in the United States with respect to all property whatsoever held by him or in his custody, control, or possession, directly or indirectly, in trust or otherwise, and all debts or other obligations whatsoever owed by or asserted against him, and all contracts of any nature whatsoever to which he was a party, subject to the jurisdiction of the United States on the specified date in which on such date China or Korea or any national of either thereof had any interest of any nature whatsoever, direct or indirect.

(3) Every partnership, trust, association, corporation, or other organization organized or existing under the laws of the United States or of any State, territory, or district of the United States, or having its principal place of business in the United States, with respect to any shares of its stock, including any right or claim to ownership or control or participation in ownership or control thereof or profits or income derived therefrom, or any equity in any of the foregoing, whether or not expressed by written agreement or evidenced by any instrument, and with respect to any of its bonds, debentures, notes, or other funded obligations or any equity therein, and with respect to any other of its outstanding securities or equity therein, in any of which China or Korea or any national of either thereof had on the specified date any interest of any nature whatsoever, direct or indirect.

(4) Every agent or representative in the United States for China or Korea or for any national of either thereof, having any information with respect to property subject to the jurisdiction of the United States on the specified date in which on that date the country or

national thereof for which he was agent or representative had any interest of any nature whatsoever, direct or indirect, but such an agent or representative who files a report in behalf of the country or national under subparagraph (1) of this paragraph need not file a duplicate report under this subparagraph.

(5) Such other persons or groups or classes of persons, and in such cases or kinds of cases, as the Secretary of the Treasury may provide by means of regulations, rulings, instructions, licenses, or otherwise.

(e) *Reports by more than one person.*

(1) Except as provided in subparagraph (2) of this paragraph no person required to submit a report with respect to property pursuant to this section is excused from submitting such report by reason of the fact that another person has submitted a report with regard to the same property.

(2) No person otherwise required to file a report with respect to the property of a national (other than an associated foreign person or a specially designated national) need file such report if such person has actual knowledge that another person has filed a report with respect to the same interests in property of the national which is as full and complete as that which such person would otherwise be required to file: *Provided,* That nothing in this section shall be deemed to waive the reporting requirement with respect to the person who has primary responsibility for reporting such property. For the purpose of this subparagraph the person who has primary responsibility for reporting property shall be the person because of whose interest the property is required to be reported, if such person is subject to the jurisdiction of the United States. If such person is not so subject, the person who has primary responsibility shall be the person having the actual custody of the property in connection with which a report is required, except that with respect to any trust the trustee shall have the primary responsibility, with respect to any estate the executor or administrator shall have the primary responsibility and with respect to any safe deposit box the lessee shall have the primary responsibility. However, where the primary responsibility for reporting rests with more than one person, as, for example, where there are joint trustees or executors, one such person may report for all.

(3) Nothing contained in this paragraph shall be deemed to waive the reporting requirement applicable to any person with respect to property of any associated foreign person or any specially designated national.

(f) *Transactions not authorized.* No transaction prohibited by or pursuant to this chapter is authorized with respect to any property by reason of the fact that reports are not required with respect to such property.

(g) *Definitions*—(1) *China.* As used in this section the term "China" shall be deemed to include Formosa as well as continental China.

(2) *Korea.* As used in this section the term "Korea" shall be deemed to mean Korea in its entirety, i. e., both north and south of the 38th parallel of North Latitude.

(3) *Person.* As used in this section the term "person" shall have the same meaning as specified in § 500.308 except that it shall also include any foreign government or any agency or subdivision thereof.

(4) *National.* As used in this section the term "national" shall have the same meaning as specified in § 500.302 except that (i) it shall also include foreign governments or any agency or subdivision thereof, and (ii) it shall not include members of the armed forces of the United States who are within any foreign country or citizens of the United States who are within any foreign country in the course of their employment by the Government of the United States or of any organization acting on behalf of the Government of the United States.

(5) *Other terms defined in Subpart C of this part.* As used in this section all terms, other than "person" and "national", which are defined in Subpart C of this part shall have the same meanings as specified therein. Particular attention is directed to the following definitions:

(i) "Foreign country" set forth in § 500.301.

(ii) "Nationals of more than one foreign country" set forth in § 500.303.

(iii) "Designated national" set forth in § 500.305.

(iv) "Specially designated national" set forth in § 500.306.

(v) "Property; property interests" set forth in § 500.311.

(vi) "Interest" set forth in § 500.312.

(vii) "Property subject to the jurisdiction of the United States" set forth in § 500.313.

(viii) "United States; continental United States", set forth in § 500.321.

Attention is also directed to § 500.201 which specifies the countries which are designated foreign countries.

(6) *Associated foreign person.* As used in this section the terms "associated foreign person" or "foreign person associated with an organization" shall mean, with respect to any organization within the United States, any person in China or Korea who, directly or indirectly, or in conjunction with one or more of his affiliates, controlled such organization, or owned or controlled a substantial part of the stock, shares, bonds, debentures, notes, drafts, certificates, or other securities or obligations, of such organization. Without limitation of the foregoing, the terms shall in any event include (i) any person in China or Korea who owned or controlled, directly or indirectly, or in conjunction with one or more of his affiliates, 25 percent or more of the outstanding voting stock, shares, or other voting securities, or comparable ownership therein, of an organization subject to the jurisdiction of the United States, (ii) any person in China or Korea who was a partner, whether general, special, limited, or otherwise in a partnership subject to the jurisdiction of the United States, and (iii) any person in China or Korea having a branch or office subject to the jurisdiction of the United States.

When, within the meaning of the foregoing, with respect to an organization or its securities, control or ownership is held by a person in China or Korea in conjunction with one or more of his affiliates, such person and each of such affiliates in China or Korea shall be deemed to be an "associated foreign person".

The Secretary of the Treasury reserves the power to determine, in any case, that any person was or shall be deemed to have been an "associated foreign person" within the meaning of this definition.

(7) *Affiliate.* As used in this section the term "affiliate" shall mean (i) in relation to any corporation or other organization issuing stock or similar securities, any person who, directly or indirectly, owned, controlled, or held with

power to vote, 10 percent or more of the outstanding voting securities thereof, and (ii) as to any other organization, any person who owned or controlled 10 percent or more of the comparable ownership rights therein. Any corporation or other organization of which a person was an affiliate shall also be deemed to have been an affiliate of such person, and all persons who were affiliates of the same person shall likewise be deemed to have been affiliates of each other. Notwithstanding the foregoing, persons shall not be deemed to have been affiliates of each other only by reason of ownership or control with respect to an organization subject to the jurisdiction of the United States.

(8) *Organization within the United States.* As used in this section the term "organization within the United States" shall mean any partnership, trust, association, corporation or other organization organized or existing under the laws of the United States or of any State, territory, or district of the United States or having a branch or office in the United States.

(h) *General instructions with respect to reporting on Form TFR-603—(1) Obtaining forms.* Copies of these instructions and of related sections of this chapter which define terms used in this section and copies of Form TFR-603 may be obtained from the Foreign Assets Control, Treasury Department, Washington 25, D. C., or the Federal Reserve Bank of New York.

(2) *Number of copies.* Reports on Form TFR-603 shall be prepared in quadruplicate.

(3) *Separation of reports for different countries or nationals.* A separate report shall be made with respect to each country or national having any interest in any property to be reported but all items of property of each such person shall be included in one report. For example, if the person reporting owed debts to five different nationals, he will make five separate reports, listing on each report all of his debts to the particular national for whom that report is made. If he owed one debt jointly to five nationals, he will also make five separate reports, entering the whole debt on each. If it is known or there is reasonable cause to believe that a national other than the national in whose name any property was carried had an interest in or adverse claim upon the property,

the property must be shown on a report for each such national interested or adverse claimant as well as for the national in whose name it was carried. Any duplication in reporting the same property or debt on several reports, shall not excuse anyone from rendering all reports required of him.

(i) *Detailed instructions for filling out Form TFR-603—(1) Reading circular.* If you have not already read carefully the preceding paragraphs of this section, do so before going further.

(2) *Answers required.* Each question on the report must be answered, and all the specific information called for must be given. When there is nothing to report under any question or if information is lacking, state "No," "None," or "Unknown," as the case may be, with an explanation if required, except that in Part B spaces not needed for reporting should be left blank. If the space provided on the Form for answers should prove inadequate, the answer may be made or continued on a blank sheet of paper securely attached to the Form. No person is excused from furnishing any information he reasonably should have.

(3) *Part A—(1) Country of residence.* Enter in the space provided in the upper right-hand corner of the Form the name of the country in which the person whose property is being reported resided on December 17, 1950.

(i) *Name.* If the national was an individual doing business under a trade name, give that name in addition to his actual name.

(iii) *Nationality.* State the nationality or nationalities, as defined in §§ 500.302 and 500.303, of the person whose property is being reported. If the person was a national of any foreign country by reason of any fact other than that such person has been a subject or citizen of the country, the facts determining the person's nationality must be stated, including those relating to his status as a national of the country, if any, of which he has been a subject or citizen.

(iv) *Citizenship.* If the national was not an individual, enter the name of the country, state, district, territory, or possession under the laws of which it is incorporated, or, if unincorporated, in which it had its principal place of business. When the national was a subject

or citizen of more than one country, state the name of each country, including the United States when that is one of the countries.

(4) *Part B—(1) Classification of property; general.* In stating the values called for under property types 1 to 12, reporters should be careful to classify correctly the property which they are reporting. No property should be reported under type 12 if it constitutes property reportable under any other type.

(ii) *Interests of associated foreign persons (type 7).* The total value of the interests of associated foreign persons should be entered in the column opposite type 7. No property required to be reported under this type is to be listed under any other type on Form TFR-603. Property of this type is to be reported in

detail on Form TFR-604 as required by § 500.604.

(iii) *Miscellaneous personal property (type 8).* Type 8 calls for the reporting of miscellaneous personal property, including: warehouse receipts, bills of lading, options and futures in commodities, goods and merchandise, jewelry, precious stones and precious metals, machinery, equipment and livestock, objects of art, furnishings for personal use, as well as liens on and claims to personal property not otherwise classified, as, for example, trust receipts, lease-sale arrangements, chattel mortgages, pledges, and crop liens.

(iv) *Valuation; general.* Enter in the valuation column opposite each property type from 1 to 12 the total value of the items reportable under that type, determined for each type of property in accordance with the following principles:

<i>Property Type</i>	<i>Principle</i>
Bullion.....	Gold—\$35 per ounce; silver—market value.
Currency and coin.....	Face value.
Deposits and cash balances.....	Balance of the account.
Securities.....	Market or estimated value.
Checks, drafts, acceptances, and notes.....	Face or estimated value.
Letters of credit.....	Available amount.
Debts, claims, and demands.....	Face or estimated value.
Miscellaneous contracts.....	Value unknown.
Foreign exchange futures.....	Difference between market price of contract and price specified in contract.
Goods and merchandise and other personal property.	Market or estimated value.
Land, buildings and mortgages on real estate.	Market or estimated value.
Royalties, gas and oil.....	Normal monthly payment times 100.
Franchises and concessions.....	Value unknown.
Interests in estates and trusts.....	Actuarial values where appropriate.
Insurance policies:	
Annuity policies.....	Present value of future payment.
Life policies.....	Cash surrender or paid-up value.
Pension contracts.....	Present value of future payment.
Policies having no immediate value (fire, etc.).	Not reportable.
Interests of associated foreign persons.....	(See subdivision (vii) of this subparagraph).
All amounts reported should be given in dollars to the nearest dollar.	

(v) *Valuation date.* Values shall be given as of the close of business on December 16, 1950.

(vi) *Market or estimated values.* Where market or estimated value is required pursuant to subdivision (iv) of this subparagraph enter the market price at the close of business on December 16, 1950, or, if such price is not available, the estimated value on that date. In estimating value the last sale price or

bid, if reasonably close to December 16, 1950, may be used as a basis.

(vii) *Value—interests of associated foreign persons (type 7).* Enter in the valuation column opposite this property type the total value shown in Part B of Form TFR-604.

(viii) *Value expressed in foreign currency.* Property, the value of which is expressed in a foreign currency, or which is to be paid or liquidated in a

foreign currency, shall be valued at the dollar value if dollar market value exists for such property itself; if not, the foreign currency value thereof shall be converted into dollar value, in accordance with instructions relating to exchange rates given in paragraph (k) of this section and such dollar value shall be used in the report. In no case shall a value be entered upon the report in a foreign currency, but the fact that property was originally valued in a foreign currency should be clearly indicated in Part C, question 1.

(ix) *Property of indeterminable value.* In reporting property of indeterminable value, enter "indeterminable" in the space opposite the appropriate property type and describe the property briefly in Part C, question 1. When both property of determinable value and property of indeterminable value are to be reported under any one property type, only the determinable value should be reported. However, in response to Part C, question 1, both kinds of property should be described and the property of indeterminable value should be so described.

(5) *Part C—Brief description of the property set forth in Part B.* The property, the value of which has been set forth in Part B, shall be briefly described in answer to question 1 of Part C, except that no description shall be given of property coming under type 7 (Interests of associated foreign persons). Break-downs into specific property items and detailed descriptions are unnecessary. Property may be described in some general but reasonably descriptive manner, as, e. g., "silver bullion", "U. S. dollar currency", "Swiss franc currency", "bank deposit", "postal savings account", "miscellaneous portfolio of stocks and bonds", "bonds issued by the reporter", "Pound Sterling securities", "letters of credit", "goods and merchandise", "land", "mortgage", "life estate", "cash surrender value of insurance policy", etc.

(6) *Part D—(1) Person reporting his own property.* A person reporting his own property need not fill out this Part further than to enter his name in the appropriate space and to state, "Same person as national whose property is reported."

(ii) *Persons reporting property of others.* A person reporting the property of another should state in Part D, as indicated in the margin thereof: (a)

His name; (b) his address; (c) his business; and (d) his relationship to the national whose property is being reported, e. g., as agent, nominee, trustee, custodian, banker, etc. The information may be given by any method producing a readily legible impression.

(iii) *Space provided for number.* Persons submitting only one report may ignore the space provided for a number. Persons submitting more than one report who do not wish to use the separate certification provided for and described in subparagraph (7) of this paragraph, may likewise ignore the space provided for a number. Persons submitting more than one report who desire to use the separate certification shall number their reports consecutively in the space provided on the Form starting with number 1.

(7) *Part E—Certification.* Any person who does not use the separate certification provided for and described herein shall execute on each copy of every report filed by him the certification set forth in Part E of Form TFR-603.

Any person executing more than one report and who has numbered each report consecutively, as provided for in subparagraph (6) (iii) of this paragraph, may execute a separate certification in connection with such reports. Such separate certification shall be in the following form:

CERTIFICATION

I, _____, certify that I am the person, or that I am the _____

 (State relationship of signatory

 to the person making this report)
 of the _____

(Name of partnership, association, corporation, or other entity making this report) making the reports on Form TFR-603 consecutively numbered _____ to _____, and attached hereto and made a part hereof, that I am authorized to make this certificate, and to the best of my knowledge and belief that the statements set forth in said report forms, including any papers attached thereto or filed therewith, are true and accurate and all material facts in connection with said reports have been set forth therein.

 (Signature)

 (Address)

 (Date)

This separate certification shall be prepared by the reporter and shall be attached to the reports to which it relates and submitted together with such reports. Such a certification shall be prepared and submitted in quadruplicate.

Any deviation from the form of separate certification set forth above shall render totally ineffective the reports to which such defective certification relates and the submission of such reports shall not constitute compliance with the reporting requirements of this section.

(j) *Manner in which Form TFR-603 should be filed.* As indicated in paragraph (h) (2) of this section, reports on Form TFR-603 shall be prepared in quadruplicate. All four copies shall be sent in a set, on or before January 31, 1951, to Unit 603, Foreign Assets Control, Treasury Department, Washington 25, D. C. (Reports covered by the same certification shall be transmitted together.)

(k) *Table of exchange rates.* Where the value of property expressed in terms of foreign currency is required to be converted into dollars, the rates of exchange set forth below should be used. If no rate is given for a country, the latest rate next before the effective date of the report, as generally quoted by foreign exchange dealers or other recognized sources of information, shall be used.

Country	Monetary unit	U. S. cents per unit
Australia.....	Pound.....	224.00
Belgium.....	Franc.....	2.00
Burma.....	Rupee.....	20.94
Canada.....	Dollar.....	94.97
Ceylon.....	Rupee.....	20.93
China.....	New Taiwan dollar.....	9.75
	People's bank note (for Chinese mainland).....	.003
France.....	Franc.....	28.68
Hong Kong.....	Hong Kong dollar.....	17.50
India.....	Rupee.....	21.00
Indo-China.....	Plastre.....	4.89
Indonesia.....	Indonesian guilder (rupiah).....	8.75
Italy.....	Lira.....	.16
Japan.....	Yen.....	.28
Korea, Republic of.....	Won.....	.04
Malaya.....	Malayan dollar.....	32.66
Netherlands.....	Guilder.....	26.32
New Zealand.....	Pound.....	280.00
Pakistan.....	Rupee.....	30.1
Philippines.....	Peso.....	50.0
Portugal.....	Escudo.....	3.45
Sweden.....	Krona.....	19.58
Switzerland.....	Franc.....	22.81
Thailand.....	Baht.....	4.38
Union of South Africa.....	Pound.....	280.00
United Kingdom.....	do.....	280.00

The exchange rates given in this table are for use only in preparing reports on Form TFR-603, and are not intended to be used or relied upon in any other connection or for any other purpose whatsoever.

§ 500.604 *Reports on Form TFR-604 with regard to interests of associated foreign persons—(a) Requirement that reports be filed on Form TFR-604.* Reports on Form TFR-604 are hereby required to be filed on or before January 31, 1951, with respect to interests on the opening of business on December 18, 1950, of foreign persons associated with organizations within the United States.

(b) *Who must make report.* A report must be filed by every organization within the United States as to which on December 17, 1950, any person was an associated foreign person.

(c) *General instructions with respect to reporting on Form TFR-604—(1) Obtaining forms.* Copies of these instructions, and of related sections of this chapter which define terms used in this section, and copies of Form TFR-604 may be obtained from the Foreign Assets Control or from the Federal Reserve Bank of New York.

(2) *Manner in which Form TFR-604 should be filed.* Reports on Form TFR-604 shall be prepared in quadruplicate. On or before January 31, 1951, all four copies shall be sent in a set, with corresponding Form TFR-603, to Unit 603, Foreign Assets Control, Treasury Department, Washington 25, D. C.

(3) *Separation of reports for different persons.* Except as provided in subparagraph (4) of this paragraph, a separate report shall be made with respect to each associated foreign person. For example, if the organization reporting is associated with three different foreign persons, three separate reports shall be filed, even if all three of such persons are jointly and equally interested in the property or arrangement through which they are associated with the organization.

(4) *Persons associated through another person—Indirect beneficial interest.* If a foreign person was associated with a reporting organization through a beneficial interest held through agents, nominees, or other persons not having a beneficial ownership interest, the report on Form TFR-604 shall be made as if the associated foreign organization held

the interest directly, except that an appropriate description of the manner in which the interest is actually held shall be given in answer to question 6 in Part A of the Form.

(5) *Persons associated through another person: Chain of beneficial interests.* If several persons were associated with a reporting person through a chain of successive ownership interests of foreign persons, as where corporation X owned securities of the reporting organization and, in turn, corporation Y owned securities of X and corporation Z owned securities of Y, a report should be filed in the name of each foreign person. However, the information required in Part B of Form TFR-604 need be given only with regard to the foreign person directly associated with the person reporting, i. e., in the foregoing example, corporation X. With respect to the other associated foreign persons only the information required in questions 1-5 and question 7 of Part A of the Form need be supplied. On each report the information specified in question 7 must be given in full exactly as it appears on the report in the name of the first foreign person. In cases covered solely by this paragraph, question 6 in Part A should be disregarded, but circumstances may arise in which answers are required to both question 6 and question 7, for instance if, in the foregoing example, the interests of corporation X were held through a nominee.

If several persons in the United States were associated with a foreign person through a chain of successive ownership interests, as where securities of domestic corporation L were owned by domestic corporation M and securities of M were owned by domestic corporation N and securities of N were owned by foreign corporation O, a complete report on Forms TFR-603 and 604 need be filed only by domestic corporation N. The other domestic persons need only submit reports showing the chain of their relationship to the foreign person through the reporting person. Such reports should give the information required under Part A, questions 1 and 2, of Form TFR-604, and the chain of relationship to the associated foreign person should be fully specified in answer to Part A, question 5. On Form TFR-603, Part A should be filled in and an appropriate reference to this instruction should be given in lieu of all other information required on the Form.

(d) *Detailed instructions for filling out Form TFR-604—(1) Answers required.* Except as specifically indicated on the report form or in these instructions, each question on the report must be answered and all specific information called for must be given. When there is nothing to report under any question or if information is lacking, state "No", "None", "Unknown", as the case may be, with an explanation if required, except that in Part B spaces not needed for reporting should be left blank. If the space provided on the Form for answers should prove inadequate, the answer may be made or continued on a blank sheet of paper securely attached to the Form. No person is excused from furnishing any information he reasonably should have.

(2) *Part A—(1) Question 3 (a).* Enter the English word denoting the type of person, e. g., "individual", "corporation", "association", "partnership", followed by the exact designation, unabbreviated, but translated into English, of the type of person, if other than an individual, in the laws of the jurisdiction under which the organization was created or organized. In the case of a branch, enter merely the English word "branch".

(1) *Question 4.* Enter a brief but definite description of the business carried on by the foreign person, e. g., "manufacturing electric irons" or "general banking".

(3) *Part B—(1) Percent owned.* Show here the percentage owned by, or owed to, the associated foreign person of the total amount of property of each kind reported.

(i) *Value.* With regard to securities traded in a recognized securities market fill out both column 3 and column 4. However, in the case of such securities only the value appearing in column 4 shall be included in the final total to be carried to Form TFR-603. When a value is given in column 4 for common stock, not only the value in column 3 under "common stock" but also the respective values in that column under "surplus or deficit" and "surplus reserves" shall be omitted from the total.

(iii) *Space insufficient.* Whenever more than one item should be reported with respect to any space in the table, attach clearly labelled sheets showing the items and enter in the table merely the appropriate totals.

person engaging in any transaction subject to the provisions of this chapter, as provided in § 500.601.

Reports may be required from any person with respect to any transaction subject to the provisions of this chapter or relative to any property in which any foreign country or any national thereof has any interest, as provided in § 500.602. Section 500.603 requires the filing of specific reports relative to property in which any non-American country or any national thereof has an interest.

§ 500.805 *Amendment, modification, or revocation.* The provisions of this chapter and any rulings, licenses, authorizations, instructions, orders, or forms issued thereunder may be amended, modified, or revoked at any time.

§ 500.806 *Rule making.* All rules and other public documents are issued by the Secretary of the Treasury upon recommendation of the Director of Foreign Assets Control. Except to the extent that there is involved any military, naval, or foreign affairs function of the United States or any matter relating to agency management or personnel or to public property, loans, grants, benefits, or contracts and except when interpretative rules, general statements of policy, or rules of agency organization, practice, or procedure are involved or when notice and public procedure are impracticable, unnecessary or contrary to the public interest, interested persons will be afforded an opportunity to participate in rule making through submission of written data, views, or argument, with oral presentation in the discretion of the Director. In general, rule making by Foreign Assets Control involves foreign affairs functions of the United States. Wherever possible, however, it is the practice to hold informal consultations with interested groups or persons before the issuance of any rule or other public document.

Any interested person may petition the Director of Foreign Assets Control in writing for the issuance, amendment or repeal of any rule.

§ 500.807 *Delegation by the Secretary of the Treasury.* Any action which the Secretary of the Treasury is authorized to take pursuant to the Trading With the Enemy Act may be taken by any person to whom the Secretary of the Treasury has delegated authority so to act.

§ 500.808 *Customs procedures; merchandise specified in § 500.204.* (a) With respect to merchandise specified in § 500.204, whether or not such merchandise has been imported into the United States, collectors of customs shall not accept or allow any:

(1) Entry for consumption (including any appraisal entry, any entry of goods imported in the mails, regardless of value, and any other informal entries);

(2) Entry for immediate exportation;

(3) Entry for transportation and exportation;

(4) Withdrawal from warehouse;

(5) Transfer or withdrawal from a foreign-trade zone; or

(6) Manipulation or manufacture in a warehouse or in a foreign-trade zone, until either:

(i) A specific license pursuant to this chapter is presented,

(ii) Instructions from the Foreign Assets Control, either directly or through the Federal Reserve Bank of New York, authorizing the transaction are received, or

(iii) The original of an appropriate certificate of origin as defined in § 500.536 (d) is presented.

(b) Whenever a specific license is presented to a collector of customs in accordance with this section, two additional legible copies of the entry, withdrawal or other appropriate document with respect to the merchandise involved shall be filed with the collector of customs at the port where the transaction is to take place. Each copy of any such entry, withdrawal or other appropriate document, including the two additional copies, shall bear plainly on its face the number of the license pursuant to which it is filed. The original copy of the specific license shall be presented to the collector in respect of each such transaction and shall bear a notation in ink by the licensee or person presenting the license showing the description, quantity, and value of the merchandise to be entered, withdrawn or otherwise dealt with. This notation should be so placed and so written that there will exist no possibility of confusing it with anything placed on the license at the time of its issuance. If the license in fact authorizes the entry, withdrawal or other transaction with regard to the merchandise the collector, or other

authorized customs employee, shall verify the notation by signing or initialing it after first assuring himself that it accurately describes the merchandise it purports to represent. The license shall thereafter be returned to the person presenting it and the two additional copies of the entry, withdrawal or other appropriate document shall be forwarded by the collector to the Federal Reserve Bank of New York.

(c) (1) Whenever the original of an appropriate certificate of origin as defined in § 500.536 (d) is presented to a collector of customs in accordance with this section, two additional legible copies of the entry, withdrawal or other appropriate document with respect to the merchandise involved shall be filed with the collector of customs at the port where the transaction is to take place. Each copy of any such entry, withdrawal or other appropriate document, including the two additional copies, shall bear plainly on its face the following statement: "This document is presented under the provisions of § 500.536 (c) of the Foreign Assets Control Regulations." The original of the certificate of origin shall not be returned to the person presenting it. It shall be securely attached to one of the two additional copies required by this subparagraph and both additional copies (one of which will have the certificate of origin attached) shall be promptly forwarded by the collector to the Federal Reserve Bank of New York.

(2) If the original of an appropriate certificate of origin is properly presented to a collector of customs with respect to a transaction which is the first of a series of transactions which may be allowed in connection therewith under subdivision (iii) of paragraph (a) (6) of this section (as, for example, where merchandise has been entered in a bonded warehouse and an appropriate certificate of origin is presented which relates to all of the merchandise entered therein but the importer desires to withdraw only part of the merchandise in the first transaction), the collector shall take up the original of the appropriate certificate of origin and promptly forward it to the Federal Reserve Bank of New York together with two additional copies of the withdrawal or other appropriate document relating to the transaction pursuant to subparagraph (1) of this paragraph. In addition, the collector

shall endorse his pertinent records so as to record what merchandise is covered by the appropriate certificate of origin presented. The collector may thereafter allow subsequent authorized transactions without presentation of a further certificate of origin. In this case, however, the collector shall, with respect to each such subsequent transaction, demand two additional copies of each withdrawal or other appropriate document, which copies shall be promptly forwarded by the collector to the Federal Reserve Bank of New York with an endorsement thereon reading: "This document has been accepted pursuant to § 500.808 (c) (2) of the Foreign Assets Control Regulations."

(d) Whenever a person shall present an entry, withdrawal or other appropriate document affected by this section and shall assert that no specific Foreign Assets Control license or appropriate certificate of origin as defined in § 500.536 (d) is required in connection therewith, the collector of customs shall withhold action thereon and shall advise such person to communicate directly with the Federal Reserve Bank of New York to request that instructions be issued to the collector to authorize him to take action with regard thereto.

[18 F. R. 2080, Apr. 14, 1953, as amended at 19 F. R. 5483, Aug. 27, 1954]

Part 505—Regulations Prohibiting Transactions Involving the Shipment of Certain Merchandise Between Foreign Countries

Sec.	
505.01	Short title.
505.10	Prohibitions.
505.20	Definitions.
505.30	Licenses.
505.40	Records and reports.
505.50	Penalties.
505.60	Procedures.

AUTHORITY: §§ 505.01 to 505.60 issued under sec. 5, 40 Stat. 415, as amended; 50 U. S. C. App. 5, E. O. 9193, 7 F. R. 5205, 3 CFR, 1943 Cum. Supp., E. O. 9989, 13 F. R. 4891, 3 CFR, 1948 Supp.

SOURCE: §§ 505.01 to 505.60 appear at 18 F. R. 4291, July 23, 1953, except as otherwise noted.

§ 505.01 *Short title.* The regulations in this part may be referred to as the Transaction Control Regulations.

[19 F. R. 5483, Aug. 27, 1954]

§ 505.10 *Prohibitions.* Except as specifically authorized by the Secretary of the Treasury (or any person, agency, or instrumentality designated by him) by means of regulations, rulings, instructions, licenses, or otherwise, no person within the United States, for his own account or that of another, may purchase or sell or arrange the purchase or sale of any merchandise in any foreign country or obtain from any banking institution a credit or payment in connection therewith, or attempt to do any of the foregoing, if (a) the transaction involves the shipment from any foreign country of any merchandise directly or indirectly to any destination within a country on the attached schedule, and (b) the merchandise is included in the Positive List of Commodities set forth in 15 CFR Part 399 and is identified on that list by the letter "A" in the column headed "Commodity Lists" or is of a type the unauthorized exportation of which from the United States is prohibited by any of the several regulations referred to in 15 CFR 370.4.

SCHEDULE

Albania.
 Bulgaria.
 China (Communist controlled).
 Czechoslovakia.
 Estonia.
 Germany (only those areas under control or administration of the Union of Soviet Socialist Republics or Poland).
 Hungary.
 Latvia.

Lithuania.
 North Korea.
 Outer Mongolia.
 Poland and Danzig.
 Roumania.
 Tibet.
 Union of Soviet Socialist Republics.
 Viet-Nam (only those areas under Communist control).

[19 F. R. 6502, Oct. 8, 1954, as amended at 28 F. R. 5874, Aug. 2, 1958]

§ 505.20 *Definitions.* The definitions contained in Subpart C, Part 500 of this chapter are applicable to any terms therein defined which are used in this part.

[19 F. R. 5483, Aug. 27, 1954]

§ 505.30 *Licenses.* No regulation, ruling, instruction or license authorizes a transaction prohibited by § 505.10 unless the regulation, ruling, instruction or license is issued by the Treasury Department and specifically refers to that section.

§ 505.40 *Records and reports.* For provisions relating to records and reports, see §§ 500.601 and 500.602 of this chapter.

§ 505.50 *Penalties.* For provisions relating to penalties, see § 500.701 of this chapter.

§ 505.60 *Procedures.* For provisions relating to procedures, see §§ 500.801 (b) (2), (3), (4), (5) and (6), 500.803, 500.804, 500.805, 500.806, and 500.807 of this chapter.

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CUMULATIVE POCKET SUPPLEMENT
TO THE . . . CODE
OF FEDERAL
REGULATIONS

Title 30—Mineral Resources

Title 31—Money and Finance: Treasury

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U.S.S.D.

AS OF
JANUARY 1
1964

For changes on and after
January 1, 1964, see the daily issues of the Federal Register

EXPLANATION

This Pocket Supplement contains in full text the changes and additions to Titles 30 and 31 of the Code of Federal Regulations, which were published in the FEDERAL REGISTER during 1959–1963, and which were in force and effect on December 31, 1963.

Amendatory documents which were promulgated during any part of this period, but which were not in effect on December 31, 1963, are not carried in full text. Citations to such documents are carried in notes entitled "Prior Amendments." All such documents directly affecting Titles 30 and 31 are tabulated in the "List of Sections Affected" appearing at the end of this Pocket Supplement.

Citations of authority have been supplied only for those sections not covered by the authority cited in the Code.

Dates appearing in citations of source are dates of publication in the FEDERAL REGISTER, and should not be construed as effective dates.

This Pocket Supplement was compiled and edited by the Office of the Federal Register, National Archives and Records Service, General Services Administration.

**Titles 30 and 31, Revised as of Jan. 1, 1959
supplemented with
this Cumulative Pocket Supplement
brings these Titles
up to date as of Jan. 1, 1964**

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- 11 Self-contained breathing apparatus. [Amended]
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- 18 Electric motor-driven mine equipment, junction boxes and other accessory equipment. [Amended]
- 19 Electric cap lamps. [Amended]
- 20 Electric mine lamps other than standard cap lamps. [Amended]
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- 22 Portable methane detectors. [Amended]

a purchaser of its readiness to deliver a tank car to the purchaser's track, or to public delivery tracks if so specified by purchaser.

(p) "Schedule of Prices and Charges" means a schedule published in the FEDERAL REGISTER as a part of the regulations in this part and referred to herein as the Schedule showing the prices that are charged for helium, services, and use of equipment rented from the Bureau, and showing the cash advance required and deposit, bonds, or insurance that must be furnished to guarantee return of containers. In no event will the Schedule become effective in less than 30 days after date of publication in the FEDERAL REGISTER.

§ 1.2 Purchase price of helium.

(a) The purchase price per unit of Grade-A helium shall be the price stated in the Schedule that is in effect on the date the helium is shipped from the helium plant.

(b) *Minimum charge.* Notwithstanding the provision of paragraph (a) of this section, the minimum charge for the helium delivered under any one contract shall be the full price of 20 units as of date of contract.

§ 1.3 Service charges.

In addition to the purchase price of helium, the following charges for services and use of equipment rented from the Bureau shall be paid by the purchaser:

(a) *For filling cylinders.* The charge per unit of helium compressed into cylinders as shown in the Schedule that is in effect on the date the helium is shipped from the helium plant.

(b) *For ordinary work performed on containers supplied by the purchaser and for ordinary services performed in connection with shipment of helium from a helium plant.* The charges stated in the Schedule that is in effect on the day the work is performed.

(c) *For extraordinary expenses.* Such expenses incurred in connection with any contract or delivery, including, but not limited to, costs of work on purchaser's containers for which prices are not stated in the effective Schedule, filling containers of types other than those referred to in § 1.1 (h), (j), and (k), purifying helium beyond normal plant purity, shipment of helium from other than a helium plant selected by the Bureau, and unusual handling, trans-

portation, and communications, may be determined by the Bureau and charged to the purchaser as they arise on the basis of the cost of rendering the services, making due allowance for contingencies, overhead expense and commercial common-carrier rates.

(d) *For use of helium containers supplied by the Bureau.* (1) Cylinder: The monthly charge per cylinder shall be as stated in the Schedule in effect on the first day of the month in which the cylinders are rented: *Provided*, That the charges stated in any newly approved price Schedule shall be paid from the beginning of the first month following that in which it became effective: *Provided further*, That minimum net charge under any one cylinder rental contract shall be one month's charge for 100 cylinders: *And provided further*, That upon written approval of the Bureau, purchasers may themselves give such cylinders the quinquennial hydrostatic test required by the Interstate Commerce Commission and for each cylinder so tested will be allowed a credit equal to the amount the Bureau charges for such service as shown in the Schedule.

(2) Semi-trailer for each round trip: A charge per day as stated in the Schedule in effect at the time a round trip of a semi-trailer is started from a helium plant.

(3) Tank car for each round trip: The sum of the charges, as stated in the Schedule in effect at the time a round trip is started, consisting of:

(i) A charge for each whole mile, or major fraction thereof, of the total round-trip mileage between the helium plant at which the tank car is filled and its destination, according to the official mileage tariffs of the railroads concerned, and

(ii) A charge per day at destination as stated in the Schedule in effect at the time a round trip of a tank car is started from a helium plant.

(e) *Computation of time periods.* (1) For cylinders: The time period of months referred to in subparagraph (1) of paragraph (d) of this section or in the Schedule of charges for use of cylinders shall begin the month in which the cylinder is placed in service for the purchaser and shall end the month it is returned to the Bureau's service except in the case of cylinders placed in the purchaser's service and returned to Bureau's service the same month. Any

fractional period, including the period of use of a cylinder placed in the purchaser's service and returned to the Bureau's service the same month, shall count as a whole period. A cylinder shall not be considered to be returned to the Bureau's service until it is returned to the Bureau's point of origin or to some other point designated by the Bureau, and in the case of a cylinder used in making repeated shipments to the same purchaser, until it is released from that service. The charge for the use of a cylinder shall abate on a pro rata basis for the number of days during any period when it is out of service because of unserviceable conditions not caused by any fault of the purchaser.

(2) For semi-trailers: The time period of days referred to in subparagraph (2) of paragraph (d) of this section or in the Schedule of charges for use of semi-trailers shall begin the day following the day in which the semi-trailer is placed in service for the purchaser and shall end the day it is returned to the Bureau's service; except that semi-trailer placed in a purchaser's service and returned to the Bureau's service the same day shall be charged on the basis of a whole day. A semi-trailer shall not be considered to be returned to the Bureau's service until it is returned to the Bureau's point of origin or to some other point designated by the Bureau. The charge for use of a semi-trailer shall abate during any period when it is out of service because of unserviceable condition not caused by any fault of the purchaser.

(3) For tank cars: The time period of days as referred to in subparagraph (3) of paragraph (d) of this section, or in the Schedule of charges for use of tank cars, shall begin the day following whichever is the earliest of:

(i) Placement by carrier on purchaser's track, or

(ii) Placement by carrier on public delivery track when so specified by the purchaser, or

(iii) Constructive placement by carrier.

The time period shall be terminated the day of release of the tank car by the purchaser to the carrier for return to a helium plant as evidenced by date and hour shown by billing carrier on empty return billing. The purchaser shall be responsible for having this information

shown on the empty return billing. The charge for the use of a tank car shall abate on a pro rata basis for the number of days during any period when it is out of service because of unserviceable conditions not caused by fault of the purchaser.

§ 1.4 Settlements under existing contracts.

Uncompleted portions of contracts for the purchase of helium and for the use of containers in effect when the regulations in this part become effective may be performed and settled under the regulations in this part, by written agreement between the Bureau and the purchaser; but in the absence of such agreement shall be performed and settled under the terms of such contracts and of the regulations as they were in effect at the time such contracts were entered into.

§ 1.5 Applications.

(a) *Applications to purchase helium.* Sales of helium will be made only upon a written application, signed by the applicant, setting forth all of the information and conditions required by the Bureau's form entitled "Application and Contract to Purchase Helium." Such forms will be furnished by the Bureau upon request to the Bureau of Mines Helium Activity, Amarillo, Texas. The application, upon acceptance and execution by the Bureau, shall become the contract for the purchase of helium from the Bureau in accordance with the regulations in this part.

(b) *Application to use containers.* If a purchaser desires that containers be supplied by the Bureau, he may make application therefor on the Bureau's form entitled "Application and Contract To Use Helium Containers." Such forms will be furnished by the Bureau upon request to the Bureau of Mines Helium Activity, Amarillo, Texas. The application, upon acceptance and execution by the Bureau, shall become the contract for the use of containers in accordance with the regulations in this part.

§ 1.6 Advances, deposits, bonds, insurance.

(a) *Advances and bonds for purchase of helium.* No helium will be delivered or services performed under the regulations in this part except against cash paid in advance on account of the pur-

chase price and services, and when applicable, a bond or bonds as provided in § 1.8.

(b) *Advances, deposits, bonds, or insurance for use of containers.* No containers will be furnished by the Bureau under the regulations in this part except against cash paid in advance for use of the containers and a cash deposit, bond, or insurance policy issued to the United States and acceptable to the Bureau to guarantee the return of all Government-owned containers in satisfactory condition, or the repair or replacement of, or payment for, any containers lost or damaged, and payment of any other charges that may become due.

(c) *Purchaser to maintain adequate credits and bonds or insurance.* The purchaser shall at all times maintain with the Bureau a cash credit sufficient to cover all or as much as the Bureau may require of the purchase price of helium together with such charges for services and use of containers as may accrue, and a cash deposit, bond, or insurance adequate and acceptable to the Bureau to save the Bureau harmless from loss of or damage to containers and to guarantee payment of all charges.

(d) *Initial and supplemental advances, deposits, bonds, or insurance.* Applicants for helium and for use of containers may estimate the amounts of the total and initial cash advances and deposits, bonds, or insurance from the Bureau's established purchase prices, service charges, and container values, as published in the Schedule, and make the necessary payments with their application, or may await a determination and statement of these items by the Bureau after the filing of the application. If the Bureau at any time deems any advance, deposit, bond, or insurance insufficient, it may require that it be made sufficient as a condition to further deliveries of helium or use of containers.

(e) *Computation of cash advance when method of shipment is uncertain.* If the type of container in which helium is to be shipped has not been decided at the time an application is made, the cash advance shall include the service charge for filling cylinders as specified in the Schedule but in adjusting accounts pursuant to § 1.9, filling charges will not be made for units shipped in tank cars or semi-trailers.

(f) *Forms of checks for advances and deposits.* All cash advances, deposits,

and additions thereto shall be made in the form of certified checks or cashier's checks payable to the Bureau of Mines Helium Activity, unless this requirement is waived by the Bureau.

§ 1.7 Initial advance for purchase of helium.

The initial cash advance for purchase of helium may be determined as follows:

(a) *On account of purchase price.* The minimum charge for helium under a contract is the purchase price of 20 units.

(1) With applications for less than 500 units of helium: The full purchase price (but not less than the price for 20 units).

(2) With applications for 500 units or more of helium: The full purchase price for 500 units, but the Bureau may require more.

(b) *On account of services.* The full amount of the estimated charges for the services to be rendered, not including charges for use of containers furnished by the Bureau.

§ 1.8 Initial advance and guarantee for containers.

The initial cash advance for rental charge and the deposit, bond, or insurance for use of containers may be determined from the Schedule in effect at the time the application is made.

§ 1.9 Adjustment of accounts.

(a) *Delivery which fulfills contract.* The delivery of a quantity of helium within plus or minus five percent of that contracted for shall constitute performance on the part of the Bureau, but payments for the helium shall be on the basis of the number of units delivered; except as provided in paragraph (b) of this section.

(b) *Refunds to purchasers.* As contracts of sale are performed by the Bureau by the delivery of helium, and as contracts for use of containers are performed by the purchaser by the return of containers and other equipment furnished by the Bureau, the Bureau may make refunds from time to time to the purchaser, from any credits to the purchaser's account to the extent that the Bureau deems such credit or credits to be in excess of the amounts that may be required to insure the performance of any outstanding contract or contracts with the same purchaser; and in any event, upon full performance by both the Bureau and the purchaser of any

contract of sale or contract for use of containers, the Bureau shall at the purchaser's request refund to the purchaser any balance left to the purchaser's credit on account of such contract: *Provided*, That no refunds or credits will be made on contracts to an extent that will reduce the net payment to the Bureau below the full purchase price for 20 units of helium.

§ 1.10 Shipping containers.

(a) *Containers may be provided by the purchaser of the Bureau.* The applicant may provide containers, as indicated by the Application and Contract to Purchase Helium, or may request the Bureau to provide them, as indicated by the Application and Contract to Use Helium Containers. Containers provided by the applicant must be satisfactory to the Bureau in all respects, must be free internally from oil or water, and shall comply with the requirements for shipment in interstate commerce. The Bureau will not use or fill any container which in its opinion is unsafe or unsuitable.

(b) *Provisions applicable to all types of containers supplied by the Bureau*

(1) Agencies of the Federal Government purchasing helium from the Bureau will have priority in the use of containers for transporting helium. Containers will not be rented to non-Federal users who do not purchase helium directly from the Bureau.

(2) The purchaser shall make every effort to prevent loss of or damage to helium containers rented from the Bureau; shall not use such containers for any purpose other than transportation or storage of helium purchased from the Bureau; and shall not permit any substance other than Grade-A helium to be compressed or injected into such containers without the Bureau's written consent.

(3) The purchaser shall keep account of all containers supplied by the Bureau (by serial number if a container is so numbered and if the Bureau makes written request for such record) and shall return such containers (including attached valves and other parts) to the helium plant or other point from which they were shipped to the purchaser, or to such other point as may be specified in writing by the Bureau, at no greater cost to the purchaser. Notwithstanding any other provisions of the regulations in this part, the purchaser shall return

standard-type cylinders within 90 days and return helium tank cars and helium semi-trailers within 30 days after receipt of notice that their return is required.

(4) The purchaser shall not, without written approval of the Bureau, remove, obliterate, or obscure any of the Government's stamped or painted markings on such containers, nor stamp, paint, or otherwise apply permanent markings on the metal of such containers, except records of hydrostatic tests stamped into the metal thereof in the manner prescribed by the Interstate Commerce Commission if the making of such tests by the purchaser is authorized by the Bureau: *Provided*, That the purchaser may place temporary markings on said containers if such markings are applied in a manner that will in no way affect the metal of or paint on said containers or attached fittings, but any such temporary markings not authorized by the Bureau in writing shall be removed before return of the containers to the Bureau.

(5) Title to all containers supplied to purchasers under the regulations in this part shall remain in the United States. Payment by the purchaser for a container rendered unserviceable or not returned shall not vest title to such container in the purchaser.

(6) The purchaser shall pay to the carrier all transportation charges and demurrage fees resulting from shipment of the containers and their contents to the purchaser and return of the containers to the Bureau, unless the Bureau has agreed in writing to pay such transportation charges and fees.

(7) In the event that the Bureau pays any transportation costs on containers in the service of a purchaser, the purchaser shall reimburse the Bureau for such transportation at commercial common-carrier rates for the kind of transportation used, whether or not the transportation was by common carrier, or the cost incurred by the Bureau, whichever is applicable.

(8) The purchaser shall not remove containers furnished by the Bureau from the continental limits of the United States (which continental limits shall include Hawaii and Alaska) without specific permission of the Bureau, except for continuous passage through Canada en route between locations in the United States, which passage shall be in accordance with all laws and regulations applying to such passage through Canada.

(9) Any use or operation by the purchaser of containers furnished by the Bureau shall be in full compliance with all applicable Federal and State laws.

(10) The purchaser shall completely indemnify the Government and hold it harmless from any loss or expense arising from claims of third persons in connection with personal injuries or damage to property or otherwise arising from any Government-owned container while in the service or custody of the purchaser.

(c) *Provisions applicable to cylinders supplied by the Bureau.* (1) If any standard-type cylinder supplied by the Bureau is not returned within 90 days after receipt of notice that its return is required, or rendered unserviceable by defects or failure to pass a quinquennial hydrostatic test as a result of mistreatment or damage beyond the effects of ordinary wear, tear, and age occurring during the period commencing with the delivery or shipment of such cylinder to the purchaser and ending with the return of such cylinder to the Bureau, the purchaser shall be charged and shall pay to the Bureau, or cause to be paid to the Bureau, the replacement cost of the cylinder and its parts, including costs of assembly, as determined by the Bureau which in no event shall be less than \$30 nor more than \$40. The entry of such charge on account of any cylinder not returned shall terminate the charge for the use thereof as of the end of the current month for which charge is made pursuant to § 1.3(d), but if said cylinder is subsequently returned in serviceable condition, the Bureau shall credit or refund to the purchaser, the amount charged for the cylinder less one and one-half times the rental charge not to exceed the amount charged for the lost cylinder for the period from the date when the charge was terminated to the date of the return of the cylinder in repayment to the Bureau for extra costs incurred.

(2) The purchaser shall be charged with and shall pay to the Bureau, or cause to be paid to the Bureau, the cost of repairing the damage (as estimated by the Bureau if immediate repair is not made) to any returned cylinder which, although serviceable, has suffered damage beyond that attributable to ordinary wear, tear, and age during the period while it was in the service of the purchaser.

(3) The purchaser shall return each cylinder with a minimum residual pressure of 15 pounds per square inch gage of uncontaminated Grade-A helium. Purchasers who fail to comply with these requirements are subject to an additional charge as shown in the Schedule.

(d) *Provisions applicable to tank cars and semi-trailers supplied by the Bureau.* (1) The purchaser shall furnish the Bureau complete routings for movement of tank cars and semi-trailers. Unless otherwise directed, the routings shall be based on the shortest transit time and shall be acceptable to the Bureau.

(2) The purchaser shall be charged with any excess empty mileage of tank cars for which the purchaser is responsible. The Bureau reserves the right to specify the return routing of a tank car, but if not specified by the Bureau, the return movement shall be by the reverse of the routing used in shipment from a helium plant.

(3) The Bureau may collect from the purchaser the amount of any bill received by the Bureau or other Government agency from a railroad or other commercial repair shop for repair of damage incurred by a tank car or a semi-trailer while in the custody of the purchaser.

(4) Bills of lading issued by the purchaser for shipment of tank cars and semi-trailers shall be in such form and bear such notations as the Bureau may direct.

(5) The purchaser shall not remove from their mountings the containers from tank cars or semi-trailers without specific authority of the Bureau.

(6) The purchaser shall make good, or cause to be made good, to the Government, by replacement of materials or by financial reimbursement, as may be appropriate and satisfactory to the Bureau, all losses and damages, not caused by any fault or negligence of the Government, to any tank car or semi-trailer during any period when such tank car or semi-trailer is in the service or custody of the purchaser. Financial reimbursement shall be satisfactory to the Bureau and to any other governmental agency having jurisdiction over the equipment lost or damaged, and for tank cars shall not exceed the cost of the equipment and its parts, including costs of assembly, deter-

mined in accordance with Rule 112 of the Association of American Railroads "Interchange Rules." The same basic principles set forth in Rule 112 of the Association of American Railroads "Interchange Rules" will be used in computing the financial reimbursement for a semi-trailer which is lost or damaged extensively.

(7) The purchaser shall return each tank car and semi-trailer with a minimum residual pressure of 15 pounds per square inch gage of uncontaminated Grade-A helium in each individual cylinder. Purchasers who fail to comply with these requirements are subject to an additional charge as shown in the Schedule. Allowance for this residual helium will be made in the Bureau's billing for helium; however, no additional credit will be allowed purchaser by Bureau for helium returned in tank cars and semi-trailers with pressures in excess of 15 pounds per square inch gage.

§ 1.11 Repurchase rights of Government.

The Government shall have the right to repurchase helium that has been sold by the Bureau and that has not been lost or dissipated, when needed for Government use, upon the following terms and conditions:

(a) *Price for repurchase.* The price to be paid by the Government per unit of helium, at the point of repurchase, for helium of 99.995 percent purity or better, shall be the price at which the helium to be repurchased was purchased initially.

(b) *Adjustment for purity.* For repurchased helium of less than 99.995 percent purity, the unit price to be paid by the Government shall be the price as above determined less one percent thereof for each one percent or fraction thereof that the purity is below 99.995 percent.

§ 1.12 Reservations with respect to sales and deliveries.

The Bureau reserves the right to select the helium plant from which shipments will be made. The Bureau further reserves the absolute right and discretion to limit or defer sales and deliveries under contracts to conform to the needs and requirements of the Government, and to give such preferences as between sales for medical, scientific, and commercial use, and requisitions by Govern-

ment agencies, as it deems proper: *Provided*, That in all cases, requirements for Government use shall have first preference. All furnishing of services and supplying of containers under the regulations in this part shall be at the Bureau's option.

§ 1.13 Exportation of helium.

Neither the regulations in this part nor any sale or contract of sale pursuant to the regulations in this part shall authorize or be construed as authorizing the exportation of helium. The export of helium is governed by regulations of the Department of State set out in 22 CFR Parts 121-128. Applications for export licenses should be addressed to the Department of State, Washington 25, D.C.

§ 1.14 Power of inspection.

Authorized representatives of the United States may enter and inspect at all reasonable times the place (including places in foreign countries) where any helium produced by the Bureau is stored or used, to the extent reasonably necessary to ascertain whether it is being used or is likely to be used in violation of restrictions in the Act or the regulations in this part.

§ 1.15 Notification to repurchasers.

Every purchaser of helium from the Bureau shall comply and be bound by the Act and the regulations in this part, now or hereafter in force, and shall notify all repurchasers of such helium of the Act and regulations in this part including the power of inspection provided for in § 1.14, the Government's right to repurchase set out in § 1.11, and the regulations of the Department of State governing the export of helium set out in 22 CFR Parts 121-128.

§ 1.16 Violations and penalties.

For violation of any of the provisions of the Act or of the regulations in this part, the Bureau, in addition to any other penalties provided by law, may cancel all future deliveries and forfeit all deposits under existing contracts of purchasers responsible for or in any manner aiding or participating in violations, and may deny or suspend future applications from persons who are participating, or who have participated, in or in any way aided or participated in, such violations.

§ 1.17 Cancellation and assignment of contracts.

Contracts for the purchase of helium or for the use of containers may not be canceled, assigned, or otherwise transferred without the written consent of the Bureau.

§ 1.18 Federal agencies not affected.

The regulations in this part have no application to requisitions of helium by agencies of the Federal Government, nor to the use of helium by such agencies.

§ 1.19 Forms.

Forms of applications and contracts for purchase of helium and for use of helium containers will be furnished by the Bureau upon request. The Bureau may make alterations in or additions to said forms, and may require the execution of a contract in a different form.

§ 1.20 Termination.

Contracts entered into under these regulations for the purchase of helium or to use helium containers owned by the Bureau may be terminated by the Bureau upon giving purchaser 60 days written notice of its intention to do so. In the event of such termination, the Bureau shall refund to the purchaser all of the unused portion of the purchaser's cash advance hereunder and any other unused moneys in purchaser's account with the Bureau for the purchase of helium and charges related thereto.

APPENDIX

BUREAU OF MINES—HELIUM ACTIVITY
 [Effective, 1961]

SCHEDULE OF PRICES AND CHARGES

Helium sale price:	
Each unit f.o.b. helium plants.....	\$35.00.
Minimum order each contract.....	20 units.
Initial cash advance:	
Contracts for less than 500 units.	Full purchase price. ¹
Contracts for 500 units or more.	\$17,500.00.
Filling charge:	
Standard-type cylinders.....	\$2.50 each unit of helium.
Tank cars.....	
Semi-trailers.....	No charge.
Service charges:	
Furnish new cylinder caps.....	\$1.50 each.
Furnish new cylinder valve and install.	\$2.75 each.
Hydrostatic test cylinders and indent new test date.	\$1.30 each cylinder.
Indent serial numbers on cylinders.	\$0.10 each letter or figure.
Install customer's valves.....	\$0.30 each.
Move cylinders from plant storage.	\$0.20 each.
Move cylinders to plant storage.	Do.
Paint cylinders.....	\$0.30 each color.
Remove caps wedged by loose port plug.	\$0.15 each cylinder.
Remove rusted caps that require special handling.	\$1.15 each.
Replace safeties.....	\$0.35 each.
Reset cylinder valves.....	\$0.30 each.
Rework cylinder valves.....	\$1.00 each.
Rework safeties.....	\$0.20 each.
Rubber-stamp special information on cylinders.	\$0.10 each cylinder.
Seal cylinder valves.....	\$0.05 each.
Stencil "Helium Oil Free" on cylinders.	\$0.10 each cylinder.
Stencil special markings on cylinders.	\$0.50 each cylinder.
Wash and dry cylinders (includes reset valve).	\$1.00 each.
Use of tank cars:	
Round-trip mileage between helium plant and destination, and	\$0.11 a mile.
Time at destination.....	\$25.00 each day.
Initial cash advance for use of each tank car:	
Contracts specifying a definite number of round trips.	\$1,000.00 each round trip.

BUREAU OF MINES—HELIUM ACTIVITY—Con.
 [Effective, 1961]

SCHEDULE OF PRICES AND CHARGES

Use of tank cars—Continued	
Contracts specifying an indefinite number of round trips.	\$4,000.00.
Cash, bond, or insurance to guarantee return of containers:	
1 tank car.....	\$100,000.00.
2 or more, but less than 5 tank cars.	\$200,000.00.
Each car in excess of 4.....	\$20,000.00.
Use of semitrailers:	
Time in customer's service.....	\$15.00 each day.
Initial cash advance for use of each trailer:	
Contracts specifying a definite number of round trips.	\$150.00 each round trip.
Contracts specifying an indefinite number of round trips.	\$600.00.
Cash, bond, or insurance to guarantee return of containers:	
1 trailer.....	\$40,000.00.
2 or more, but less than 5 trailers.	\$100,000.00.
Each trailer in excess of 4.....	\$10,000.00.
Use of standard-type cylinders:	
Each cylinder.....	\$.25 a month.
Minimum each contract.....	\$25.00.
Initial cash advance for use of cylinders:	
Contracts for 100 cylinders or less.	\$75.00.
Contracts for more than 100 cylinders.	\$0.75 a cylinder.
Cash, bond, or insurance to guarantee return of containers:	
First 500 cylinders.....	\$38.00 a cylinder.
Second 500 cylinders.....	\$15.00 a cylinder.
For each cylinder in excess of 1,000.	\$5.00.
Additional charge for failing to return containers with minimum residual pressure of 15 pounds per square inch gage of uncontaminated grade-A helium:	
Tank cars.....	\$175.00.
Semitrailers.....	\$50.00.
Standard type cylinders.....	\$1.00.

¹ The advance shall also include the estimated amount for filling charges and the full amount of estimated charges for the services to be rendered.

**PART 10—COAL ANALYSIS FOR
NON-FEDERAL APPLICANTS**

Sec.

10.4 Fees. [Revised]

§ 10.4 Fees.

(a) The following fees are charged for each sample:

1. Moisture and ash, or sulfur, or volatile matter, or free-swelling index	\$4.50
2. Proximate analysis (moisture, ash, and volatile matter)	6.00
3. B.t.u. determination	7.50
4. Proximate analysis, sulfur, and B.t.u.	12.50
5. Ultimate analysis (moisture, ash, carbon, hydrogen, sulfur, and nitrogen)	22.50
6. Ultimate analysis and B.t.u.	28.00
7. Proximate and ultimate analyses, and B.t.u.	29.50
8. Fusibility of ash	10.00
9. Hardgrove grindability index	10.00

(b) Fees for tests not included in the above list will be based on the services required, and the applicant will be notified accordingly.

[26 F.R. 1950, Mar. 7, 1961]

SUBCHAPTER B—RESPIRATORY PROTECTIVE APPARATUS; TESTS FOR PERMISSIBILITY; FEES

PART 11—SELF-CONTAINED BREATHING APPARATUS

Sec. 11.3 Fees. [Revised]

§ 11.3 Fees.

	Apparatus with separate regenerator	Oxygen generating apparatus	Demand-type apparatus
1. Complete 2-hour self-contained breathing apparatus inspection and tests.....	\$1,600	\$1,600	\$1,600
2. Complete 1-hour self-contained breathing apparatus inspection and tests.....	1,500	1,500	1,500
3. Complete ¾-hour self-contained breathing apparatus inspection and tests.....	1,500	1,500	1,500
4. Complete ½-hour self-contained breathing apparatus inspection and tests.....	1,500	1,500	1,500
5. Separate preliminary 2-hour apparatus inspection and tests.....	250	250	250
6. Separate preliminary 1-hour apparatus inspection and tests.....	250	250	250
7. Separate preliminary ¾-hour apparatus inspection and tests.....	250	250	250
8. Separate preliminary ½-hour apparatus inspection and tests.....	250	250	250
9. Separate supplementary face-piece assembly.....	250	250	
10. Separate regenerator 2-hour apparatus inspection and tests.....	175		
11. Separate regenerator 1-hour apparatus inspection and tests.....	175		

	Apparatus with separate regenerator	Oxygen generating apparatus	Demand-type apparatus
12. Separate regenerator ¾-hour apparatus inspection and tests.....	175		
13. Separate regenerator ½-hour apparatus inspection and tests.....	175		
14. Special reducing valve inspection and tests, all models.....	175	175	175
15. Separate auxiliary parts inspection and tests, each part.....	120	120	120
16. Fees for tests of unusually complicated apparatus, for unusual tests or tests not included in this list, or for tests required for extensions of approval, will be based on the actual costs of testing, which will be determined in advance by the Bureau. The applicant will be notified accordingly, and the fee shall be paid before tests are begun.....			

NOTE: If a self-contained breathing apparatus fails to pass any of the required tests and the applicant notifies the Bureau to terminate further investigation or testing, the Bureau will return to the applicant any part of the fee not applied to its compensation for services. If the self-contained breathing apparatus is resubmitted for testing and approval after correcting the deficiencies, the additional fee will be determined in advance by the Bureau and the applicant will be notified accordingly. Such fee shall be paid before tests are begun.

[26 F.R. 1950, Mar. 7, 1961]

PART 12—SUPPLIED-AIR RESPIRATORS

Sec.

- 12.2 Types of supplied-air respirators. [Amended]
- 12.4 Conditions under which supplied-air respirators will be tested. [Amended]
- 12.5 Requirements and tests for air-supply device. [Amended]

§ 12.2 Types of supplied-air respirators.

(a) *Type A supplied-air respirator.*

(1) The Type A supplied-air respirator is commonly called a hose mask. This respirator is designed to require the presence of a man (safety man or blower operator) in addition to the wearer; to permit the wearer to inspire air through the hose, connections, and air-supply device (blower) by his lungs alone when the blower is not operated; and to permit the wearer to be drawn to safety by a life line, or, if necessary, the hose in case of accident. It is the only supplied-air respirator that will be approved for use in immediately harmful atmospheres or those from which the wearer could not escape without the aid of the respirator.

(2) The principal parts of a Type A supplied-air respirator are: A hand-operated or motor-driven blower that shall permit free entrance of air to the hose when the blower is not operated; a strong, large-diameter hose having a low resistance to flow of air; a strong harness to which the hose and life line are attached; and a tight-fitting facepiece.

[Paragraph (a) amended, 28 F.R. 12121, Nov. 14, 1963]

(c) *Type C supplied-air respirator.*

(2) Type C supplied-air respirators are divided into three classes: (i) Continuous-flow, (ii) demand, and (iii) pressure-demand. Type C respirators of the continuous-flow class supply respirable air to the respiratory-inlet covering continuously, even when the wearer exhales. Type C respirators of the demand class supply respirable air to the respiratory-inlet covering only when the wearer inhales. Type C respirators of the pressure-demand class supply respirable air to the respiratory-inlet covering until a predetermined pressure is established in the respiratory-

inlet covering and then supply additional respirable air when the wearer inhales.

(5) The principal parts of a Type C supplied-air respirator, pressure-demand class, are: A positive pressure air-supply system; a hose; a detachable coupling; a pressure-demand valve; an arrangement for attaching the respirator to the wearer; and a tight-fitting respiratory-inlet covering that has provision for establishing a predetermined pressure in it. A maximum air pressure of 125 pounds per square inch gage is allowed at the point of attachment of the air-supply hose to the air-supply system.

CODIFICATION: In paragraph (c) subparagraph (2) was amended; former subparagraph (5) was redesignated subparagraph (6); and a new subparagraph (5) was added, 28 F.R. 12121, Nov. 14, 1963.

§ 12.4 Conditions under which supplied-air respirators will be tested.

(c) *Fees.*

1. Types A or AE supplied-air respirators (complete)-----	\$475
(i) Blower, single outlet-----	160
(ii) Each hand-operated blower outlet more than one (at time of blower testing)-----	20
(iii) Each motor-operated blower outlet more than one (at time of blower testing)-----	40
(iv) Air-supply line (hose)-----	190
(v) Body harness-----	35
(vi) Respiratory-inlet covering (facepiece)-----	130
2. Types B or BE supplied-air respirators (complete)-----	355
(i) Air-supply line (hose)-----	145
(ii) Body harness-----	35
(iii) Respiratory-inlet covering (facepiece)-----	130
3. Types C or CE supplied-air respirators, continuous-flow class (complete)-----	355
(i) Air-supply line (hose)-----	120
(ii) Respiratory-inlet covering (facepiece)-----	140
4. Types C or CE supplied-air respirators, demand class (complete)---	\$390
(i) Air-supply line (hose)-----	135
(ii) Respiratory-inlet covering (facepiece)-----	140

5. Types C or CE supplied-air respirators, pressure-demand class (complete) -----	410
(i) Air-supply line (hose) -----	135
(ii) Respiratory-inlet covering (facepiece) -----	160
6. Additional examination and tests of respirator in connection with other tests, per man-day required.	40
7. Fees for tests of unusually complicated apparatus, for unusual tests or tests not included in this list, or for tests required for extensions of approval will be based on the actual costs of testing, which will be determined in advance by the Bureau. The applicant will be notified accordingly, and the fee shall be paid before the tests are begun.	

NOTE: If a respirator fails to pass any of the required tests and the applicant notifies the Bureau to terminate further investigation or testing, the Bureau will return to the applicant any part of the fee not applied to its compensation for services. If the respirator is resubmitted for testing and approval after correcting the deficiencies, the additional fee will be determined in advance by the Bureau and the applicant will be notified accordingly. Such fee shall be paid before tests are begun.

[Paragraph (c) amended, 28 F.R. 12121, Nov. 14, 1963]

Prior Amendments

1961: 26 F.R. 1950, Mar. 7.

§ 12.5 Requirements for Bureau of Mines approval.

(e) *Requirements and tests for air-supply device.* (1) *Type A supplied-air respirator (hose mask).* (i) Each Type A supplied-air respirator shall be provided with a hand-operated or motor-driven air blower. No multiple system, whereby more than one user is supplied by one blower, will be approved unless each hose line is connected directly to a manifold at the blower. The blower shall permit free entrance of air to the hose when the blower is not operated, and it shall deliver the amount of air hereinafter specified with either direction of rotation, except when the construction of the blower is such that it cannot be operated in other than a specific direction for delivering the required amount of air.

(ii) A hand-operated blower will be tested by attaching it to a mechanical drive and operating it continuously 6 to 8 hours daily for a total of 100 hours at

the speed required to deliver 50 liters of air per minute through each respirator, when assembled with the kind and maximum length of hose for which the device is to be approved, connected to each blower or manifold outlet designed for hose connections. The blower shall operate throughout the period without failure or indication of excessive wear of bearings or other working parts. The crank speed of a hand-operated blower shall not exceed 50 revolutions per minute to deliver the required 50 liters of air per minute to each facepiece. For a hand-operated blower the power required to deliver 50 liters of air per minute to each wearer through the maximum length of hose shall not exceed one-fiftieth horsepower, and the torque shall not exceed a force of 5 pounds on an 8-inch crank. The torque and power shall be measured as hereinafter provided.

(iii) A motor-operated blower shall be tested by operating it continuously at its specified running speed 6 to 8 hours daily for a total of 100 hours when assembled with the kind and maximum length of hose for which the device is to be approved and when connected to each blower or manifold outlet designed for hose connections. The blower shall operate throughout the period without failure or indication of excessive wear of bearings or other working parts. The connection between the motor and the blower shall be so constructed that the motor is disengaged automatically from the blower when the blower is operated by hand.

(iv) When a blower, which ordinarily is motor driven, is operated by hand, the power required to deliver 50 liters of air per minute to each wearer through the maximum length of hose shall not exceed one-fiftieth horsepower, and the torque shall not exceed a force of 5 pounds on an 8-inch crank. The torque and power shall be measured as hereinafter provided.

(v) When assembled with the facepiece and 50 feet of the hose for which it is to be approved and when connected to one outlet, with all other outlets closed, and operated at a speed not exceeding 50 revolutions of the crank per minute, the amount of air delivered into the respiratory-inlet covering shall not exceed 150 liters per minute.

(a) *Method of measuring power and torque required to operate blowers.* (1) As shown in figure 1, the blower crank is replaced by a wooden drum, *a* (5 inches in diameter is convenient). This drum is wound with about 40 feet of No. 2 picture cord, *b*. A weight, *c*, of sufficient mass to rotate the blower at the desired speed is suspended from this wire cord. A mark is made on the cord about 10 to 15 feet from the weight, *c*. Another mark is placed at a measured distance (20 to 30 feet is convenient) from the first. These are used to facilitate timing.

(2) To determine the torque or horsepower required to operate the blower, the drum is started in rotation manually at

or slightly above the speed at which the power measurement is to be made. The blower is then permitted to assume constant speed, and then as the first mark on the wire leaves the drum a stopwatch is started. The watch is stopped when the second mark leaves the drum. From these data the foot-pounds per minute and the torque may be calculated readily.

[Subparagraph (1) amended, 28 F.R. 12122, Nov. 14, 1963]

* * * * *

(4) *Type C supplied-air respirators, demand and pressure-demand classes.* * * *

[Heading amended, 28 F.R. 12121, Nov. 14, 1963]

(f) *Requirements and tests for air-supply lines.*

* * * * *

TABLE 1—AIR-SUPPLY-LINE REQUIREMENTS AND TESTS

Specific requirements	Requirements for the air-supply lines of the indicated types of supplied-air respirators		
	Type A	Type B	Type C
Length of hose...	Maximum of 300 feet, in multiples of 25 feet.	Maximum of 75 feet, in multiples of 25 feet.	Maximum of 250 feet in multiples of 25 feet. It will be permissible for the applicant to supply hose of the approved type of shorter length than 25 feet provided it meets the requirements of this part.
Air flow.....	None.....	None.....	The air-supply hose with air-regulating valve or orifice shall permit a flow of not less than 115 liters (4 cubic feet) per minute to tight-fitting and 170 liters (6 cubic feet) per minute to loose-fitting respiratory-inlet coverings, through the maximum length of hose for which Bureau approval is issued and at the minimum specified air-supply pressure. The maximum flow shall not exceed 566 liters (20 cubic feet) per minute at the maximum specified air-supply pressure, with the minimum length of hose which is approved. The air-supply hose, detachable coupling, and demand valve of the demand class, or pressure-demand valve of the pressure-demand class, Type C supplied-air respirator, shall be capable of delivering respirable air at a rate of not less than 115 liters (4 cubic feet) of air per minute to the respiratory-inlet covering at an inhalation resistance not exceeding 50 mm (2 inches) of water-column height measured at the respiratory-inlet covering with any combination of air-supply pressure and length of hose within the applicant's specified range of pressure and hose length. The air-flow rate and resistance to inhalation shall be measured while the demand or pressure-demand valve is actuated 20 times per minute by a source of intermittent suction. The maximum rate of flow to the respiratory-inlet covering shall not exceed 566 liters (20 cubic feet) of air per minute under the specified operating conditions.

TABLE 1—AIR-SUPPLY-LINE REQUIREMENTS AND TESTS—Continued

Specific requirements	Requirements for the air-supply lines of the indicated types of supplied-air respirators		
	Type A	Type B	Type C
Air-regulating valve	None.....	None.....	<p>If an air-regulating valve is provided, it shall be so designed that it will remain at a specific adjustment, which will not be affected by ordinary movement of the wearer. The friction developed between the packing and a valve stem will not be considered as meeting this requirement.</p> <p>The valve shall be so constructed that the air supply with the maximum length of hose and minimum specified air-supply pressure will not be less than 2 cubic feet per minute for any adjustment of the valve.</p> <p>The demand or pressure-demand valve replaces the air-regulating valve. It shall be connected to the air supply at the maximum requested air pressure by means of the minimum requested length of air-supply hose. The outlet of the demand or pressure-demand valve shall be connected to a source of intermittent suction so that the demand or pressure-demand valve is actuated approximately 20 times per minute for a total of 100,000 inhalations. To expedite this test, the rate of actuation may be increased if mutually agreeable to the applicant and the Bureau. During this test the valve shall function without failure and without excessive wear of the moving parts.</p> <p>The demand or pressure-demand valve shall not be damaged in any way when subjected at the outlet to a pressure or suction of 10 inches of water gage for 2 minutes.</p>
Noncollapsibility.	The hose shall not collapse or exhibit permanent deformation when a force of 200 pounds is applied for 5 minutes between 2 planes 3 inches wide on opposite sides of the hose.	Same as for type A.	None.
Nonkinkability..	None.....	None.....	<p>A 25-foot section of the hose will be placed on a horizontal-plane surface and shaped into a one-loop coil with one end of the hose connected to an airflow meter and the other end of the hose supplied with air at the minimum specified supply pressure.</p> <p>The connection shall be in the plane of the loop. The other end of the hose will be pulled tangentially to the loop and in the plane of the loop until the hose straightens.</p> <p>To meet the requirements of this test the loop shall maintain a uniform near-circular shape and ultimately unfold as a spiral, without any localized deformation that decreases the flow of air to less than 90 percent of the flow when the hose is tested while remaining in a straight line.</p>
Strength of hose and couplings.	Hose and couplings shall not separate or otherwise fail when tested with a pull of 250 pounds for 5 minutes.	Same as for type A.	Hose and couplings shall not exhibit any separation or failure when tested with a pull of 100 pounds for 5 minutes and when tested by subjecting them to an internal air pressure of 2 times the maximum respirator-supply pressure that is specified by the applicant or at 25 pounds per square inch gage, whichever is higher.

TABLE 1—AIR-SUPPLY-LINE REQUIREMENTS AND TESTS—Continued

Specific requirements	Requirements for the air-supply lines of the indicated types of supplied-air respirators		
	Type A	Type B	Type C
Tightness.....	No air leakage shall occur when the hose and couplings are joined and the joint(s) are immersed in water and subjected to an internal air pressure of 5 pounds per square inch gage.	None.....	Leakage of air exceeding 50 cc. per minute at each coupling shall not be permitted when the hose and couplings are joined and are immersed in water, with air flowing through the respirator under a pressure of 25 pounds per square inch gage, applied to the inlet end of the air-supply hose, or at twice the maximum respirator-supply pressure that is specified by the applicant, whichever is higher.
Permeation of hose by gasoline.	The permeation of the hose by gasoline will be tested by immersing 25 feet of hose and one coupling in gasoline, with air flowing through the hose at the rate of 8 liters per minute for 6 hours. The air from the hose shall not contain more than 0.01 percent by volume of gasoline vapor at the end of the test.	Same as for type A.	Same as for type A, except the test period shall be 1 hour.
Detachable coupling.	None.....	None.....	A hand-operated detachable coupling by which the wearer can readily attach or detach the connecting hose shall be provided at a convenient location. This coupling shall be durable, remain connected under all conditions of normal respirator use, and meet the prescribed tests for strength and tightness of hose and couplings.

[Table amended, 28 F.R. 12123, Nov. 14, 1963]

(i) *Requirements and tests for respiratory-inlet covering.* * * *

(6) *Type C supplied-air respirator, demand and pressure-demand classes.* * * *

[Heading amended, 28 F.R. 12123, Nov. 14, 1963]

(j) *Requirements and tests for complete respirator.* (1) *Resistance to air flow—(i) Types A and AE supplied-air respirators.* (a) The resistance to air flow shall be determined when these respirators are completely assembled with the respiratory-inlet covering, the air-supply device, and the maximum length of air-supply hose coiled for one-half its length in loops 5 to 7 feet in diameter. The resistance to air flow shall not exceed the following amounts to air flowing at the rate of 85 liters (3 cubic feet) per minute when the blower is not operating or under any practical condition of blower operation:

Maximum length of hose for which respirator is approved, feet	Maximum resistance, inches of water column height
75	1.5
150	2.5
250	3.5
300	4.0

Resistance of the exhalation valve shall not exceed 25 mm (1 inch) of water column height at this flow rate.

[Subdivision (i) (a) amended, 28 F.R. 12123, Nov. 14, 1963]

(v) *Type C supplied-air respirator, pressure-demand class.* The static pressure in the facepiece shall not exceed

38 mm (1.5 inches) of water-column height. The pressure in the facepiece shall not fall below atmospheric at inhalation flows not exceeding 115 liters (4 cubic feet) per minute. The resistance of the facepiece-exhalation valve to a flow of air at a rate of 85 liters (3 cubic feet) per minute shall not exceed the static pressure in the facepiece by more than 50 mm (2 inches) of water-column height.

[Subdivision (v) added, 28 F.R. 12123, Nov. 14, 1963]

(2) *Protection against gases (direct leakage and man tests).* * * *

(iv) *Type C supplied-air respirator, demand and pressure demand classes.* * * *

[Heading amended, 28 F.R. 12123, Nov. 14, 1963]

* * * * *

(3) *Protection against particulate matter.* * * *

(iv) *Type C supplied-air respirator, demand and pressure-demand classes.* No specific test will be made to determine the protection against particulate matter afforded by the demand and pressure-demand classes of Type C supplied-air respirators. However, two men shall wear the respirator at both extremes of the specified ranges of air pressure and hose length, while performing the required schedule of exercise, to appraise the comfort and practicability of the respirator.

[Subdivision (iv) amended, 28 F.R. 12123, Nov. 14, 1963]

* * * * *

PART 13—GAS MASKS

Sec.

13.5 Conditions under which gas masks will be tested. [Amended]

§ 13.5 Conditions under which gas masks will be tested.

* * * * *

(c) Fees.

1. Type A—Acid gases, complete mask	\$1,150
2. Type B—Organic vapors, complete mask	615
3. Type C—Ammonia, complete mask	615
4. Type D—Carbon monoxide self-rescuer	600
5. Type AE, BE, etc.—Dusts, fumes, mists, fogs, and smokes in combinations with any of the above types. Fee in addition to that required for tests with gases or vapors	260
6. Type AB—Acid gases and organic vapors, complete mask	1,460
7. Complete mask with canister designed for a single gas or vapor	615
8. Facepiece, complete	90
9. Canister alone, fee for complete mask minus fee for facepiece.	
10. Extension of approval to another gas or vapor, or complete retesting with a gas or vapor in case of failure	525

11. Type N—Universal gas mask for all gases and vapors ordinarily encountered in industry, including filters for dusts, fumes, mists, fogs, and smokes	1,950
12. Additional examination and tests in connection with other tests, per man-day required	40

13. Fees for tests of unusually complicated apparatus, for unusual tests or tests not included in this list, or for tests required for extensions of approval, will be based on the actual costs of testing, which will be determined in advance by the Bureau. The applicant will be notified accordingly, and the fee shall be paid before the tests are begun.

NOTE: If a gas mask fails to pass any of the required tests and the applicant notifies the Bureau to terminate further investigation or testing, the Bureau will return to the applicant any part of the fee not applied to its compensation for services. If the gas mask is resubmitted for testing and approval after correcting the deficiencies, the additional fee will be determined in advance by the Bureau and the applicant will be notified accordingly. Such fee shall be paid before tests are begun.

[Paragraph (c) amended, 26 F.R. 1950, Mar. 7, 1961]

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PART 14—FILTER-TYPE, DUST, FUME, AND MIST RESPIRATORS

Sec.

14.4 Conditions under which respirators will be tested. [Amended]

§ 14.4 Conditions under which respirators will be tested.

* * * * *

(c) Fees.

1. Pneumoconiosis-producing and nuisance dusts, single-use filter, complete respirator.....	\$240
2. Pneumoconiosis-producing and nuisance dusts, reusable filter, complete respirator.....	290
3. Toxic dusts, single-use filter, complete respirator.....	260
4. Toxic dusts, reusable filter, complete respirator.....	325
5. Dusts, single-use filter, complete respirator.....	290
6. Dusts, reusable filter, complete respirator.....	410
7. Fumes, complete respirator.....	310
8. Silica mist, complete respirator....	260
9. Chromic-acid mist, complete respirator.....	325
10. Facepiece, dust or mist respirator..	60
11. Facepiece, fume respirator.....	75
12. Pneumoconiosis-producing and nuisance dusts and mists, complete respirator.....	290
13. Pneumoconiosis-producing and nuisance dusts and chromic-acid mist, complete respirator.....	350
14. Pneumoconiosis-producing and nuisance dusts and mists, and chromic-acid mist, complete respirator.....	410
15. Pneumoconiosis-producing and nuisance mists, and chromic-acid mist, complete respirator....	380
16. Toxic dusts and Pneumoconiosis-producing and nuisance mists, complete respirator.....	325
17. Toxic dusts and chromic-acid mist, complete respirator.....	380
18. Toxic dusts, pneumoconiosis-producing and nuisance mists and chromic-acid mist, complete respirator.....	435

19. Dusts and pneumoconiosis-producing and nuisance mists, complete respirator.....	\$350
20. Dusts and chromic-acid mist, complete respirator.....	410
21. Dusts, pneumoconiosis-producing and nuisance mists, and chromic-acid mist, complete respirator.....	465
22. Dusts, fumes, and pneumoconiosis-producing and nuisance mists, complete respirator.....	460
23. Dusts, fumes, and chromic-acid mist, complete respirator.....	510
24. Dusts, fumes, pneumoconiosis-producing and nuisance mists, and chromic-acid mist, complete respirator.....	550
25. Dusts and fumes, complete respirator.....	400
26. Additional examination and tests of respirator in connection with other tests, per man-day required.....	40
27. Fees for tests of unusually complicated apparatus, for unusual tests or tests not included in this list, or for tests required for extensions of approval, will be based on the actual costs of testing, which will be determined in advance by the Bureau. The applicant will be notified accordingly, and the fee shall be paid before the tests are begun.	

NOTE: If a respirator fails to pass any of the required tests and the applicant notifies the Bureau to terminate further investigation or testing, the Bureau will return to the applicant any part of the fee not applied to its compensation for services. If the respirator is resubmitted for testing and approval after correcting the deficiencies, the additional fee will be determined in advance by the Bureau and the applicant will be notified accordingly. Such fee shall be paid before tests are begun.

[Paragraph (c) amended, 26 F.R. 1951, Mar. 7, 1961]

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PART 14a—NONEMERGENCY GAS RESPIRATORS (CHEMICAL CARTRIDGE RESPIRATORS, INCLUDING PAINT SPRAY RESPIRATORS) [REVISED]

Subpart A—General Provisions

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- 14a.2 Definitions.
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- 14a.30 Facepiece tests.
- 14a.31 Cartridge tests.
- 14a.32 Mechanical filter tests.
- 14a.33 Tests of complete nonemergency gas respirator.

AUTHORITY: §§ 14a.1 to 14a.33 issued under sec. 5, 36 Stat. 370, as amended, 30 U.S.C. 7, 482. Interpret or apply secs. 2, 3, 36 Stat. 370, as amended, secs. 201, 209, 66 Stat. 692, 703; 30 U.S.C. 3, 5, 471, 479.

SOURCE: §§ 14a.1 to 14a.33 contained in Schedule 23B, 24 F.R. 6619, Aug. 4, 1959, except as otherwise noted.

Subpart A—General Provisions

§ 14a.1 Purpose.

The regulations in this part set forth the requirements for nonemergency gas respirators to procure their certification as approved for use in atmospheres containing limited concentrations of organic vapors with or without particulate contaminants, including such atmospheres in coal mines; procedures for applying for such certification; and fees.

§ 14a.2 Definitions.

As used in this part—

(a) "Permissible," as applied to non-emergency gas respirators (chemical

cartridge respirators, including paint spray respirators) means that the respirator conforms to the requirements of this part, and that a certificate of approval to that effect has been issued.

(b) "Bureau" means the United States Bureau of Mines.

(c) "Certificate of approval" means a formal document issued by the Bureau stating that the respirator has met the requirements of this part for nonemergency gas respirators and authorizing the use and attachment of an official approval label or marking so indicating.

(d) "Nonemergency gas respirator" means a completely assembled device (chemical cartridge respirator, including paint spray respirator) designed to provide respiratory protection against atmospheres which contain not more than 0.1 percent by volume¹ (1,000 parts per million (p.p.m.)) of organic vapors; and which are not immediately dangerous to life but which may produce discomfort, or a chronic type of poisoning or affection after repeated exposure, or mild or acute adverse physiological symptoms after prolonged exposure.

(e) "Applicant" means an individual, partnership, company, corporation, association, or other organization that designs and manufactures, or assembles, a nonemergency gas respirator and seeks a certificate of approval thereof.

§ 14a.3 Consultation.

By appointment, applicants or their representatives may visit the Bureau's Central Experiment Station, 4800 Forbes Avenue, Pittsburgh 13, Pennsylvania, and discuss with qualified Bureau personnel proposed designs of respirators to be submitted in accordance with the requirements of the regulations of this part. No charge is made for such consultation and no written report thereof will be submitted to the applicant.

§ 14a.4 Types of respirators for which certificates of approval may be granted.

(a) Certificates of approval will be granted for completely assembled non-emergency gas respirators only and not for individual parts or subassemblies.

(b) Two types of nonemergency gas respirators may be certified for protec-

¹ All concentrations given in this part have been calculated on a basis of 25° C. and 760 mm. mercury pressure.

tion against atmospheres containing not more than 0.1 percent by volume (1,000 parts per million (p.p.m.)) of organic vapors as follows:

(1) *Type B.* For protection against organic vapors, such as acetone, alcohol, benzene, carbon tetrachloride, ether, formaldehyde, gasoline and petroleum distillates, and toluene.

(2) *Type BE.* For protection against organic vapors in combination with dusts, fumes, and mists, including dispersoids from paint-spraying operations.

NOTE: The type letter **E** indicates protection against particulate contaminants.

§ 14a.5 Fees for investigation.

(a) The full fee must accompany an application for testing a respirator or for retesting equipment that has been previously tested and disapproved. If less work is involved than for a complete investigation, the charge will be in proportion to the work done. Any surplus will be refunded to the applicant.

(b) The fee for tests covering only part of a complete investigation will be charged according to the work involved and will be in proportion to that charged for a complete investigation. The fee for such tests shall be determined in advance by the Bureau and the applicant notified accordingly in writing.

(c) The fee for an extension of certification will be determined according to the work required and the applicant will be notified accordingly. The fee must be paid in advance before the investigation will be undertaken.

(d) The following fees are charged for testing types B and BE nonemergency gas respirators:

1. Type B—Organic vapors, complete respirator.....	\$525
2. Type BE—Dusts, fumes, or mists in combination with organic vapors. Fee for filter tests in addition to that required for Type B:	
(i) Pneumoconiosis-producing and nuisance dusts.....	\$130
(ii) Toxic dusts.....	160
(iii) Dusts—combination of (i) and (ii).....	190
(iv) Fumes.....	190
(v) Silica mist.....	160
(vi) Chromic-acid mist.....	220
(vii) Mists of paints, lacquers, and enamels.....	670
3. Facepiece alone.....	75
4. Cartridge(s) alone.....	450
5. Additional examination and tests of respirator in connection with other tests, per man-day required..	40

6. Fees for tests of unusually complicated apparatus, for unusual tests or tests not included in this list, or for tests required for extensions of approval, will be based on the actual costs of testing, which will be determined in advance by the Bureau. The applicant will be notified accordingly, and the fee shall be paid before the tests are begun.

NOTE: If a respirator fails to pass any of the required tests and the applicant notifies the Bureau to terminate further investigation or testing, the Bureau will return to the applicant any part of the fee not applied to its compensation for services. If the respirator is resubmitted for testing and approval after correcting the deficiencies, the additional fee will be determined in advance by the Bureau and the applicant will be notified accordingly. Such fee shall be paid before tests are begun.

[Paragraph (d) amended, 26 F.R. 1951, Mar. 7, 1961]

§ 14a.6 Applications.

(a) No investigation or testing will be undertaken by the Bureau except pursuant to a written application, in duplicate, accompanied by a check, bank draft, or money order, payable to the United States Bureau of Mines, to cover the fees, and all prescribed drawings, specifications, and related materials. The application and all related matters and all correspondence concerning it shall be sent to the Central Experiment Station, Bureau of Mines, 4800 Forbes Avenue, Pittsburgh 13, Pennsylvania, Attention: Chief, Branch of Health Research.

(b) The application shall state that the respirator has been subjected to inspections and tests described in Subparts B and C, and that the device has met these requirements when tested by the applicant or his testing agency. Two copies of the results of all the applicant's inspections and tests shall accompany the application.

(c) Drawings and specifications shall be adequate in number and detail to identify fully the design of the respirator and to disclose its materials and detailed dimensions of all parts. Specifications must be given for materials, components, and subassemblies.

(d) The application shall state the purpose of the respirator, giving the types and specific kinds of atmospheric contaminants against which it is designed to furnish respiratory protection.

(e) The application shall state that the respirator is completely developed and of the design and materials which the applicant believes to be suitable for a finished marketable product.

(f) The application shall state the nature, adequacy, and continuity of control of the absorbents for gases or vapors, and characteristics of the filter material. The statement shall describe how each lot of absorbent and filter material will be sampled and tested to maintain its protective qualities before it is used in the applicant's nonemergency gas respirator. The Bureau reserves the right to have its qualified representative(s) inspect the applicant's control-test equipment and control-test records, and to interview the personnel who conduct the control tests to satisfy the Bureau that the proper procedure is being followed to insure the safety of the wearer of the nonemergency gas respirator for the intended service.

(g) When the Bureau notifies the applicant that the application will be accepted, it will also notify him as to the number of completely assembled respirators that will be required for testing together with the number of cartridges, filters, and other parts. All materials required for testing must be delivered (charges prepaid) to the Bureau's Central Experiment Station, 4800 Forbes Avenue, Pittsburgh 13, Pennsylvania.

§ 14a.7 Date for conducting tests.

The date of acceptance of an application will determine the order of precedence for testing when more than one application is pending, and the applicant will be notified of the date on which tests will begin. If a respirator fails to meet any of the requirements, it shall lose its order of precedence. If an application is submitted to resume testing after correction of the cause of failure, it will be treated as a new application and the order of precedence for testing will be so determined.

§ 14a.8 Conduct of investigations, tests, and demonstrations.

Prior to the issuance of a certificate of approval, only Bureau personnel, representatives of the applicant, and such other persons as may be mutually agreed upon, may observe the investigations or tests. The Bureau shall hold as confidential and shall not disclose principles or patentable features prior to certification, nor shall it disclose the results of

chemical analyses of materials, or any details of the applicant's drawings, specifications, and related material. After the issuance of a certificate of approval, the Bureau may conduct such public demonstrations and tests of the approved respirator as it deems appropriate. The conduct of all investigations, tests, and demonstrations shall be under the sole direction and control of the Bureau, and any other persons shall be present only as observers.

§ 14a.9 Certificates of approval.

(a) Upon completion of investigation of a respirator, the Bureau will issue to the applicant either a certificate of approval or a written notice of disapproval, as the case may require. No informal notification of approval will be issued. If a certificate of approval is issued, no test data or detailed results of tests will accompany it. If a notice of disapproval is issued, it will be accompanied by details of the defects, with a view to possible correction. The Bureau will not disclose, except to the applicant, any information on a respirator upon which a notice of disapproval has been issued.

(b) A certificate of approval will be accompanied by a list of the drawings and specifications covering the details of design and construction of the respirator upon which the certificate of approval is based. Applicants shall keep exact duplicates of the drawings and specifications that have been submitted to the Bureau and that relate to the respirator which has received a certificate of approval, and these are to be adhered to exactly in production of the certified respirator for commercial purposes, in addition to the applicant's control of absorbents and filter materials.

§ 14a.10 Approval labels or markings.

(a) A certificate of approval will be accompanied by photographs of designs for approval labels—one for the complete nonemergency gas respirator, one for the cartridge, and one for the filter unit if separate from the cartridge. The labels shall bear the seal of the Bureau of Mines and shall be inscribed substantially as follows.

PERMISSIBLE NONEMERGENCY GAS RESPIRATOR,
OR PERMISSIBLE CARTRIDGE FOR ORGANIC
VAPORS OR ORGANIC VAPORS AND -----

(Applicable type of dispersoid)
U.S. BUREAU OF MINES APPROVAL NO. -----
ISSUED TO -----
(Name of applicant)

Approved for respiratory protection in atmospheres not immediately dangerous to life and containing not more than 0.1 percent by volume of organic vapors (and also approved for protection against the inhalation of -----).

(Applicable type of dispersoid)

The approved assembly consists of BM _____ facepiece, BM _____ cartridge, and BM _____ filter (If Type BE).

(b) Appropriate instructions and caution statements on the use and limitations of the respirator shall be included on the approval label(s).

(c) One label shall be reproduced legibly on the outside of the container of the nonemergency gas respirator. The label for the cartridge shall be reproduced legibly on the outside of the cartridge. If a separate filter is used, a label, similar to that for filters covered by Part 14 of this subchapter, shall be reproduced on the outside of the container of extra filters.

(d) The facepiece shall be marked in a legible and permanent manner with the appropriate approval number. If a separate filter is used, each filter shall be marked with the appropriate approval number and with the type or types of dispersoid covered by the approval.

(e) Full-scale designs or reproductions of approval labels and markings and a sketch or description of their position shall be submitted to the Bureau's Central Experiment Station for approval before final adoption.

(f) Use of the Bureau's approval label obligates the applicant to whom the certificate of approval was granted to maintain the quality of the complete respirator and guarantees that the complete respirator is manufactured and assembled according to the drawings and specifications upon which the certificate of approval was based. Use of the approval label or marking is not authorized except on respirators that conform strictly with the drawings and specifications upon which the certificate of approval was based.

§ 14.a.11 Material required for record.

(a) The Bureau reserves the right to retain a complete respirator or any component thereof that has been tested and certified as part of the permanent record of the investigation. Material not required for record will be returned to the applicant upon his request and at his expense on written shipping instructions

to the Bureau's Central Experiment Station.

(b) As soon as a certified respirator is commercially available, the applicant shall deliver a complete unit free of charge to the Bureau's Central Experiment Station.

§ 14.a.12 Changes after certification.

If an applicant desires to change any feature of a certified nonemergency gas respirator, he shall first obtain the Bureau's approval of the change, pursuant to the following procedures:

(a) Application shall be made as for an original certificate of approval, requesting that the existing certification be extended to cover the proposed change. The application shall be accompanied by drawings and specifications and related material(s) as in the case of an original application.

(b) The application and accompanying material(s) will be examined by the Bureau to determine whether testing of the modified respirator or component will be required. Testing will be necessary if there is a possibility that the modification may affect adversely the performance of the respirator. The Bureau will inform the applicant in writing whether such testing is required, and the fee.

(c) If the proposed modification meets the requirements of this part, a formal extension of certification will be issued, accompanied by a list of new and corrected drawings and specifications to be added to those already on file as the basis for the extension of certification.

§ 14.a.13 Withdrawal of certification.

The Bureau reserves the right to rescind for cause, at any time, any certificate of approval granted under this part.

Subpart B—Respirator Requirements

§ 14.a.20 Design and construction.

The Bureau will not test or investigate any nonemergency gas respirator that in its opinion is not constructed of suitable materials, that evidences faulty workmanship, or that is not designed on sound scientific principles. Adequacy of design and construction will be determined with reference to the following factors: Kind and durability of materials; durability of construction; practicality of operation for the wearer,

such as freedom of movement, field of vision, fit of facepiece, and lack of discomfort; and performance characteristics during the investigation, including physiological effects on the wearer of the respirator. Since all possible designs, arrangements, or combinations of materials and components cannot be foreseen, the Bureau reserves the right to make any tests or to place any limitations on a respirator or part thereof not specifically covered herein to safeguard the wearer of such equipment.

§ 14a.21 Component parts.

All component parts of a respirator shall be designed, constructed, and fitted in such manner that they will not create a hazard to the wearer of the equipment. Cartridges and other parts of necessarily short life or period of use shall be easily replaceable and after replacement the tightness of the whole respirator shall be such as to protect the wearer against leaks of contaminated air.

§ 14a.22 Cartridges and containers; color and markings.

(a) The color and marking of a type B or BE cartridge shall conform with the latest revision of the "American Standard Safety Code for Identification of Gas-Mask Canisters."

(b) Cartridges shall be sealed to protect them against moisture during storage. Mechanical filter units shall be protected by containers such as envelopes, boxes, or bags.

(c) A substantial, durable container shall be provided for each nonemergency gas respirator to protect it when not in use. The respirator and its container shall be marked distinctly with the name of the applicant, and the type, letter, or number by which the respirator is commonly known.

§ 14a.23 Facepiece.

(a) Only the half-mask type facepiece will be accepted for testing. It shall be so constructed as to assure a quick gas-tight fit on persons of various facial shapes and sizes.

(b) The half-mask facepiece shall not interfere with the wearer's use of goggles.

(c) Each facepiece shall be equipped with double head bands, which shall be elastic, adjustable, and replaceable.

(d) Cloth covering shall not be used for the face-contacting portion of the facepiece.

(e) An inhalation check valve(s) shall be provided to prevent exhaled air from coming in contact with the absorbent or the mechanical filter. An exhalation valve(s) also shall be provided, which shall be protected against damage or malfunctioning.

§ 14a.24 Breathing tube.

When a flexible breathing tube is part of the respirator construction, it shall permit free head movement and shall not shut off the breathing of the wearer because of kinking, chin or arm pressure, or otherwise interfere with the wearer.

§ 14a.25 Harness.

When a respirator is equipped with a harness, it shall be so constructed that it will hold the cartridge(s) and filter(s) securely in position against the wearer's body. The harness shall permit convenient replacement of cartridge(s) and filter(s) and shall provide for holding the facepiece in the "ready" position when the facepiece is not in use.

§ 14a.26 Cartridges in parallel.

When two cartridges are used in parallel on a respirator, their resistances to air flow shall be essentially equal.

§ 14a.27 Materials of construction.

(a) All parts of the respirator, especially rubber or plastic, that are in direct contact with portions of the wearer's body shall be of non-irritating composition.

(b) All materials that are used in the construction of facepieces shall withstand repeated disinfection by methods recommended by the applicant and acceptable to the Bureau.

NOTE: The accepted method for disinfection shall be described in the instructions for use of the respirator supplied by the applicant.

Subpart C—Test Requirements

§ 14a.30 Facepiece tests.

(a) The complete nonemergency gas respirator shall be fitted to the faces of 15 to 20 persons having a wide variety of facial shapes and sizes. To test the suitability of the fit of the respirator on these subjects, the exhalation valve shall be held closed, without disturbing the fit of the respirator, and each subject shall exhale gently into the facepiece until a slight but definite positive pressure is built up in the facepiece. The absence

of outward leakage of air between the facepiece and each wearer's face shall indicate satisfactory fit of the facepiece.

(b) Eight of the persons who participated in the test described in paragraph (a) of this section, each wearing the complete nonemergency gas respirator for protection against organic vapors, shall enter an atmosphere containing 0.01 percent by volume (100 p.p.m.) of isoamyl acetate vapor. Ten minutes shall be spent in work designed to provide observation on freedom from leaks, freedom of movement, and freedom from discomfort to the wearers. The time shall be divided as follows:

- 5 minutes---- Walking, moving head from side to side, nodding, and bending the body at the waist.
- 5 minutes---- Pumping air with a hand-operated tire pump into a 1-cubic foot cylinder to a pressure of 25 pounds per square inch gage, or equivalent work.

To meet the requirements of this test no isoamyl acetate shall be detected by odor in the air breathed, and undue encumbrance and discomfort shall not be experienced because of the fit or other features of the respirator.

§ 14a.31 Cartridge tests.

(a) *General.* Cartridges shall meet the requirements of the machine tests as set forth below. These tests are made on an apparatus that is constructed to allow the test atmosphere to enter the cartridges continuously at pre-determined concentrations and rates of flow, and that has means for determining the life of the cartridges. When two cartridges are used in parallel on a respirator, the tests will be performed with the cartridges arranged in parallel and the test requirements will apply to the combination rather than to the individual cartridges.

(b) *Low-rate-of-flow and high-rate-of-flow tests.* The test conditions and requirements for these tests are listed in Table 1.

TABLE 1—REQUIREMENTS FOR MACHINE TESTS

[Relative humidity of test atmosphere: 50±5 percent. Temperature: Room temperature (approximately 25° C.). Test atmosphere: Carbon tetrachloride vapor, 0.1 percent by volume (1,000 p.p.m.)]

	Number of cartridges ¹	Rate of air flow, liters per minute	Maximum allowable leakage, p. p. m.	Minimum life, minutes ²
Low-rate-of-flow.....	3	32	5	100
High-rate-of-flow.....	2	64	5	50
Chemical stability....	4	32	5	45

¹ This number refers to pairs of cartridges if 2 are used in parallel on the respirator.

² The values given for minimum life apply to each cartridge or to each pair of cartridges. Tests shall be continued until the maximum allowable leakage occurs.

(c) *Chemical stability.* The chemical stability of the cartridges under dry and humid conditions shall be determined as follows:

(1) Two cartridges or two pairs of cartridges shall be treated at room temperature ³ by passing carbon dioxide-free air of 25 percent relative humidity through them at a rate of 25 liters per minute for 6 hours.

(2) Two cartridges or two pairs of cartridges shall be treated at room temperature by passing carbon dioxide-free air of 85 percent relative humidity through them at a rate of 25 liters per minute for 6 hours.

(3) After this treatment, these cartridges shall be resealed as received, kept in an upright position at room temperature, and tested within 18 hours under the conditions given in Table 1 for chemical stability.

§ 14a.32 Mechanical filter tests.

(a) *Tests for protection against dusts, fumes, and mists, excepting mists of paints, lacquers, and enamels.* Cartridges containing, or having attached to them, filters for protection against dusts, fumes, and mists, excepting mists

³ For uniformity of test conditions, this temperature shall be between 23° and 27° C.

of paints, lacquers, and enamels, will be tested to determine their ability to protect against the inhalation of organic vapors according to the requirements of § 14a.31 and, in addition, will be tested according to the requirements of Part 14 of this subchapter. However, the maximum allowable inhalation resistance of complete Type BE respirators, at a rate of air flow of 85 liters per minute, shall be 76 millimeters (3 inches) of water rather than 50 millimeters (2 inches) of water allowed for dust, fume, and mist respirators by Part 14 of this subchapter.

(b) *Tests for protection against mists of paints, lacquers, and enamels.* Cartridges containing, or having attached to them, filters for protection against mists of paints, lacquers, and enamels will be tested to determine their ability to protect against the inhalation of organic vapors according to the requirements of § 14a.31 and, in addition, will be tested under the following conditions: Number of respirators to be tested against each mist aerosol—3; temperature—room temperature, approximately 25° C; type of flow—continuous; rate of flow of aerosol to respirator—32 liters per minute; rate of flow of air through test chamber—20 to 25 air changes per minute; atomizer—Spraying Systems Company 1/4J Pneumatic Atomizing Nozzle with Set-up 1A, or equivalent, operating at an air pressure of 10 p.s.i. gage; test aerosol—lead paint mist, lacquer mist, and enamel mist.

(1) *Lead paint mist.* (i) The test aerosol shall be prepared by atomizing a mixture of eight volumes of red lead paint and one volume of mineral spirits. The red lead paint shall conform essentially to Federal Specifications TT-P-86a, Type I, May 4, 1949, and Amendment 1, April 27, 1951, and any later amendments and revisions of this specification. The concentration of lead (Pb) in the test aerosol shall be 95–125 milligrams per cubic meter.

(ii) The test aerosol shall be drawn to each respirator for a total of 312 minutes (equivalent to drawing 10 cubic meters of the test aerosol to each respirator).

(iii) Under these test conditions, the total amount of unretained mist, analyzed and calculated as lead (Pb), shall not exceed 1.5 milligrams for any one of the three respirators.

(2) *Lacquer mist.* (i) The test aerosol shall be prepared by atomizing a mixture

of one volume of clear cellulose nitrate lacquer and one volume of lacquer thinner. The lacquer used shall conform essentially to Federal Specification TT-L-31, October 7, 1953, and any later amendments and revisions of this specification. The concentration of cellulose nitrate in the test aerosol shall be 95–125 milligrams per cubic meter.

(ii) The test aerosol shall be drawn to each respirator for a total of 156 minutes (equivalent to drawing 5 cubic meters of the test aerosol to each respirator).

(iii) Under these test conditions, the total amount of unretained mist, weighed as cellulose nitrate, shall not exceed 5 milligrams for any one of the three respirators.

(3) *Enamel mist.* (i) The test aerosol shall be prepared by atomizing a mixture of one volume of white enamel and one volume of turpentine. The enamel used shall conform essentially to Federal Specification TT-E-489b, May 12, 1953 (an enamel having a phthalic alkyd resin vehicle and a titanium dioxide pigment) and any later amendments and revisions of this specification. The concentration of pigment in the test aerosol, weighed as ash, shall be 95–125 milligrams per cubic meter.

(ii) The test aerosol shall be drawn to each respirator for a total of 312 minutes (equivalent to drawing 10 cubic meters of the test aerosol to each respirator).

(iii) Under these test conditions, the total amount of unretained mist, weighed as ash, shall not exceed 2 milligrams for any one of the three respirators.

§ 14a.33 Tests of complete nonemergency gas respirator.

(a) *Resistance to air flow.* There are no specific requirements for the resistance of the cartridges or mechanical filters to air flow; only the resistance of the complete respirator to air flow will be considered. The maximum allowable resistance of the complete respirator to a continuous flow of air at a rate of 85 liters per minute is as follows:

(1) Respirators for protection against organic vapors only: Inhalation, 50 millimeters (2 inches) of water; exhalation, 25 millimeters (1 inch) of water.

(2) Respirators for protection against (i) organic vapors and dusts, fumes, and mists, or (ii) organic vapors and mists of paints, lacquers, and enamels: Inhalation, 76 millimeters (3 inches) of water;

exhalation, 25 millimeters (1 inch) of water.

(b) *Man tests.* (1) Complete non-emergency gas respirators will be worn by two persons in an atmosphere containing 0.5 percent by volume (5,000 p.p.m.) of carbon tetrachloride vapor.*

(2) During this test they will perform the following schedule of exercise:

- 5 minutes ---- Walking vigorously.
- 5 minutes ---- Sitting at rest.
- 10 minutes --- Stationary running and calisthenic arm movements.
- 5 minutes ---- Sitting at rest.
- 5 minutes ---- Pumping air with a hand-operated tire pump into a 1-cubic-foot cylinder to a pressure of 25 pounds per square inch gage, or equivalent work.
- 5 minutes ---- Sitting at rest.

(3) The test will be continued until the odor of carbon tetrachloride is detected by the wearers, repeating the schedule if necessary.

(4) To meet the requirements of this test the respirators shall give complete respiratory protection to the wearers for 30 minutes. Undue discomfort must not be experienced because of fit or other physical or mechanical features of the respirator.

*A concentration of 5,000 p.p.m. was chosen to shorten the man-test time to about one-fifth of that required for 1,000 p.p.m. The use of this high concentration under carefully controlled laboratory conditions by experienced personnel does not in any way alter the maximum concentration for which approval will be granted, namely, 0.1 percent (1,000 p.p.m.) of organic vapors.

SUBCHAPTER C—EXPLOSIVES AND RELATED ARTICLES; TESTS FOR PERMISSIBILITY AND SUITABILITY

PART 15—EXPLOSIVES AND RELATED ARTICLES [REVISED]

- Sec.
- 15.1 Purpose.
 - 15.2 Definitions.
 - 15.3 Application for tests.
 - 15.4 Fees.
 - 15.5 Shipment, quantities, and sizes of explosives.
 - 15.6 Conditions under which tests leading to issuance of a certificate of approval will be made.
 - 15.7 Place of investigation.
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 - 15.10 Chemical and physical tests.
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 - 15.13 Notification to applicant.
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 - 15.21 Tolerances and requirements as applied to field samples.
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AUTHORITY: §§ 15.1 to 15.24 issued under sec. 5, 36 Stat. 370, as amended; 30 U.S.C. 7. Interpret or apply secs. 2, 3, 36 Stat. 370, as amended; 30 U.S.C. 3, 5.

SOURCE: §§ 15.1 to 15.24 contained in Schedule 1-H, 26 F.R. 1759, Mar. 1, 1961.

§ 15.1 Purpose.

The regulations in this part state the requirements for certification of explosives as permissible for use in underground coal mines; provide standards for the examination of explosives previously certified to check conformance to their basic specifications; and provide for miscellaneous tests not leading to certification.

§ 15.2 Definitions.

As used in this part, the following terms are defined:

(a) "Explosive" means any chemical compound, mixture or device, the pri-

mary or common purpose of which is to function by explosion, i.e., with substantially instantaneous release of gas and heat. This definition does not include blasting devices as defined in Part 17 of this subchapter.

(b) "Certificate of approval" means a formal document issued by the Bureau stating that an explosive has met the specifications and requirements in this part, and authorizing the use of markings signifying this fact, as provided hereafter.

(c) "Applicant" means an individual, partnership, company, corporation, association, or other organization that compounds, manufactures, or controls the production of an explosive and that seeks a certificate of approval for permissibility.

(d) "Basic specifications" for an explosive that is submitted for certification means those chemical and physical properties which characterize it. They will be stated in the certificate of approval.

(e) "Poisonous gases" shall mean those gases, such as carbon monoxide, hydrogen sulfide, and oxides of nitrogen, which may have deleterious physiological effects even when present in the atmosphere in relatively low concentrations.

(f) "Ingredients" are substances specified or found to be present in any given sample of an explosive.

(g) "Bureau's test detonator" is a detonator containing a base charge of 0.25 ± 0.02 gram of pentaerythritol tetranitrate (PETN).

(h) "Bureau" means the United States Department of the Interior, Bureau of Mines.

§ 15.3 Application for tests.

Before an applicant may obtain any tests by the Bureau on an explosive, the applicant must file a written request, in duplicate (no application form is provided by the Bureau), with a statement as to the nature of the explosive to be tested, including the composition. This request should be addressed to the Chief, Explosives Research Laboratory, Bureau of Mines, 4800 Forbes Avenue, Pittsburgh

13. Pennsylvania. The Bureau will review the application to determine whether the request is within the scope of this part. If the application is approved, an application number will be assigned and instructions given regarding the fees required and method of shipment of materials. Upon receipt of this information, the applicant shall transmit to the address given in this section a check, bank draft, or money order made payable to the Bureau of Mines, to cover all fees for the tests requested.

§ 15.4 Fees.

(a) The fee for complete tests leading to approval of an explosive as permissible is \$1200. If the applicant withdraws an explosive, or if the explosive fails to pass any of the tests prescribed in this part, the Bureau will charge for the tests actually performed, with a minimum charge of \$100, according to the charges stated in paragraph (b) of this section. The balance of the fees will be returned to the applicant.

(b) The fees covering individual tests are as follows:

(1) Pendulum friction test to determine sensitiveness to frictional impact.....	\$20
(2) Physical examination (for each size cartridge).....	20
(3) Chemical analysis of explosives.....	100
(4) Explosion by influence (halved-cartridge method).....	20
(5) Ballistic mortar test.....	40
(6) Gallery test 4, per shot.....	30
(7) Gallery test 7.....	500
(8) Rate of detonation tests.....	50
(9) Gaseous products of explosion.....	100
(10) For other tests or additional work, the costs as determined by the Bureau based on an estimate of the actual cost of the test. The Bureau will notify the applicant in writing and the fee shall be paid before such tests are performed.	

(c) If no experimental tests are required, the fee for issuance of a revised certificate of approval will be \$25.

§ 15.5 Shipment, quantities, and sizes of explosives.

Samples of explosives to be tested shall be shipped only after the Bureau has furnished instructions regarding the quantities of materials required, mode of shipment of the materials, and destination. Shipments shall be properly labeled and shall comply with the Interstate

Commerce Commission regulations. The minimum quantities and sizes required for complete official tests are as follows:

(a) One hundred pounds of each explosive in 1¼ by 8-inch cartridges, but if the cartridge count per 50-pound case is less than 150 cartridges, then 300 cartridges is the minimum quantity required.

(b) Fifty cartridges of 8-inch length of each explosive in the smallest diameter (not less than 1 inch) in which it is desired the explosive shall be certified as permissible, except when this smallest diameter is 1¼ inches.

(c) Ten cartridges of 8-inch length of each explosive in any diameter other than those described in paragraphs (a) and (b) of this section, for which application is made to determine the permissibility of the explosive.

(d) Should the applicant later desire to market cartridges of other diameters, the Bureau will, upon application, establish the basic specifications for grams of wrapper and apparent specific gravity of these diameters. A fee (§ 15.4(b)(2)) will be charged for each cartridge diameter. If the cartridge diameter is smaller than the smallest diameter previously approved as permissible, a propagation test (rate of detonation) will also be required and a fee charged for such test (§ 15.4(b)(8)). No test will be made on cartridges of a diameter smaller than ones along which detonation has failed to propagate, nor will a retest be made on same-diameter cartridges of a formulation for which detonation has failed to propagate in any one trial.

§ 15.6 Conditions under which tests leading to issuance of a certificate of approval will be made.

(a) The explosive will be stored in a Bureau magazine for at least 30 days before the gallery tests are made.

(b) Explosives containing incompatibles (that is substances that will react when mixed); or those containing either chlorites, chlorates, or perchlorates; or other explosives that are chemically unstable; or show leakage of explosive oil, or are in such condition that exudation of the explosive oil would occur in handling or transporting, will not be tested.

(c) Tests will be limited to samples of explosives which are produced under the control of the applicant.

(d) Explosives with cartridge diameters of less than one inch will not be tested for certification.

(e) No report on the results of tests made by the Bureau, or any part thereof, may be published without prior written consent of the Bureau.

§ 15.7 Place of investigation.

Tests on explosives will be made at the Bureau's facilities at Bruceton, Pa., in order of receipt of the explosives, provided an application is on file.

§ 15.8 Consultation.

Any potential applicant (or accredited representative thereof) may visit the Bureau of Mines, Explosives Research Laboratory, Pittsburgh, Pa., to discuss, without charge, explosives proposed to be submitted for investigation by the Bureau. Should preliminary tests be desirable before submitting the explosive for formal investigation, the Bureau may conduct such tests for the applicant after payment of the fees prescribed in § 15.4. The results from such preliminary tests may not be used to reduce the requirements of the formal investigation.

§ 15.9 Observers at formal investigations and demonstrations.

No one shall be present during any part of the formal investigation for permissibility conducted by the Bureau except the necessary Bureau personnel, representatives of the applicant, and such other persons as may be mutually agreed upon by the applicant and the Bureau. After the issuance of a certificate of approval, the Bureau may conduct such public demonstrations and tests of the approved explosive as it sees fit. Those who attend any part of the investigation, or any public demonstration, shall be present solely as observers; the conduct of the investigation and of any public demonstration shall be controlled wholly by the Bureau's personnel. Results of chemical analyses for ingredients and all information contained in the drawings, specifications, and instructions shall be deemed proprietary and their disclosure will be appropriately safeguarded by the Bureau.

§ 15.10 Chemical and physical tests.

(a) *Chemical tests.* The following chemical tests will be made:

(1) Chemical analysis for ingredients.

(2) Gaseous products of detonation will be determined using the Bichel gage for carbon monoxide and Crawshaw-Jones method for oxides of nitrogen.

(b) *Physical tests.* The following physical tests will be made:

(1) *Physical examination.* The physical examination of an explosive is made on several cartridges of each size taken at random from the shipment of explosives. It shall consist of determination of apparent specific gravity and wrapper-to-explosive ratio.

(2) *Ballistic mortar test.* The strength of an explosive will be determined by the ballistic mortar.

(3) *Gallery test 4.* Ten trials, each with a 1½-pound tamped charge of explosive, are made. Each charge is fired, without stemming, into a mixture of natural gas and air containing 4.0 ± 0.2 percent of the Bureau's natural gas (Bruceton property), or its equivalent, and 8 pounds of bituminous coal dust placed on shelves in the gallery, at $25^\circ \pm 5^\circ \text{C}$.

(4) *Gallery test 7.* The W_{50} (weight for 50 percent probability of ignition) will be determined using the Bruceton up-and-down method and firing a minimum of 20 tamped charges of varying weights, stemmed with one pound of dry-milled plastic fireclay, from a steel cannon into a mixture of natural gas and air containing 8.0 ± 0.3 percent of the Bureau's natural gas, at a temperature of $25^\circ \pm 5^\circ \text{C}$.

(5) *Rate of detonation.* The rate of detonation is determined on a 50-inch column of 1¼-inch diameter cartridges and for the smallest diameter submitted for testing, provided that this diameter is less than 1¼ inches. Nongelatinous explosives are initiated with the Bureau's test detonator only, while gelatinous explosives are initiated with the Bureau's test detonator and a 60-gram tetryl-pellet booster.

(6) *Pendulum friction test.* Ten trials are made with the steel shoe released from a height of 1.5 meters (59 in.) and if evidence of sensitivity is obtained, the test is repeated with the hard-fiber-faced shoe.

(7) *Explosion-by-influence test.* The air-gap sensitivity is determined by the halved-cartridge method on 1¼-inch diameter cartridges.

§ 15.11 Establishment of basic specifications.

The composition of the explosive as furnished by the applicant, will form a part of the basic specifications provided that the requirements of §§ 15.12(a) and 15.21(b) are met. Such physical properties of the explosive as may be furnished by the applicant will form a part of the basic specifications, provided that the requirements of § 15.21 are met with the exception of the air-gap sensitivity, in which case the requirement of § 15.12(c) must be met; otherwise the basic specifications will be those obtained by Bureau tests.

§ 15.12 Requirements for approval as a permissible explosive.

(a) The chemical composition as determined by the Bureau's analysis must correspond, within tolerances specified in § 15.21(b), to the composition as furnished by the applicant.

(b) The explosive must not fail to propagate completely in any of the tests involving detonation, except as provided in paragraph (g) of this section.

(c) In the explosion-by-influence test, the air-gap sensitivity of the explosive in 1¼-inch diameter cartridges must be at least 3 inches.

(d) The explosive must yield in gallery test 7, a W_{50} value equal to or greater than 450 grams to 95 percent confidence.

(e) The explosive must pass without a single ignition, gallery test 4.

(f) The volume of poisonous gases produced by the explosive must not exceed 2.5 cubic feet per pound of explosive (71 liters per 454 grams).

(g) If an explosive fails to propagate completely in the rate of detonation test (§ 15.10(b)(5)), it will not be approved for cartridges having a diameter equal to or smaller than that of the cartridge that failed the test.

(h) In the pendulum friction test, an explosive must not show, in any trial with the hard fiber-faced shoe, a result more unfavorable than an almost indistinguishable local crackling.

§ 15.13 Notification to applicant.

After the Bureau of Mines has completed the investigation of an explosive, a written report summarizing the results of the investigation and including a statement of either approval or disap-

proval of the explosive as permissible will be sent to the applicant.

§ 15.14 Approved markings.

(a) Upon certification of an explosive as permissible, it shall be marketed only under a brand or trade name which shall have been furnished to the Bureau, and the certification shall apply only to the explosive as so designated.

(b) The wrapper of each cartridge must be clearly and legibly labeled: (Insert brand or trade name of explosive) Permissible Explosive, Approved by the U.S. Department of the Interior, Bureau of Mines. A reasonable abbreviation of "by the U.S. Department of the Interior, Bureau of Mines" is acceptable.

(c) The brand or trade name and the words "Permissible Explosive" must be included in the case marking.

(d) The applicant must warn the user by means of a case-insert that the explosive is permissible only when used in conformance with the Bureau's requirements (§ 15.19).

(e) After obtaining certification, the applicant who places approved markings on his permissible explosives must use all reasonable precautions to assure that his explosives are manufactured to conform with the basic specifications within specified tolerances.

§ 15.15 Changes after certification.

No change in the basic specifications may be made by the applicant without prior written approval from the Bureau. To obtain this approval, application shall be made in writing giving complete information on the nature of the proposed change(s). The Bureau will determine what tests, if any, will be required. A fee will be charged for such tests. Once a change in basic specifications involving composition has been approved, the brand name may only be used for the new composition, and the former composition may not be manufactured as a permissible explosive until it has been reapproved under the provisions of this schedule.

§ 15.16 Withdrawal of certification.

The Bureau reserves the right to rescind for cause, at any time any certification granted under this part. Upon such withdrawal, the certification shall lose all force and effect, and explosives to which it relates shall not be marketed as permissible.

§ 15.17 Release of test data.

The Bureau may publish test results in such manner as will not identify the data, except cartridge weight, count, and detonation velocity, of an individual applicant.

§ 15.18 Lists of permissible explosives.

(a) *Active list.* The Bureau will maintain a list of active permissible explosives which will be published from time to time so that interested parties may have information regarding available explosives which have passed the tests leading to approval. In order to be retained on the active list, any explosive must be produced in a total quantity of not less than 50,000 pounds in any period of three calendar years. This requirement shall become effective on January 1 following the publication of these regulations in the FEDERAL REGISTER. The applicant will be notified of the Bureau's intent to remove any brand from the active list. An applicant may request that a permissible explosive be placed on the inactive list, or be deleted entirely.

(b) *Inactive list.* The Bureau will maintain an unpublished file of inactive permissible explosives. These explosives will be retained on the inactive list for a period not to exceed five years and will be returned to the active list during this period only after approval by the Bureau on specific written request of the applicant. An explosive may be deleted from the inactive list upon written request of the applicant. An explosive may not be manufactured for sale as a permissible explosive while on the inactive list.

§ 15.19 Use of permissible explosives.

An explosive certified as permissible under this part is permissible in use only so long as it meets the following requirements:

(a) Conforms with the basic specifications within limits of tolerances prescribed herein, and the cartridges are of diameters that have been approved.

(b) Is stored in surface magazines under conditions that tend to maintain original product character, and is used within 48 hours after being taken underground.

(c) Remains in its original cartridge wrapper throughout storage and use, without admixture with other substances.

(d) Is initiated with a copper or copper-based-alloy shell, commercial electric detonator (not cap and fuse) of not less than No. 6 strength.

(e) Is in all other respects used in conformance with the regulations specified in the most recent edition of the applicable Federal Mine Safety Code.

§ 15.20 Field testing.

The Bureau will periodically collect and examine samples of permissible explosives in order to determine whether they continue to conform to the basic specifications.

§ 15.21 Tolerances and requirements as applied to field samples.

Tolerances which provide for reasonable limits of variation in the results of analyses and tests of field samples of permissible explosives were established July 1, 1915, subsequently amended November 15, 1920, February 26, 1921, and March 24, 1955, and are further modified in this section. The tolerances and requirements as enumerated below supersede all previous tolerances.

(a) Requirements for tests that directly affect permissibility.

(1) *Gallery test 7.* The sample must yield in gallery test 7, as a W_{50} value equal to or greater than 450 grams to 95 percent confidence. (For exception see § 15.22(a)).

(2) *Gallery test 1.* Field samples failing Gallery test 7 but excepted under § 15.22(a) will be subjected to Gallery test 1. In this test, ten trials, each with a 220-gram tamped charge of the explosive, are made. Each charge, stemmed with one pound of dry-milled plastic fireclay, is fired from a steel cannon into a mixture of natural gas and air containing 8.0 ± 0.3 percent of the Bureau's natural gas, at a temperature of $25 \pm 5^\circ\text{C}$. No ignitions must result.

(3) *Gallery test 4.* The sample must pass five shots with a tamped unstemmed charge of 680 grams ($1\frac{1}{2}$ pounds).

(4) *Pendulum friction test.* The sample must pass the pendulum friction test with a hard-fiber-faced shoe released from a height of 1.5 meters, (59 inches).

(5) *Poisonous gases.* Poisonous gases produced must not exceed 2.5 cu. ft. per pound of the explosive (71 liters per 454 grams).

(6) *Propagation test.* Complete propagation of the explosive must be obtained in the rate of detonation test.

(b) Requirements for tests that do not directly affect permissibility.

(1) *Carbonaceous combustible material.* The tolerance shall be ± 3 percent of the total explosive.

(2) *Moisture and other ingredients.* The tolerances shall be in accordance with those shown in Table 1.

TABLE 1—LIMIT OF VARIATION (PERCENTAGE OF TOTAL EXPLOSIVE) FOR VARIOUS QUANTITIES OF INGREDIENT

Quantity of ingredient		Limit of variation
From—	To—	
Percent	Percent	Percent \pm
0.0.....	5.0	1.2
5.1.....	10.0	1.5
10.1.....	20.0	1.7
20.1.....	30.0	2.0
30.1.....	40.0	2.3
40.1.....	50.0	2.5
50.1.....	55.0	2.8
55.1.....	100.0	3.0

(3) *Rate of detonation.* The tolerance shall be ± 15 percent of that shown in the basic specifications.

(4) *Ballistic mortar.* The tolerance shall be ± 10 percent of that shown in the basic specifications.

(5) *Explosion by influence test.* The air-gap sensitivity, using $1\frac{1}{4}$ -inch-diameter cartridges, must be not less than 2 inches.

(6) *Grams of wrapper.* The tolerance shall be ± 2 grams per 100 grams of explosives ingredient based on that shown in the basic specifications.

(7) *Apparent specific gravity.* The tolerance shall be ± 7.5 percent of that shown in the basic specifications.

§ 15.22 Field sample failures.

(a) Any field sample will be declared nonpermissible if when tested it fails to meet any of the requirements of § 15.21 (a): *Provided, however,* That, for a period of five years following the issuance of this schedule, the requirement of § 15.21(a)(1) shall not apply to any field sample whose basic specifications were approved under prior schedules.

(b) The Bureau will immediately report any field sample failure to the applicant. The applicant must immediately remove from the market and the field any unused portions of the explosive bearing the same lot number as the sample tested. If a field sample of any particular brand of permissible explosive fails 3 times within a period of 5 years, the explosive will be declared nonpermissible and removed from the lists of permissible explosives.

§ 15.23 Variances from prescribed tolerances.

Variances on field sample tests from tolerances as specified in § 15.21(b) do not directly affect permissibility of the explosive, but the applicant will be notified of such variances, and is then obligated to modify his formulation of future lots of the explosive to bring the explosive within the prescribed limits and to keep it within such limits.

§ 15.24 Miscellaneous tests on explosives and other hazardous materials.

The Bureau conducts some tests not leading directly to approval of explosives as permissible for use in underground coal mines. Fees for these tests will be as prescribed in § 15.4 and as prescribed below:

- (a) Impact test..... \$30
- (b) Electrostatic spark test..... 20
- (c) Thermal sensitivity test..... 30
- (d) Suspended tests in the gallery (per shot)..... 10
- (e) Gaseous products:
 - (1) Oxides of nitrogen only..... 70
 - (2) Complete analysis of gaseous products, including oxides of nitrogen..... 100

Application for miscellaneous tests must follow the procedure prescribed in § 15.3. Applicants requesting tests must follow the instructions under § 15.5. The applicant will be advised by the Bureau as to the quantity of material needed. No report on the results of tests made by the Bureau of Mines, or any part thereof, may be published without prior written consent of the Bureau of Mines.

PART 16—STEMMING DEVICES

Sec.

16.4 Fees. [Revised]

§ 16.4 Fees.

- (a) Complete tests for approval.... ¹\$1,150
- (b) Individual tests:
 - 1. Chemical ----- 60
 - 2. Physical examination..... 23
 - 3. Gallery, per shot..... 17
 - 4. Rough handling..... 12
 - 5. Flammability..... 35
 - 6. Fee for tests not included in
this list will be based on
actual costs.
- (c) Fee for tests required by changes
in design will be determined
by the Bureau; minimum fee. 100

¹Fees for additional tests, described in paragraph (c) of § 16.10 of this Part, will be determined by the Bureau and will be in addition to this fee. If the applicant withdraws the stemming device after testing has begun, or if the device fails to pass any of the required tests, the Bureau will charge a minimum of \$100 and will return to the applicant any part of the remaining fee not required to compensate the Bureau for its services.

[26 F.R. 1951, Mar. 7, 1961]

PART 17—BLASTING DEVICES**Sec.****17.4 Fees. [Revised]****§ 17.4 Fees.**

(a) Complete tests for approval when electrical tests are not required	¹ \$1,080
(b) Complete tests for approval when electrical tests are required	¹ 1,300
(c) Individual tests:	
1. Chemical	110
2. Physical examination.....	60
3. Gallery, per shot.....	13
4. Pendulum friction, per sample	30
5. Gaseous products, per sample	110
6. Shell temperature.....	90
7. Electrical	220
8. Fee for tests not included in this list will be based on actual costs.	
(d) Fee for tests required by changes in design will be determined by the Bureau; minimum fee	500

¹If the applicant withdraws the blasting device after testing has begun, or if the device fails to pass any of the required tests, the Bureau will charge a minimum of \$500 and will return to the applicant any part of the remaining fee not required to compensate the Bureau for its services.

[26 F.R. 1952, Mar. 7, 1961]

SUBCHAPTER D—ELECTRICAL EQUIPMENT, LAMPS, METHANE DETECTORS; TESTS FOR PERMISSIBILITY; FEES

PART 18—ELECTRIC MOTOR-DRIVEN MINE EQUIPMENT, JUNCTION BOXES AND OTHER ACCESSORY EQUIPMENT

Subpart A—Normal Investigation Procedures

Sec.

18.1 Definitions. [Amended]

18.3 Fees. [Revised]

18.20 Portable cables. [Amended]

Subpart A—Normal Investigation Procedures

§ 18.1 Definitions.

Portable (trailing) cable. A flexible cable or cord by means of which portable, semi-portable, or mobile mine equipment may be connected to a source of electrical energy. The portable (trailing) cable is that portion of the power-supply system between the last overcurrent protective device on the system and the mobile equipment for which the cable furnishes electric power.

CODIFICATION: In § 18.1, the definition headed "Portable cable" was amended to read as set forth above, 25 F.R. 8225, Aug. 27, 1960.

§ 18.3 Fees.

(a) Detailed inspection of each explosion-proof enclosure..... \$50

NOTE: When less than 20 explosion tests are required, the inspection fee shall be \$25.

(b) Explosion tests of each explosion-proof enclosure..... \$40

NOTE: When less than 20 explosion tests are required, the fee shall be \$20.

- (c) Each series of tests necessary to prove the adequacy of electrical clearances, insulation durability, intrinsic safety, surface temperature, or ventilation of each enclosure..... 45
- (d) Each field inspection of completely assembled equipment.... 40
- (e) Tests of portable cable:
 - 1. Damage-resistance tests..... 30
 - 2. Development tests to determine resistance to damage by mine car running over cable will be charged at the rate of \$3 for each five runs over the cable. The minimum charge is \$6.
 - 3. Flame-resistance tests..... 20
 - 4. Development flame-resistance tests will be charged at the rate of \$4 per test sample. The minimum charge is \$8.
- (f) Examining and recording drawings and specifications preparatory to issuing an approval.... 45
- (g) Examining and recording drawings and specifications for each investigation of a motor, starter, or other individual explosion-proof unit considered independently of a complete machine assembly for certification 25
- (h) Examining and recording drawings and specifications for an extension of approval..... 45
- (i) Examining and recording drawings and specifications for an extension of certification..... 25
- (j) No charge will be made for inspections and tests made solely for the Bureau's information.

NOTE: When investigation, inspection, or testing is required to be performed at locations other than the Bureau's premises, the applicant shall reimburse the Bureau for traveling, subsistence, and incidental expenses of its representative(s) in accordance with standard Government travel regulations. Such reimbursement shall be in addition to the fee charged for investigation, inspection, or testing.

[26 F.R. 1952, Mar. 7, 1961]

§ 18.20 Portable cables.

(b) Ordinarily the length of a portable (trailing) cable shall not exceed 500 feet, and such cables shall contain not more than five well-made temporary splices. Where the method of mining is such that it is necessary to have the length of a portable (trailing) cable more than 500 feet, such length of cable shall be permitted only under the following prescribed conditions:

(1) The lengths of portable (trailing) cable shall not exceed those specified in the accompanying table, titled "Permissible Lengths and Other Specifications of Portable (Trailing) Cables." (Table 4.)

(2) Not more than five well-made temporary splices shall be permitted in a single length of portable (trailing) cable that exceeds 500 feet.

(3) Short-circuit protection shall be provided by an overcurrent protective device with an instantaneous trip setting as near as practicable to the maximum starting-current-inrush value, but the setting shall not exceed the trip value specified in the Bureau of Mines approval for the equipment for which the portable (trailing) cable furnishes electric power.

TABLE 4—PERMISSIBLE LENGTHS AND OTHER SPECIFICATIONS FOR PORTABLE (TRAILING) CABLES

Size of cable	Permissible length of portable cable (feet)	Normal current-carrying capacity at 60° C. (amps)	Resistance of permissible length of cable at 60° C. (ohms) ¹	Power loss at normal current capacity (watts)	Heat dissipation, watts per square inch cable surface (approx.)
No. 6 B & S.....	550	50	0.5975	1,493	0.0844
No. 4 B & S.....	600	70	.4090	2,004	.0929
No. 3 B & S.....	650	80	.3520	2,253	.0876
No. 2 B & S.....	700	95	.3050	2,752	.0928
No. 1 B & S.....	750	110	.2555	3,091	.0855
No. 1/0 B & S.....	800	130	.2160	3,650	.0864
No. 2/0 B & S.....	850	150	.1820	4,095	.0831
No. 3/0 B & S.....	900	175	.1550	4,746	.0850
No. 4/0 B & S.....	1,000	200	.1346	5,384	.0823

¹ Resistance corrected for temperature — $R_t = R_{25} (1 + 0.00385 (t - 25))$.

CODIFICATION: § 18.20 was amended in the following respects, 25 F.R. 8226, Aug. 27, 1960:

1. In paragraph (a), the second sentence was deleted.
2. Paragraphs (b) through (f) were redesignated as paragraphs (c) through (g) respectively, and a new paragraph (b) was added, as set forth above.

PART 19—ELECTRIC CAP LAMPS

Sec.

19.2 Fees. [Revised]

§ 19.2 Fees.

(a) Detailed inspection.....	\$50
(b) Safety tests (headpiece).....	80
(c) Headpiece dropping.....	10
(d) Headpiece smash.....	20
(e) Battery sparking.....	\$20
(f) Battery dropping.....	10
(g) Battery spilling.....	30
(h) Bulb uniformity (current consumption)	20
(i) Bulb life.....	110
(j) Light distribution.....	140
(k) Discharge voltage (battery).....	40
(l) Cord slatting.....	50
(m) Final examination and recording of drawings and specifications requisite to issuing an approval	45
(n) Examining and recording of drawings and specifications requisite to issuing an extension of approval	45
(o) Tests to assist an applicant in evaluating equipment intended for certification may be made at the discretion of the Bureau. Written requests for such tests shall be directed to the Chief, Branch of Electrical-Mechanical Testing. A deposit of \$100 shall be paid in advance when such tests have been authorized. The fees charged shall be in amounts proportionate to the work performed based on normal charges. Any surplus will be refunded at the completion of the work, or applied to future work, as directed by the applicant.	

[26 F.R. 1952, Mar. 7, 1961]

**PART 20—ELECTRIC MINE LAMPS
OTHER THAN STANDARD CAP
LAMPS**

Sec.

20.4 Fees. [Revised]

§ 20.4 Fees.

(a) Detailed inspection ¹	\$50
(b) Safety tests in gas ¹	40
(c) Battery sparking ²	20
(d) Battery spilling ²	30
(e) Dropping ¹	10
(f) Bumping ⁴	40
(g) Explosion tests ⁵	40
(h) Final examination and recording of drawings and specifications requisite to issuing an ap- proval	45
(i) Examining and recording draw- ings and specifications requisite to issuing an extension of ap- proval	45
(j) Tests to assist an applicant in evaluating equipment intended for certification may be made at the discretion of the Bureau. Written requests for such tests shall be directed to the Chief, Branch of Electrical-Mechanical Testing. A deposit of \$100 shall be paid in advance when such tests have been authorized. The fees charged shall be in amounts proportionate to the work per- formed based on normal charges. Any surplus will be refunded at the completion of the work, or applied to future work, as di- rected by the applicant.	

¹ Applies to all lamps.

² Applies only if cord is involved.

³ Applies only to storage-battery lamps.

⁴ Applies only to trip lamps.

⁵ Applies only to units in explosion-proof housings.

[26 F.R. 1952, Mar. 7, 1961]

PART 21—FLAME SAFETY LAMPS

Sec.

21.3 Fees. [Revised]

§ 21.3 Fees.

(a) Detailed inspection.....	\$50
(b) Mechanical tests of complete lamp	
1. Dropping test.....	10
2. Impact test with 5# weight...	20
3. Tension test with 10# weight...	20
4. Bonnet test (pendulum im-	
pact).....	20
5. Temperature of external parts...	10
(c) Mechanical tests of glasses	
1. Impact test with 1# weight....	20
2. Temperature test.....	10
(d) Safety tests—moving and still	
mixtures.....	80
(e) Safety tests—igniter.....	40
(f) Time of burning.....	10
(g) Detection of methane and defi-	
ciency of oxygen.....	50
(h) Final examination and recording	
of drawings and specifications	
requisite to issuing an ap-	
proval.....	45
(i) Examining and recording drawings	
and specifications requisite to	
issuing an extension of ap-	
proval.....	45
(j) Tests to assist an applicant in	
evaluating equipment intended	
for certification may be made at	
the discretion of the Bureau.	
Written requests for such tests	
shall be directed to the Chief,	
Branch of Electrical-Mechanical	
Testing. A deposit of \$100 shall	
be paid in advance when such	
tests have been authorized. The	
fees charged shall be in amounts	
proportionate to the work per-	
formed based on normal charges.	
Any surplus will be refunded at	
the completion of the work, or	
applied to future work, as di-	
rected by the applicant.	

[26 F.R. 1952, Mar. 7, 1961]

**PART 22—PORTABLE METHANE
DETECTORS**

Sec.
22.3 Fees. [Revised]

§ 22.3 Fees.

(a) Detailed inspection.....	\$50
(b) Safety—intrinsically safe circuits.....	40
(c) Battery spilling.....	30
(d) Battery dropping.....	10
(e) Accuracy.....	80
(f) Life tests of replaceable components.....	40
(g) Field tests.....	30
(h) Final examination and recording of drawings and specifications requisite to issuing an approval.....	45
(i) Examining and recording drawings and specifications requisite to issuing an extension of approval.....	45
(j) Tests to assist an applicant in evaluating equipment intended for certification may be at the discretion of the Bureau. Written requests for such tests shall be directed to the Chief, Branch of Electrical-Mechanical Testing. A deposit of \$100 shall be paid in advance when such tests have been authorized. The fees charged shall be in amounts proportionate to the work performed based on normal charges. Any surplus will be refunded at the completion of the work, or applied to future work, as directed by the applicant.	

[26 F.R. 1953, Mar. 7, 1961]

PART 23—TELEPHONE AND SIGNALING DEVICES

Sec.

23.4 Fees. [Revised]

§ 23.4 Fees.

(a) Detailed inspection-----	\$50
(b) Explosion tests (each compartment)-----	40
(c) Intrinsic safety-----	40
(d) Life tests of replaceable parts----	40
(e) Final examination and recording of drawings and specifications requisite to issuing an approval.	45
(f) Examining and recording drawings and specifications requisite to issuing an extension of approval-----	45
(g) Tests to assist an applicant in evaluating equipment intended for certification may be made at the discretion of the Bureau. Written requests for such tests shall be directed to the Chief, Branch of Electrical-Mechanical Testing. A deposit of \$100 shall be paid in advance when such tests have been authorized. The fees charged shall be in amounts proportionate to the work performed based on normal charges. Any surplus will be refunded at the completion of the work, or applied to future work, as directed by the applicant.	

[26 F.R. 1953, Mar. 7, 1961]

PART 24—SINGLE-SHOT BLASTING UNITS

Sec.

24.1 Fees. [Revised]

§ 24.1 Fees.

(a)	Detailed inspection.....	\$50
(b)	Intrinsic safety tests.....	40
(c)	Life tests of replaceable parts or complete unit.....	40
(d)	Discharge voltage test.....	40
(e)	Firing capacity test.....	40
(f)	Dropping test.....	10
(g)	Final examination and recording of drawings and specifications requisite to issuing an approval.....	45
(h)	Examining and recording drawings and specifications requisite to is- suing an extension of approval....	45
(i)	Tests to assist an applicant in eval- uating equipment intended for certification may be made at the discretion of the Bureau. Written requests for such tests shall be di- rected to the Chief, Branch of Electrical-Mechanical Testing. A deposit of \$100 shall be paid in advance when such tests have been authorized. The fees charged shall be in amounts proportionate to the work performed based on normal charges. Any surplus will be refunded at the completion of the work, or applied to future work, as directed by the applicant.	

[26 F.R. 1953, Mar. 7, 1961]

PART 25—MULTIPLE-SHOT BLASTING UNITS [REVISED]

Subpart A—General Provisions

- Sec.
- 25.1 Purpose.
- 25.2 Definitions.
- 25.3 Consultation.
- 25.4 Fees.
- 25.5 Tests and investigations.
- 25.6 Applications.
- 25.7 Specifications; all types of units.
- 25.8 Specifications; particular types of units.
- 25.9 Conduct of investigations and demonstrations.
- 25.10 Certificate of approval.
- 25.11 Approval plate.
- 25.12 Changes after approval.
- 25.13 Withdrawal of approval.

Subpart B—Blasting Units Capable of Detonating 10 Short-Delay Electric Detonators

- 25.20 Definition.
- 25.21 Specifications.

Subpart C—Blasting Units Capable of Detonating 20 Short-Delay Electric Detonators

- 25.25 Definition.
- 25.26 Specifications.

AUTHORITY: §§ 25.1 to 25.26 issued under sec. 5, 36 Stat. 370, as amended, sec. 212, 66 Stat. 709; 30 U.S.C. 7, 482. Interpret or apply secs. 2, 3, 36 Stat. 370, as amended, secs. 201, 209, 66 Stat. 692, 703; 30 U.S.C. 3, 5, 471, 479.

SOURCE: §§ 25.1 to 25.26 contained in Schedule 16E, 25 F.R. 4645, May 26, 1960, except as otherwise noted.

Subpart A—General Provisions

§ 25.1 Purpose.

The regulations in this part set forth the specifications and requirements for multiple-shot blasting units to procure their approval and certification as permissible for use in coal mines; procedures for applying for such certification; and fees.

§ 25.2 Definitions.

As used in this part:

(a) "Permissible," as applied to a multiple-shot blasting unit, means that the unit conforms to the specifications and requirements of this part, and that a certificate of approval to that effect has been issued.

(b) "Certificate of approval" means a formal document issued by the Bureau stating that the unit has met the speci-

cations and requirements in this part and authorizing the use and attachment of an official approval plate.

(c) "Blasting unit" means an apparatus for detonating high explosives by applying electric current to electric detonators.

(d) "Multiple-shot blasting unit" means a blasting unit capable of detonating short-delay electric detonators, as further defined in § 25.20 or § 25.25.

(e) "Short-delay electric detonator" means a delay-type detonator (blasting cap) the delay periods of which range in nominal value from 25 to 500 milliseconds, and which will initiate (detonate) multiple charges of high explosives in succession with one application of the firing current.

(f) "Bureau" means the United States Bureau of Mines.

(g) "Applicant" means an individual, partnership, company, corporation, association, or other organization that designs, manufactures, or assembles, and that seeks a certificate of approval or preliminary testing of a multiple-shot blasting unit.

§ 25.3 Consultation.

By appointment, applicants or their representatives may visit the Bureau's Central Experiment Station, 4800 Forbes Avenue, Pittsburgh 13, Pennsylvania, to discuss with qualified Bureau representatives proposed designs of equipment to be submitted in accordance with the requirements of the regulations of this part. No charge is made for such consultation.

§ 25.4 Fees.

(a) Detailed inspection.....	\$50
(b) Timing and energy requirement determination.....	30
(c) Safety tests in methane-air mixtures.....	\$40
(d) High-potential test.....	10
(e) Dropping test.....	10
(f) Life test of complete unit.....	100
(g) Firing capacity test.....	30
(h) Final examination and recording of drawings and specifications requisite to issuing an approval.	45
(i) Examining and recording drawings and specifications requisite to issuing an extension of approval.....	45

(j) Tests to assist an applicant in evaluating equipment intended for certification may be made at the discretion of the Bureau. Written requests for such tests shall be directed to the Chief, Branch of Electrical-Mechanical Testing. A deposit of \$100 shall be paid in advance when such tests have been authorized. The fees charged shall be in amounts proportionate to the work performed based on normal charges. Any surplus will be refunded at the completion of the work, or applied to future work, as directed by the applicant.

[26 F.R. 1953, Mar. 7, 1961]

§ 25.5 Tests and investigations.

Unless the application states otherwise, it will be presumed that a complete investigation for certification is desired. However, the application may be expressly limited to some element or phase less than a complete investigation; and in any case if the tests at any stage indicate that the unit does not conform to the specifications in this part, the Bureau may treat the application as one for a partial investigation up to that point. Complete investigation for certification will not be undertaken unless the unit has been fully developed, is ready to be marketed, and is submitted completely assembled. The minimum material required for tests will be four complete units and such additional expendable parts as the Bureau may require.

§ 25.6 Applications.

(a) No investigation or testing will be undertaken by the Bureau except pursuant to a written application, in duplicate, accompanied by a check, bank draft, or money order, payable to the United States Bureau of Mines, to cover the fees, and all prescribed drawings, specifications, and related material. The application and all related matters and all correspondence concerning it shall be sent to the Central Experiment Station, Bureau of Mines, 4800 Forbes Avenue, Pittsburgh 13, Pennsylvania, Attention: Chief, Branch of Electrical-Mechanical Testing.

(b) The unit to be tested may be shipped (charges prepaid) at the same time the application is submitted, or at the option of the applicant shipment of the unit may be deferred until the

Bureau has notified the applicant that the application will be accepted.

(c) Drawings and specifications shall be adequate in number and detail to identify fully the design of the unit and to disclose its materials, detailed dimensions of all parts, and wiring diagram. Drawings must be numbered and dated to insure accurate identification and reference to records, and must show the latest revision. Specifications must be given for materials, components, and subassemblies.

§ 25.7 Specifications; all types of units.

(a) The Bureau will not test or investigate any unit that in its opinion is not constructed of suitable materials, that evidences faulty workmanship, or that is not designed upon sound engineering principles. In addition to any specifications or requirements imposed by the regulations in this part, the Bureau may impose such further specifications or requirements as in its opinion are necessary or proper to investigate or test the particular device submitted.

(b) Any unit that satisfies all of the requirements of this part may be certified as permissible.

(c) Adequacy of design and construction will be determined in connection with the following factors: Kind and durability of materials, test of active parts, resistance to moisture, drop test, insulation measurements, durability of construction, practicality in operation, suitability for underground service, and performance characteristics during the investigation.

(d) The unit shall not ignite explosive gas-air mixtures or cause misfires or premature firing when operated according to the applicant's prescribed conditions of use, which shall be acceptable to the Bureau.

(e) The firing operation must be accomplished by a removable key or other acceptable means to prevent accidental or premature firing.

(f) A suitable means, incorporated as an integral part of the blasting unit, shall be provided to indicate, before each round of shots is fired, that the voltage applied to the firing line is adequate to meet the requirements as stated in paragraphs (h) and (i) of this section. An automatic means to prevent inadvertent or deliberate firing prior to the indication of readiness shall be incorporated in the unit.

(g) The voltage must be cut off or be reduced within 15 milliseconds (0.015 second) after the firing contact is made to such a value that no incendive spark (an electric spark of sufficient intensity to ignite flammable methane-air mixtures) can result from accidental post-firing contact of wires in the firing circuit.

(h) The average current produced by the unit shall be not less than 1.5 amperes, based on a 5-millisecond application to the bridgewire of the short-delay electric detonators. The unit shall be so designed that discontinuities in the firing circuit of the unit shall not be possible during the specified firing time.

(i) The energy applied to the firing circuit of the blasting unit shall be as stated in § 25.21(a) or § 25.26(a).

(j) The difference of potential at the terminals of the blasting unit shall be as stated in § 25.21(b) or § 25.26(b).

(k) Terminals of the unit for connecting the firing (blasting) cable shall be well insulated, without exposed parts that can become "alive" when energized.

(l) The unit shall have a shunt resistance or other means acceptable to the Bureau to limit the voltage across the firing-line terminals, except during periods of charging and firing.

(m) The housing for the unit shall be sealed to prevent tampering with the contents and mechanically strong for mine service.

(n) The unit shall meet electrical leakage and clearance tests. The voltage for testing shall be twice the maximum voltage employed in the shot-firing unit. These tests shall be made in an atmosphere of at least 80 percent relative humidity.

§ 25.8 Specifications; particular types of units.

(a) Generator type: The energy output shall not depend upon the physical effort of an operator of the blasting unit.

(b) Generator or battery, condenser-discharge type:

(1) Condensers must be capable of withstanding 25,000 charge and discharge cycles at the normal rate specified by the applicant.

(2) An automatic means shall be provided to insure that no electrical charge will remain in the condenser(s) when the blasting unit is not in use.

(3) Firing shall not occur automatically upon operation of a device provided for charging condensers but must be accomplished by a separate manual operation. The method of firing shall be designed to insure no significant loss of charge from condensers during the firing process by inadvertent or deliberate action prior to the closing of the firing switch or contact(s).

(4) If battery-powered, the unit shall be so designed and constructed that the battery can be replaced without disturbing or damaging other electrical components.

§ 25.9 Conduct of investigations and demonstrations.

(a) Prior to the issuance of a certificate of approval, only Bureau personnel, representatives of the applicant, and such other persons as may be mutually agreed upon, may observe the investigations or tests. After the issuance of a certificate of approval, the Bureau may conduct such public demonstrations and tests of the approved unit as it deems appropriate. The conduct of all investigations, tests, and demonstrations shall be under the sole direction and control of the Bureau, and any other persons shall be present only as observers. The Bureau shall hold as confidential and shall not disclose the results of chemical analyses of materials or the contents of the application and its accompanying drawings, specifications, and related materials.

§ 25.10 Certificate of approval.

(a) Upon the completion of the investigation the Bureau shall issue to the applicant either a certificate of approval or a written notice of disapproval. If a certificate of approval is issued, no test data or detailed results of the test will accompany it. If the unit is disapproved, the notice of disapproval will be accompanied by details of the defects, with a view to possible correction. The Bureau will hold as confidential the results of tests of units that are disapproved.

(b) Only formal written certificates of approval or notices of disapproval will be issued.

(c) A certificate of approval will be accompanied by a list of the drawings and specifications covering the details of design and construction upon which the approval is based, and with the official approval number marked thereon. Applicants shall keep exact duplicates

of the drawings and specifications that have been submitted to the Bureau and that relate to any unit which has received a certificate of approval, and these are to be adhered to exactly in production of the approved unit for commercial purposes.

§ 25.11 Approval plate.

(a) A certificate of approval will be accompanied by a photograph of a design for an approval plate, bearing the seal of the Bureau, the name of the applicant, the class of unit to which the approval relates, and spaces for the approval number, the type, and serial number. When necessary, an appropriate statement of the precautions to be observed in maintaining the unit in an approved condition shall be added.

(b) The applicant shall reproduce the design on a stainless steel plate with the lettering etched or indented thereon. The size, type, method of attaching, and location of approval plates are subject to the approval of the Bureau. The method of affixing the approval plate shall not impair any explosion-proof feature of the unit.

(c) The approval plate identifies the unit to which it is attached as permissible, and is the applicant's guarantee that the unit complies with the specifications and requirements in this part. Without an approval plate, no unit has the status of "permissible" under the provisions of this part.

(d) Use of the approval plate obligates the applicant to maintain the quality of each unit bearing it and guarantees that it is manufactured and assembled according to the drawings and specifications upon which a certificate of approval is based. Use of the approval plate is not authorized except on units that conform strictly with the drawings and specifications upon which the certificate of approval is based.

§ 25.12 Changes after approval.

If an applicant desires to change any feature of an approved unit and still have it covered by an existing certificate of approval, he shall first obtain the Bureau's approval of the change, pursuant to the following procedures:

(a) Application shall be made, as for an original certification, requesting that the existing certificate of approval be extended to cover the proposed change.

The application shall be accompanied by drawings and specifications and related material as in the case of an original application.

(b) The application will be examined by the Bureau to determine whether inspection and testing of the modified unit or any part thereof will be required. Generally, inspection and testing will be necessary if there is a possibility that the modification may affect adversely the performance of the unit. The Bureau will inform the applicant whether such inspection and testing is required, the parts or materials to be submitted for that purpose, and the fee required.

(c) If the proposed modification meets the requirements and specifications of this part, a formal "extension of approval" will be issued accompanied by a list of new and corrected drawings and specifications to be added to those already on file as the basis for the certificate of approval.

§ 25.13 Withdrawal of approval.

The Bureau reserves the right to rescind, for cause, at any time, any approval granted under this part.

Subpart B—Blasting Units Capable of Detonating 10 Short-Delay Electric Detonators

§ 25.20 Definition.

As used in this subpart:

"Multiple-shot blasting unit" means that the unit is capable of consistently detonating not to exceed ten (10) short-delay electric detonators with a single application of electrical energy to the firing circuit, with the detonators connected in series, and with a total firing-circuit resistance of not less than 125 ohms.

§ 25.21 Specifications.

(a) The electrical energy applied to the firing circuit by the multiple-shot blasting unit shall be not less than 1.4 watt-seconds when the unit is operated according to the applicant's prescribed conditions of use, which shall be acceptable to the Bureau.

(b) The difference of potential at the terminals of the multiple-shot blasting unit shall not exceed 375 volts.

Subpart C—Blasting Units Capable of Detonating 20 Short-Delay Electric Detonators**§ 25.25 Definition.**

As used in this subpart:

“Multiple-shot blasting unit” means that the unit is capable of consistently detonating not to exceed twenty (20) short-delay electric detonators with a single application of electrical energy to the firing circuit, with the detonators connected in series, and with a total firing-circuit resistance of not less than 150 ohms.

§ 25.26 Specifications.

(a) The electrical energy applied to the firing circuit by the multiple-shot blasting unit shall be not less than 1.7 watt-seconds when the unit is operated according to the applicant's prescribed conditions of use, which shall be acceptable to the Bureau.

(b) The difference of potential at the terminals of the multiple-shot blasting unit shall not exceed 400 volts.

**PART 26—LIGHTING EQUIPMENT
FOR ILLUMINATING UNDER-
GROUND WORKINGS**

Sec.

26.6 Fees. [Revised]

§ 26.6 Fees.

(a) Detailed inspection.....	\$50
(b) Explosion tests, each series.....	40
(c) Dropping test.....	10
(d) Temperature test.....	5
(e) High-potential test.....	10
(f) Safety tests in methane-air mixtures ¹	80
(g) Short-circuit test ¹	10
(h) Flame-resistance test (cable con- nectors).....	5
(i) Final examination and recording of drawings and specifications requisite to issuing an approval.....	45
(j) Examining and recording draw- ings and specifications requisite to issuing an extension of approval.....	45
(k) Tests to assist an applicant in evaluating equipment intended for certification may be made at the discretion of the Bureau. Written requests for such tests shall be directed to the Chief, Branch of Electrical-Mechanical Testing. A deposit of \$100 shall be paid in advance when such tests have been authorized. The fees charged shall be in amounts proportionate to the work per- formed based on normal charges. Any surplus will be refunded at the completion of the work, or applied to future work, as directed by the applicant.	

¹ Applies to cable connectors submitted for certification.

[26 F.R. 1953, Mar. 7, 1961]

PART 27—METHANE-MONITORING SYSTEMS [ADDED]

Subpart A—General Provisions

- Sec.
- 27.1 Purpose.
- 27.2 Definitions.
- 27.3 Consultation.
- 27.4 Applications.
- 27.5 Letter of certification.
- 27.6 Certification of components.
- 27.7 Fees.
- 27.8 Date for conducting tests.
- 27.9 Conduct of investigations, tests, and demonstrations.
- 27.10 Extension of certification.
- 27.11 Withdrawal of certification.

Subpart B—Construction and Design Requirements

- 27.20 Quality of material, workmanship, and design.
- 27.21 Methane-monitoring system.
- 27.22 Methane-monitoring detector.
- 27.23 Power-shutoff component.

Subpart C—Test Requirements

- 27.30 Inspection.
- 27.31 Testing methods.
- 27.32 Tests to determine performance of the system.
- 27.33 Tests to determine explosion-proof construction.
- 27.34 Test for intrinsic safety.
- 27.35 Test to determine life of critical components and subassemblies.
- 27.36 Test for adequacy of electrical insulation and clearances.
- 27.37 Test to determine adequacy of safety devices for bulbs.
- 27.38 Test to determine resistance of lenses to impact.
- 27.39 Tests to determine resistance to vibration.
- 27.40 Test to determine resistance to physical shock.
- 27.41 Test to determine resistance to dust.
- 27.42 Test to determine resistance to moisture.

AUTHORITY: §§ 27.1 to 27.42 issued under sec. 5, 36 Stat. 370, as amended, and sec. 212(a), 66 Stat. 709; 30 U.S.C. 7, 492(a). Interpret or apply secs. 2, 3, 36 Stat. 370, as amended, and secs. 201, 209, 66 Stat. 692, 703; 30 U.S.C. 3, 5, 471, 479.

SOURCE: §§ 27.1 to 27.42 appear at 26 F.R. 10969, Nov. 23, 1961.

Subpart A—General Provisions

§ 27.1 Purpose.

The regulations in this part set forth the requirements for methane-monitoring systems to procure certification for their incorporation in permissible equipment that is used in gassy mines and

tunnels; procedures for applying for such certification; and fees.

§ 27.2 Definitions.

As used in this part:

(a) "Bureau" means the United States Bureau of Mines.

(b) "Applicant" means an individual partnership, company, corporation, association, or other organization that designs, manufactures, or assembles and that seeks certification or preliminary testing of a methane-monitoring system.

(c) "Methane-monitoring system" means a complete assembly of all the components of a system required for detecting the presence of methane in the atmosphere of a mine, tunnel, or other underground workings, and includes a power-shutoff device.

(d) "Methane-monitoring detector" means a component of a methane-monitoring system that is designed to function in a gassy mine, tunnel, or other underground workings, which will sample the atmosphere continuously to detect methane, give warning of its presence, and actuate a power-shutoff device before the atmosphere becomes a flammable mixture.

(e) "Power-shutoff device" means a component of a methane-monitoring system which will deenergize the electric-power supply for underground equipment, including the trailing cable where applicable, or the prime mover, when actuated by a methane-monitoring detector.

(f) "Flammable mixture" means a mixture of gas, such as methane, natural gas, or similar hydrocarbon gas, with normal air, that will propagate flame or explode violently when ignited.

(g) "Gassy mine or tunnel" means a mine, tunnel, or other underground workings, in which flammable gas, such as methane, has been ignited, or the atmosphere of which, in any open workings, contains 0.25 percent or more (by volume) of such gas.

(h) "Letter of certification" means a formal document issued by the Bureau stating that a methane-monitoring system or component or subassembly thereof: (1) Has met the requirements of this part, and (2) is certified for incorporating in permissible equipment that is used in gassy mines and tunnels.

(i) "Component" means a part of a methane-monitoring system that is essential to its operation as a certified assembly.

(j) "Explosion proof" means that a component or group of components (subassembly) is so constructed and protected by an enclosure and/or flame arrester(s) that, if a flammable mixture of gas is ignited within the enclosure, it will withstand the resultant pressure without damage to the enclosure and/or flame arrester(s). Also the enclosure and/or flame arrester(s) shall prevent the discharge of flame or ignition of any flammable mixture that surrounds the enclosure.¹

(k) "Normal operation" means that each component as well as the entire assembly of the methane-monitoring system performs the functions for which it was designed.

(l) "Flame arrester" means a device so constructed that it will prevent propagation of flame or explosion from an enclosure to the surrounding atmosphere.

(m) "Intrinsically safe circuit," or part of a circuit, means that any arc or spark produced normally (such as in opening or closing a circuit), or accidentally (such as a short circuit or earth fault), is incapable of causing ignition of a flammable mixture.

(n) "Fall safe" means that if any component or subassembly of a methane-monitoring system fails the entire system and the equipment in which it is incorporated will be deenergized and will not create an explosion or fire hazard.

§ 27.3 Consultation.

By appointment, applicants or their representatives may visit the Bureau's Branch of Electrical-Mechanical Testing, 4800 Forbes Avenue, Pittsburgh 13, Pennsylvania, to discuss with qualified Bureau personnel proposed methane-monitoring systems to be submitted in accordance with the regulations of this part. No charge is made for such consultation and no written report thereof will be submitted to the applicant.

§ 27.4 Applications.

(a) No investigation or testing will be undertaken by the Bureau except pursuant to a written application, in duplicate, accompanied by a check, bank draft, or money order, payable to the United States Bureau of Mines, to cover

¹Explosion-proof components or sub-assemblies shall be constructed in accordance with the requirements of Part 18 of this Subchapter (Schedule 2, revised, the current revision of which is Schedule 2F).

the fees; and all drawings, specifications, descriptions, and related materials. The application and all related matters and correspondence concerning it shall be addressed to the Bureau of Mines, 4800 Forbes Avenue, Pittsburgh 13, Pennsylvania, Attention: Chief, Branch of Electrical-Mechanical Testing.

(b) Drawings, specifications, and descriptions shall be adequate in detail to identify fully all components and sub-assemblies that are submitted for investigation, and shall include wiring and block diagrams. All drawings shall be designated by title and number, and shall show the latest revision.

(c) For a complete investigation leading to certification, the applicant shall furnish all necessary components and material to the Bureau. The Bureau reserves the right to require more than one of each component or subassembly for the investigation. Spare parts and expendable components, subject to wear in normal operation, shall be supplied by the applicant to permit continuous operation during test periods. If special tools are necessary to assemble or disassemble any component or subassembly for inspection or test, the applicant shall furnish these with the system.

(d) The applicant shall submit his plan of how he proposes to inspect components at the place of manufacture or assembly before incorporation in permissible equipment. Ordinarily such inspection is recorded on a factory inspection form, and the applicant shall furnish to the Bureau a copy of such factory inspection form or equivalent with his application. The form shall direct attention to the points that must be checked to make certain that all components or subassemblies of the complete assembly are in proper condition, complete in all respects, and in agreement with the drawings, specifications, and descriptions filed with the Bureau.

(e) The applicant shall furnish to the Bureau complete instructions for operating and servicing components. After completing the Bureau's investigation, if any revision of the instructions is required, a revised copy thereof shall be submitted to the Bureau for inclusion with the drawings and specifications.

§ 27.5 Letter of certification.

(a) Upon completion of investigation of a methane-monitoring system, or components or subassembly thereof, the Bureau will issue to the applicant either

a letter of certification or a written notice of disapproval, as the case may require. If a letter of certification is issued, no test data or detailed results of tests will accompany it. If a notice of disapproval is issued, it will be accompanied by details of the defects, with a view to possible correction. The Bureau will not disclose, except to the applicant, any information on the methane-monitoring system upon which a notice of disapproval has been issued.

(b) A letter of certification will be accompanied by an appropriate cautionary statement specifying the conditions to be observed for operating and maintaining the methane-monitoring system and to preserve its certified status.

§ 27.6 Certification of components.

Manufacturers of components may apply to the Bureau to issue a letter certifying to the suitability of such components. To qualify for certification, electrical components shall conform to the prescribed inspection and test requirements and the construction thereof shall be adequately covered by specifications officially recorded and filed with the Bureau. Certification letters may be cited to fabricators of equipment intended for use in a certified methane-monitoring system as evidence that further inspection and test of the components will not be required.

§ 27.7 Fees.

(a) Detailed inspection—each assembled component.....	\$50.00
(b) Explosion testing—each explosion-proof enclosure.....	40.00
(c) Each series of tests to determine adequacy of design, materials, and/or construction.....	40.00
(d) Tests to determine safe operation and performance of a complete methane-monitoring system..	80.00
(e) Tests to determine intrinsic safety	40.00
(f) Final examination and recording of drawings and specifications requisite to issuing a letter of certification	45.00
(g) Examining and recording drawings and specifications requisite to issuing an extension of certification, each 4 hours or fraction thereof.....	15.00

(h) Tests to assist an applicant in evaluating equipment intended for certification may be made at the discretion of the Bureau. Written requests for such tests shall be directed to the Chief, Branch of Electrical-Mechanical Testing. A deposit of \$100 shall be paid in advance when such tests have been authorized. The fees charged shall be in amounts proportionate to the work performed based on normal charges. Any surplus will be refunded at the completion of the work, or applied to future work, as directed by the applicant.

If an applicant is unable to determine the exact fee that should be submitted with his application, the information will be provided upon request, addressed to the Bureau of Mines, 4800 Forbes Avenue, Pittsburgh 13, Pennsylvania, Attention: Chief, Branch of Electrical-Mechanical Testing. Any surplus from a fee submitted in excess of requirements will be refunded to the applicant upon completion or termination of the investigation or tests.

§ 27.8 Date for conducting tests.

The application, payment of necessary fees, and submission of required material will determine the order of precedence for testing when more than one application is pending and the applicant will be notified of the date on which tests will begin.

NOTE: If a complete assembly, component, or subassembly fails to meet any of the requirements, it may lose its order of precedence. However, if the cause of failure is corrected, testing will be resumed after completing such other test work as may be in progress.

§ 27.9 Conduct of investigations, tests, and demonstrations.

(a) Prior to the issuance of a letter of certification, only Bureau personnel, representatives of the applicant, and such other persons as may be mutually agreed upon may observe the investigations or tests. The Bureau shall hold as confidential and shall not disclose principles or patentable features, nor shall it disclose any details of drawings,

specifications, descriptions, or related materials. After the issuance of a letter of certification, the Bureau may conduct such public demonstrations and tests of the certified methane-monitoring system for gassy mines and tunnels as it deems appropriate. The conduct of all investigations, tests, and demonstrations shall be under the sole direction and control of the Bureau, and any other persons shall be present only as observers, except as noted in paragraph (b) of this section.

(b) When requested by the Bureau, the applicant shall provide assistance in assembling or disassembling components or subassemblies for testing, preparing components or subassemblies for testing, and operating the system during the tests.

§ 27.10 Extension of certification.

If an applicant desires to change any feature of a certified system, he shall first obtain the Bureau's approval of the change, pursuant to the following procedure:

(a) Application shall be made as for an original certification, requesting that the existing certification be extended to cover the proposed changes and shall be accompanied by drawings, specifications, and related data, showing the changes in detail.

(b) The application will be examined by the Bureau to determine whether inspection and testing of the modified system or component or subassembly will be required. The Bureau will inform the applicant whether testing is required; the component, subassembly, and related material to be submitted for that purpose; and the fee.

(c) If the proposed modification meets the requirements of this part, a formal extension of certification will be issued, accompanied by a list of revised drawings and specifications to be added to those already on file with the Bureau.

§ 27.11 Withdrawal of certification.

The Bureau reserves the right to rescind for cause any certification granted under this part.

Subpart B—Construction and Design Requirements

§ 27.20 Quality of material, workmanship, and design.

(a) The Bureau will test only equipment that, in its opinion, is constructed

of suitable materials, is of good quality workmanship, is based on sound engineering principles, and is safe for its intended use. Since all possible designs, arrangements, or combinations of components cannot be foreseen, the Bureau reserves the right to modify the construction and design requirements of components or subassemblies and tests to obtain the same degree of protection as provided by the tests described in Subpart C of this part.

(b) Unless otherwise noted, the requirements stated in this part shall apply to explosion-proof and intrinsically-safe circuits and enclosures.

(c) All components and subassemblies shall be designed and constructed in a manner that will not create an explosion or fire hazard

(d) All assemblies or enclosures—explosion-proof or intrinsically safe—shall be so designed that the temperatures of the external surfaces, during continuous operation, do not exceed 392° F. (200° C.) at any point.

(e) Glass lenses or globes shall be protected against damage by guards or location.

(f) If the Bureau determines that an explosion hazard can be created by breakage of a bulb with incandescent filament(s), the bulb mounting shall be so constructed that the bulb will be ejected when the bulb glass is broken.

Note: Other methods that provide equivalent protection against explosion hazards may be considered satisfactory.

§ 27.21 Methane-monitoring system.

(a) A methane-monitoring system shall be so designed that any machine, which is controlled by the system, cannot be operated unless the methane-monitoring system is functioning.

(b) A methane-monitoring system shall be rugged in construction so that its operation will not be affected by vibration or physical shock.

(c) Insulating materials that give off flammable or explosive gases when decomposed electrically shall not be used within enclosures where they might be subjected to destructive electrical action.

(d) An enclosure shall be equipped with a lock, seal, or acceptable equivalent when the Bureau deems such protection necessary for safety.

(e) A component or subassembly of a methane-monitoring system shall be constructed as a package unit or other-

wise in a manner acceptable to the Bureau. Such components or sub-assemblies shall be replaceable or removable without creating an ignition hazard.

(f) A methane-monitoring system shall have a means incorporated into it to prevent energizing a cable(s) to a machine(s) controlled by the system for a period of at least 2 minutes after the methane detector has been turned on or caused a shut down.

(g) The complete system shall "fail safe" in a manner acceptable to the Bureau.

§ 27.22 Methane-monitoring detector.

(a) The methane-monitoring-detector component shall be suitably constructed for incorporation in permissible equipment that is operated in gassy mines and tunnels.

(b) The methane-monitoring detector shall be designed to include:

(1) A method of continuous sampling of the atmosphere in which it functions.

(2) An automatic warning device (audible or colored light signal), which shall function automatically when the methane content (by volume) is between 1.0 and 1.5 percent.

(3) A method for activating a power-shutoff component, which shall function automatically when the methane content (by volume) is between 2.0 and 2.5 percent.

NOTE: This means that the power-shutoff component also shall function automatically when the methane content exceeds 2.5 percent.

(4) Reserve capacity to operate independently for approximately 4 hours (not necessarily continuous) when power is not on the machine which it controls.

(5) Means for sampling at one or two points determined by the Bureau as necessary for the particular type of permissible equipment with which it is to be incorporated.

(6) A suitable filter on the sampling intake to prevent dust and moisture from entering and interfering with normal operation.

NOTE: This requirement for the detector may be waived if the design is such as to preclude the need of a filter.

(7) An arrangement for testing the methane-monitoring detector to determine whether it is functioning properly.

§ 27.23 Power-shutoff component.

The power-shutoff component shall be designed to include:

(a) An automatic means to deenergize the equipment at the energy source when activated by the methane-monitoring detector.

(1) For electric-powered machines operated with trailing cable(s) from a power center(s), the power-shutoff component shall be capable of shutting off all power at the outby end of the trailing cable to each machine that may be operated beyond the last open crosscut in an area affected by methane as defined in subparagraph (3) of paragraph (b) of § 27.22. When more than one machine is operated by electric power through trailing cables (not necessarily from a common power center) and also may be operated beyond the last open crosscut in an area affected by methane as defined in subparagraph (3) of paragraph (b) of § 27.22, an acceptable alternative to complete power shutoff, as stated above, shall be to equip each machine with a methane-monitoring detector and to provide individual power shutoff not closer to each machine than the outby end of its trailing cable. The signal for activating the power shutoff shall be conducted through the power conductors of the trailing cable or by other means acceptable to the Bureau.

(2) For battery-powered machines the power shall be cut off as close as possible to the battery terminals.

(3) For diesel-powered machines the prime mover shall be shut down and all electrical components shall be deenergized.

(b) An arrangement for testing the power-shutoff characteristic to determine whether the power-shutoff component is functioning properly.

Subpart C—Test Requirements

§ 27.30 Inspection.

A detailed inspection shall be made of the equipment and all components and functions related to safety in operation, which shall include:

(a) Examining materials, workmanship, and design to determine conformance with paragraph (a) of § 27.20.

(b) Checking components and sub-assemblies against the drawings and specifications to verify conformance with the requirements of this part.

§ 27.31 Testing methods.

A methane-monitoring system shall be tested to determine its functional performance, and its explosion-proof and other safety characteristics. Since all possible designs, arrangements, or combinations cannot be foreseen, the Bureau reserves the right to make any tests or to place any limitations on equipment, or components or subassemblies thereof, not specifically covered herein, to determine the safety of such equipment with regard to explosion and fire hazards.

§ 27.32 Tests to determine performance of the system.

(a) Laboratory tests for reliability and durability.

Five hundred successful² consecutive tests for gas detection, alarm, and power shutoff in natural gas-air mixtures³ shall be conducted to demonstrate acceptable performance as to reliability and durability of a methane-monitoring system.⁴ The tests shall be conducted as follows:

(1) With the detecting component in a test gallery, natural gas shall be admitted at various rates and slight turbulence created for proper mixing with the air in the gallery. To comply with the requirements of this test, the detector shall activate an alarm at a predetermined percentage of gas and also activate the power shutoff at a second predetermined percentage of gas. (See § 27.22 and § 27.23.)⁵

(b) Field tests.

The Bureau reserves the right to conduct tests, similar to those stated in paragraph (a) of this section, in underground workings to verify reliability and durability of a methane-monitoring system.

§ 27.33 Tests to determine explosion-proof construction.

Components and subassemblies, which require explosion-proof construction, shall be tested in accordance with the

procedures stated in Part 18 of this subchapter (Schedule 2, revised, the latest revision of which is Schedule 2F').

§ 27.34 Test for intrinsic safety.

Components or subassemblies that are designed for intrinsic safety shall be tested by introducing into the circuit thereof a circuit-interrupting device, which shall be placed in a gallery containing various flammable natural gas-air mixtures. To meet the requirements of this test, the component or subassembly shall not ignite the flammable mixture. For this test the circuit-interrupting device shall be operated not less than 100 times at 150 percent of the normal operating voltage of the particular circuit.

§ 27.35 Test to determine life of critical components and subassemblies.

Replaceable components shall be subjected to appropriate life tests.

§ 27.36 Test for adequacy of electrical insulation and clearances.

When the operating voltage of any component, subassembly, or complete assembly is 220 volts or more, such component, subassembly, or complete assembly shall be subjected to a potential test of 2.5 times the rated operating voltage for one minute. To meet the requirements, no flash-over shall occur during this test.

§ 27.37 Test to determine adequacy of safety devices for bulbs.

The glass envelope of bulbs shall be broken with the bulbs burning in flammable natural gas-air mixtures in a gallery to determine that the safety device will prevent ignition of the mixtures.

§ 27.38 Test to determine resistance of lenses to impact.

Lenses of glass, plastic, or similar material shall be subjected to the following impact test: A 1¼-inch steel ball weighing 0.25 pound shall be dropped so that it strikes the center of the test sample. The sample shall be mounted horizontally and concentrically on a brass or bronze tube having a wall thickness of 3/16-inch and a diameter ½-inch less than the sample diameter, with the edge supporting the sample rounded to a 3/32-inch radius. To meet the requirements of this test, four samples so tested shall not fracture when the ball is dropped from a height of 7 inches on samples having

²Normal replacements and adjustments shall not constitute a failure.

³Investigation has shown that, for practical purposes, Pittsburgh natural gas (containing a high percentage of methane) is a satisfactory substitute for pure methane in these tests.

⁴It is recommended that the methane-monitoring detector be supplemented by a meter calibrated in percent methane.

⁵At the option of the Bureau, these tests will be conducted with dust or moisture added to the atmosphere within the gallery.

diameters not exceeding $2\frac{1}{2}$ inches, and from a height of 8 inches on samples having diameters exceeding $2\frac{1}{2}$ inches.

§ 27.39 Tests to determine resistance to vibration.

Components or subassemblies that are to be mounted on permissible equipment shall be subjected to two separate vibration tests, each of 1-hour duration. The first test shall be conducted at a frequency of 30 cycles per second with a total movement per cycle of $\frac{1}{16}$ inch. The second test shall be conducted at a frequency of 15 cycles per second with a total movement per cycle of $\frac{1}{8}$ inch. Components and subassemblies shall be secured to the vibrating equipment in their normal operating positions (with shock mounts, if so provided), and each component or subassembly shall function normally during and after each vibration test.

NOTE: The vibrating equipment is designed to impart a circular motion in a plane inclined 45° to the vertical or horizontal.

§ 27.40 Test to determine resistance to physical shock.

This test shall be conducted by mounting the component or subassembly on a

shock-test platform in its normal operating position and subjecting the platform to fifty 20 foot-pound blows. The component or subassembly shall function normally after being subjected to the shock test.

§ 27.41 Test to determine resistance to dust.

Components or subassemblies, whose normal functioning might be affected by combustible dust such as coal dust, shall be tested in an atmosphere containing an average concentration (50 million minus 40 micron particles per cubic foot) of such dust for a continuous period of 4 hours. The component or subassembly shall function normally after being subjected to this test.

§ 27.42 Test to determine resistance to moisture.

Components or subassemblies, whose normal functioning might be affected by moisture, shall be tested in atmospheres of high relative humidity (80 percent or more at 65° - 75° F.) for a continuous period of 4 hours. The component or subassembly shall function normally after being subjected to this test.

SUBCHAPTER E—MECHANICAL EQUIPMENT FOR MINES; TESTS FOR PERMISSIBILITY AND SUITABILITY; FEES

PART 31—DIESEL MINE LOCOMOTIVES

Sec.
31.3 Conditions under which approvals may be granted; preliminary steps. [Amended]

§ 31.3 Conditions under which approvals may be granted; preliminary steps.

(c) Fees.

- 1. Preliminary review of drawings, specifications, and related data—
new machine..... \$35
- 2. Tests to determine composition of engine exhaust gases..... 400

NOTE: For preliminary or check testing that requires only carbon dioxide and carbon monoxide determinations, the fee shall be \$200.

- 3. Tests to determine effectiveness of engine flame arrester..... 120

NOTE: For check testing a redesigned flame arrester that requires less than 20 tests, the fee shall be \$60.

- 4. Detailed inspection of engine flame arrester 35
- 5. Detailed inspection of manifolds, exhaust conditioners, and other parts of intake and exhaust systems 45
- 6. Detailed inspection of electrical units—each explosion-proof enclosure 50

NOTE: When less than 20 explosion tests are required, the inspection fee shall be \$25.

- 7. Explosion tests of electrical units—each explosion-proof enclosure..... 40

NOTE: When less than 20 explosion tests are required, the fee shall be \$20.

- 8. Exhaust conditioner performance tests to determine rate of water consumption 45
- 9. Each field inspection of completely assembled machine..... 80
- 10. Tests of exhaust-gas dilution not made concurrently with field inspection of completely assembled machine..... 55
- 11. Final examination and recording of drawings and specifications preparatory to issuing an approval \$45
- 12. Examining and recording drawings and specifications for an extension of approval, each 4 hours or fraction thereof..... 15

NOTE: When investigation, inspection, or testing is required to be performed at locations other than the Bureau's premises, the applicant shall reimburse the Bureau for traveling, subsistence, and incidental expenses of its representative(s) in accordance with standard Government travel regulations. Such reimbursement shall be in addition to the fee charged for investigation, inspection, or testing.

[Paragraph (c) amended, 26 F.R. 1953, Mar. 7, 1961]

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PART 32—MOBILE DIESEL-POWERED EQUIPMENT FOR NON-COAL MINES

Sec.

32.3 Conditions under which approvals may be granted or tests made; preliminary steps preceding approval tests and inspections. [Amended]

§ 32.3 Conditions under which approvals may be granted or tests made; preliminary steps preceding approval tests and inspections.

* * * * *

(c) Fees.

- 1. Preliminary review of drawings, specifications, and related data—each new machine..... **\$35**
- 2. Tests to determine composition of engine exhaust gases..... **350**

NOTE: For preliminary or check testing that requires only carbon dioxide and carbon monoxide determinations, the fee shall be \$175.

- 3. Detailed inspection of exhaust-gas cooling system..... **35**
- 4. Detailed inspection of electrical system..... **20**
- 5. Each field inspection of completely assembled machine..... **\$75**
- 6. Exhaust-gas-dilution tests independent of field inspection..... **55**
- 7. Final examination and recording of drawings and specifications preparatory to issuing an approval... **45**
- 8. Final examination and recording of drawings and specifications preparatory to issuing a certification of an engine subassembly..... **30**
- 9. Examining and recording of drawings and specifications for an extension of approval or certification of an engine subassembly, each 4 hours or fraction thereof... **15**

NOTE: When investigation, inspection, or testing is required to be performed at locations other than the Bureau's premises, the applicant shall reimburse the Bureau for traveling, subsistence, and incidental expenses of its representative(s) in accordance with standard Government travel regulations. Such reimbursement shall be in addition to the fee charged for investigation, inspection, or testing.

[Paragraph (c) amended, 26 F.R. 1954, Mar. 7, 1961]

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ART 33—DUST COLLECTORS FOR USE IN CONNECTION WITH ROCK DRILLING IN COAL MINES [REVISED]

Subpart A—General Provisions

- Sec.
 33.1 Purpose.
 33.2 Definitions.
 33.3 Consultation.
 33.4 Types of dust collectors for which certificates of approval may be granted.
 33.5 Fees for investigation.
 33.6 Applications.
 33.7 Date for conducting tests.
 33.8 Conduct of investigations, tests, and demonstrations.
 33.9 Certification of dust-collecting systems.
 33.10 Certificates of approval or performance.
 33.11 Approval plates.
 33.12 Changes after certification.
 33.13 Withdrawal of certification.

Subpart B—Dust-Collector Requirements

- 33.20 Design and construction.
 33.21 Modification of test equipment.
 33.22 Mode of use.
 33.23 Mechanical positioning of parts.

Subpart C—Test Requirements

- 33.30 Test site.
 33.31 Test space.
 33.32 Determination of dust concentration.
 33.33 Allowable limits of dust concentration.
 33.34 Drilling test.
 33.35 Methods of drilling; dust-collector unit.
 33.36 Method of drilling; combination unit or dust-collecting system.
 33.37 Test procedure.
 33.38 Electrical parts.

AUTHORITY: §§ 33.1 to 33.38 issued under sec. 5, 36 Stat. 370, as amended; 30 U.S.C. 7, 482(a). Interpret or apply secs. 2, 3, 36 Stat. 370, as amended, secs. 201, 209, 66 Stat. 692, 703; 30 U.S.C. 3, 5, 471, 479.

SOURCE: §§ 33.1 to 33.38 contained in Schedule 25B, 25 F.R. 6473, July 9, 1960, except as otherwise noted.

Subpart A—General Provisions

§ 33.1 Purpose.

The regulations in this part set forth the requirements for dust collectors used in connection with rock drilling in coal mines to procure their certification as permissible for use in coal mines; pro-

cedures for applying for such certification; and fees.

§ 33.2 Definitions.

As used in this part:

(a) "Permissible," as applied to a dust collector, means that it conforms to the requirements of this part, and that a certificate of approval to that effect has been issued.

(b) "Bureau" means the United States Bureau of Mines.

(c) "Certificate of approval" means a formal document issued by the Bureau stating that the dust collector unit or combination unit has met the requirements of this part, and authorizing the use and attachment of an official approval plate or a marking so indicating.

(d) "Certificate of performance" means a formal document issued by the Bureau stating that a dust-collecting system has met the test requirements of Subpart C of this part and therefore is suitable for use as part of permissible units.

(e) "Dust-collector unit" means a complete assembly of parts comprising apparatus for collecting the dust that results from drilling in rock in coal mines, and is independent of the drilling equipment.

(f) "Combination unit" means a rock-drilling device with an integral dust-collecting system, or mining equipment with an integral rock-drilling device and dust-collecting system.

(g) "Dust-collecting system" means an assembly of parts comprising apparatus for collecting the dust that results from drilling in rock and is dependent upon attachment to other equipment for its operation.

(h) "Applicant" means an individual, partnership, company, corporation, association, or other organization that designs and manufactures, assembles or controls the assembly of a dust-collecting system, dust-collector unit, or a combination unit, and seeks certification thereof.

§ 33.3 Consultation.

By appointment, applicants or their representatives may visit the Bureau's

serve the investigations or tests. The Bureau shall hold as confidential and shall not disclose principles or patentable features, nor shall it disclose any details of drawings, specifications, and related materials. After the issuance of a certificate, the Bureau may conduct such public demonstrations and tests of the unit or system as it deems appropriate. The conduct of all investigations, tests, and demonstrations shall be under the sole direction and control of the Bureau, and any other persons shall be present only as observers, except as noted in paragraph (b) of this section.

(b) When requested by the Bureau, the applicant shall provide assistance in disassembling parts for inspection, preparing parts for testing, and operating combination units.

§ 33.9 Certification of dust-collecting systems.

Manufacturers of dust-collecting systems that are designed for integral use on machines with drilling equipment may apply to the Bureau to issue a certificate of performance for such systems. To qualify for a certificate of performance, the dust-collecting system shall have met satisfactorily the test requirements of Subpart C of this part under specified operating conditions (such as type of drilling equipment, drilling speed, and power requirements) and the construction thereof shall be adequately covered by specifications and drawings officially recorded and filed with the Bureau. Individual parts of dust-collecting systems will not be certified for performance. Certificates of performance may be cited to fabricators of combination units as evidence that further inspection and testing of the dust-collecting system will not be required, provided the dust-collecting requirements of the drilling equipment do not exceed the limits of performance for which the system was certified. Since the Bureau does not sanction the use of the words "permissible" or "approved" except as applying to completely assembled equipment, dust-collecting systems, which have been certified only as to performance, shall not be advertised or labeled in a manner inferring that such systems themselves are permissible or approved by the Bureau. However, a certified system may be advertised as suitable for use on combination units for which certification may be desired if the limits of its performance are cited. Cer-

tified dust-collecting systems shall bear labels or tags which shall contain the following: "Performance-tested Dust Collecting System, Bureau of Mines File No. P/T -----," and name of manufacturer, identifying numbers of the dust-collector parts, and description of the limitations for which performance is certified. The Bureau will assign a P/T file number in the certificate letter.

§ 33.10 Certificates of approval or performance.

(a) Upon completion of an investigation, the Bureau will issue to the applicant either a certificate or a written notice of disapproval, as the case may require. No informal notification of approval will be issued. If a certificate is issued, no test data or detailed results of tests will accompany it. If a notice of disapproval is issued, it will be accompanied by details of the defects, with a view to possible correction. The Bureau will not disclose, except to the applicant, any information on a unit or system upon which a notice of disapproval has been issued.

(b) A certificate will be accompanied by a list of the drawings and specifications covering the details of design and construction of the unit or system, including the electrical parts, if applicable, upon which the certificate is based. Applicants shall keep exact duplicates of the drawings and specifications submitted and the list of drawing numbers referred to in subparagraph (1) of paragraph (d) of § 33.6 that relate to the certified unit or system, and these are to be adhered to exactly in production.

§ 33.11 Approval plates.

(a) A certificate of approval will be accompanied by a photograph of a design for an approval plate, bearing the seal of the Bureau of Mines, the name of the applicant, the name of the unit, the approval number or space for the approval number (or numbers if permissibility of electrical parts is involved), spaces for the type and the serial numbers of the unit, conditions of approval, and identifying numbers of the dust-collector parts. When deemed necessary by the Bureau, an appropriate statement shall be added, giving the precautions to be observed in maintaining the unit in an approved condition.

(b) An approval plate for a unit designed for use in a nongassy coal mine

shall state that any electrical parts are not certified for use in a gassy coal mine. (See § 33.38(c).)

(c) The applicant shall reproduce the design either as a separate plate or by stamping or molding it in some suitable place on each unit to which it relates. The size, type, and method of attaching and location of an approval plate are subject to the approval of the Bureau. The method of affixing the plate shall not impair the dust-collection or explosion-proof features of the unit.

(d) The approval plate identifies the unit, to which it is attached, as permissible, and is the applicant's guarantee that the unit complies with the requirements of this part. Without an approval plate, no unit has the status of "permissible" under the provisions of this part.

(e) Use of the approval plate obligates the applicant to whom the certificate of approval was granted to maintain the quality of each unit bearing it and guarantees that it is manufactured and assembled according to the drawings and specifications upon which a certificate of approval was based. Use of the approval plate is not authorized except on units that conform strictly with the drawings and specifications upon which the certificate of approval was based.

§ 33.12 Changes after certification.

If an applicant desires to change any feature of a certified unit or system, he shall first obtain the Bureau's approval of the change, pursuant to the following procedure:

(a) Application shall be made as for an original certificate, requesting that the existing certification be extended to cover the proposed changes, and shall be accompanied by drawings, specifications, and related data showing the changes in detail.

(b) The application will be examined by the Bureau to determine whether inspection and testing will be required. Testing will be necessary if there is a possibility that the modification may affect adversely the performance of the unit or system. The Bureau will inform the applicant whether such testing is required, the components or materials to be submitted for that purpose, and the fee.

(c) If the proposed modification meets the requirements of this part and

Part 18 of Subchapter D of this chapter (Bureau of Mines Schedule 2, revised, the current revision of which is Schedule 2F) if applicable, a formal extension of certification will be issued, accompanied by a list of new and corrected drawings and specifications to be added to those already on file as the basis for the extension of certification.

§ 33.13 Withdrawal of certification.

The Bureau reserves the right to rescind for cause, at any time, any certification granted under this part.

Subpart B—Dust-Collector Requirements

§ 33.20 Design and construction.

(a) The Bureau will not test or investigate any dust collector that in its opinion is not constructed of suitable materials, that evidences faulty workmanship, or that is not designed upon sound engineering principles. Since all possible designs, arrangements, or combinations of components and materials cannot be foreseen, the Bureau reserves the right to modify the tests specified in this part in such manner to obtain substantially the same information and degree of protection as provided by the tests described in Subpart C of this part.

(b) Adequacy of design and construction of a unit or system will be determined in accordance with its ability (1) to prevent the dissemination of objectionable or harmful concentrations of dust into a mine atmosphere, and (2) to protect against explosion and/or fire hazards of electrical equipment, except as provided in paragraph (b) of § 33.38.

§ 33.21 Modification of test equipment.

For test purposes the unit or system may be modified, such as by attaching instruments or measuring devices, at the Bureau's discretion; but such modification shall not alter its performance.

§ 33.22 Mode of use.

(a) A unit or system may be designed for use in connection with percussion and/or rotary drilling in any combination of the following drilling positions: (1) Vertically upward, (2) upward at angles to the vertical, (3) horizontally, and (4) downward.

(b) Dust-collector units may be designed for use with specific drilling equipment or at specific drilling speeds.

§ 33.23 Mechanical positioning of parts.

All parts of a unit that are essential to the dust-collection feature shall be provided with suitable mechanical means for positioning and maintaining such parts properly in relation to the stratum being drilled.

Subpart C—Test Requirements**§ 33.30 Test site.**

Tests shall be conducted at the Bureau's Experimental Mine, Bruceton, Pennsylvania, or other appropriate place(s) determined by the Bureau.

§ 33.31 Test space.

(a) Drilling tests shall be conducted in a test space formed by two curtains suspended across a mine opening in such a manner that the volume of the test space shall be approximately 2,000 cubic feet.

(b) No mechanical ventilation shall be provided in the test space during a drilling test, except such air movement as may be induced by operation of drilling- or dust-collecting equipment.

(c) All parts of a unit or system shall be within the test space during a drilling test.

§ 33.32 Determination of dust concentration.

(a) Concentrations of airborne dust in the test space shall be determined by sampling with a midget impinger apparatus, and a light-field microscopic technique shall be employed in determining concentrations of dust in terms of millions of particles (5 microns or less in diameter) per cubic foot of air sampled.

(b) Before a drilling test is started the surfaces of the test space shall be wetted; the test space shall be cleared of airborne dust insofar as practicable by mechanical ventilation or other means; and an atmospheric sample, designated as a control sample, shall be collected during a 5-minute period to determine residual airborne dust in the test space.

(c) A sample of airborne dust, designated as a test sample, shall be collected in the breathing zone of the drill operators during the drilling of each test hole. Time consumed in changing drill steel shall not be considered as drilling time and sampling shall be discontinued during such periods.

CODIFICATION: In § 33.32(c) the word "operator" in the first sentence was changed to "operators", 26 F.R. 2599, Mar. 28, 1961.

§ 33.33 Allowable limits of dust concentration.

(a) The concentration of dust determined by the control sample shall be subtracted from the average concentration of dust determined by the test samples collected at each drill operator's position, and the difference shall be designated as the net concentration of airborne dust. Calculations of the average concentration of dust determined from the test samples shall be based upon the results of not less than 80 percent of each set of test samples.

[Paragraph (a) amended, 26 F.R. 2599, Mar. 28, 1961]

(b) Under each prescribed test condition, the net concentration of airborne dust at each drill operator's position shall not exceed 10 million particles (5 microns or less in diameter) per cubic foot of air when determined in accordance with the method given in paragraph (a) of § 33.32.

§ 33.34 Drilling test.

(a) A drilling test shall consist of drilling a set of 10 test holes, without undue delay, under specified operating conditions. When the test involves the control of dust from more than one drill, all the drills shall be used in the intended manner to complete the set of test holes.

[Paragraph (a) amended, 26 F.R. 2599, Mar. 28, 1961]

(b) Holes shall be drilled to a depth of 4 feet plus or minus 2 inches and shall be spaced so as not to interfere with adjacent holes. Each hole may be plugged after completion.

(c) Receptacles and filters for collecting drill cuttings shall be emptied and cleaned before each drilling test is started.

(d) Holes designated as "vertical" shall be drilled to incline not more than 10 degrees to the vertical. Holes designated as "angle" shall be drilled to incline not less than 30 and not more than 45 degrees to the vertical. Holes designated as "horizontal" shall be drilled to incline not more than 15 degrees to the horizontal.

§ 33.35 Methods of drilling; dust-collector unit.

(a) *General.* All drilling shall be done with conventional, commercial drilling equipment—pneumatic-percussion, hy-

draulic-rotary, and/or electric-rotary types—in accordance with the applicant's specifications.

(b) *Pneumatic-percussion drilling.* A stoper-type drill with a piston diameter of 2½ to 3 inches shall be used for roof drilling. A hand-held, sinker-type drill with a piston diameter of 2½ to 3 inches shall be used for down drilling and also for horizontal drilling, except that the drill shall be supported mechanically. Compressed air for operating the drill shall be supplied at a gage pressure of 85–95 pounds per square inch. Drill bits shall be detachable, cross type with hard inserts, and shall be sharp when starting to drill each set of 10 holes. In roof drilling, 1¼- and 1½-inch diameter drill bits shall be used; in horizontal and down drilling, 1¾-inch diameter bits shall be used. The drill steel shall be 7⁄8-inch hexagonal and of hollow type to permit the introduction of compressed air through the drill steel when necessary to clean a hole during drilling.

(c) *Rotary drilling.* A hydraulic-rotary drill with a rated drilling speed of 18 feet per minute free lift, capable of rotating drill steel at 900 revolutions per minute with 100 foot-pounds torque, and having a feed force of 7,000 pounds, shall be used for roof drilling. An electric-rotary drill, supported by a post mounting, with a rated drilling speed of 30 inches per minute and powered by a 2.25 horsepower motor, shall be used for horizontal drilling. For roof drilling, the bits shall be hard-tipped, 1⅜ and 1½ inches outside diameter, and 1¼-inch auger-type drill steel shall be used. For horizontal drilling, the bits shall be hard-tipped, 2 inches outside diameter, and 1¾-inch auger-type drill steel shall be used. Drill bits shall be sharp when starting to drill each set of 10 holes.

§ 33.36 Method of drilling; combination unit or dust-collecting system.

Drilling shall be conducted in accordance with the applicant's specifications and operating instructions. If special drill bits or drill steel are required, they shall be furnished to the Bureau by the applicant. Otherwise the drill bit and drill steel requirements stated in paragraphs (b) and (c) of § 33.35 shall be complied with for all types of combination units or dust-collecting systems.

§ 33.37 Test procedure.

(a) *Roof drilling:* Drilling shall be done in friable strata, similar to the roof in the Bureau's Experimental Mine, which tends to produce large scale-like cuttings.

(b) *Horizontal drilling:* Drilling shall be done in strata comparable in hardness to that of coal-mine draw slate. Holes shall be started near the roof of the test space under conditions simulating the drilling of draw slate in coal mining.

(c) *Down drilling:* Drilling shall be done in typical mine floor strata with a pneumatic percussion-type drill. Five holes shall be drilled vertically and five holes shall be drilled at an angle.

(d) At the Bureau's discretion drilling in "on site" strata may be acceptable in lieu of strata requirements in paragraphs (a), (b), and (c) of this section. (See § 33.20(a).)

§ 33.38 Electrical parts.

(a) Units with electrical parts and designed to operate as electric face equipment (see definition, § 45.44-1 of this chapter) in gassy coal mines shall meet the requirements of Part 18 of Subchapter D of this chapter (Bureau of Mines Schedule 2, revised, the current revision of which is Schedule 2F), and the examination and testing of the electrical parts shall be entirely separate from the examination and testing of dust-collecting equipment as such.

(b) Units with electrical parts designed to operate only outby the last open crosscut in a gassy coal-mine entry, room, or other opening (including electric-drive units with their controls and push buttons) are not required to comply with the provisions of Part 18 of Subchapter D of this chapter (Bureau of Mines Schedule 2, revised, the current revision of which is Schedule 2F).

(c) Units with electrical parts and designed for operation only in nongassy coal mines are not required to comply with the provisions of Part 18 of Subchapter D of this chapter (Bureau of Mines Schedule 2, revised, the current revision of which is Schedule 2F). (See § 33.11(b).)

**PART 34—FIRE-RESISTANT
CONVEYOR BELTS**

Sec.

34.5 Fees. [Revised]

§ 34.5 Fees.

- | | |
|--|------|
| (a) Flame test..... | \$20 |
| (b) Drum-friction test..... | 40 |
| (c) Fees for unusual tests, or tests not included in this list, which might be necessary, will be based on actual costs of testing, and will be determined in advance by the Bureau. The applicant will be notified accordingly, and the fee shall be paid before tests are begun. | |

[26 F.R. 1954, Mar. 7, 1961]

PART 35—FIRE-RESISTANT HYDRAULIC FLUIDS [ADDED]

Subpart A—General Provisions

- ec.
 5.1 Purpose.
 5.2 Definitions.
 5.3 Consultation.
 5.4 Types of hydraulic fluids for which certificates of approval may be granted.
 35.5 Fees for investigation.
 35.6 Applications.
 35.7 Date for conducting tests.
 35.8 Conduct of investigations, tests, and demonstrations.
 35.9 Certificates of approval.
 35.10 Approval labels or markings.
 35.11 Material required for record.
 35.12 Changes after certification.
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Subpart B—Test Requirements

- 35.20 Autogenous-ignition temperature test.
 35.21 Temperature-pressure spray-ignition test.
 35.22 Test to determine effect of evaporation on flammability.
 35.23 Performance required for certification.

AUTHORITY: §§ 35.1 to 35.23 issued under sec. 5, 36 Stat. 370, as amended, and sec. 212(a), 66 Stat. 709, 30 U.S.C. 7, 482(a). Interpret or apply secs. 2, 3, 36 Stat. 370, as amended, secs. 201, 209, 66 Stat. 692, 703; 30 U.S.C. 3, 5, 471, 479.

SOURCE: §§ 35.1 to 35.23 contained in Schedule 30, 24 F.R. 10201, Dec. 17, 1959.

Subpart A—General Provisions

§ 35.1 Purpose.

The regulations in this part set forth the requirements for fire-resistant hydraulic fluids and concentrates for the production thereof to procure their certification as approved for use in machines and devices that are operated in coal mines; procedures for applying for such certification; and fees.

§ 35.2 Definitions.

As used in this part—

(a) "Permissible," as applied to hydraulic fluids, means that the fluid conforms to the requirements of this part, and that a certificate of approval to that effect has been issued.

(b) "Bureau" means the United States Bureau of Mines.

(c) "Certificate of approval" means a formal document issued by the Bureau stating that the fluid has met the requirements of this part for fire-resistant hydraulic fluids and authorizing the use

of an official identifying marking so indicating.

(d) "Fire-resistant hydraulic fluid" means a fluid of such chemical composition and physical characteristics that it will resist the propagation of flame.

(e) "Concentrate" means a substance in concentrated form that might not be fire resistant as such but when mixed with water or other vehicle in accordance with instructions furnished by the applicant will constitute a fire-resistant hydraulic fluid.

(f) "Applicant" means an individual, partnership, company, corporation, association, or other organization that manufactures, compounds, refines, or otherwise produces, a fire-resistant hydraulic fluid or a concentrate for the production thereof, and seeks a certificate of approval.

§ 35.3 Consultation.

By appointment, applicants or their representatives may visit the Bureau's Central Experiment Station, 4800 Forbes Avenue, Pittsburgh 13, Pennsylvania, to discuss with qualified Bureau personnel proposed fluids to be submitted in accordance with the regulations of this part. No charge is made for such consultation and no written report thereof will be submitted to the applicant.

§ 35.4 Types of hydraulic fluid for which certificates of approval may be granted.

Certificates of approval will be granted for completely compounded or mixed fluids and not for individual ingredients; except that when a concentrate is submitted for testing, complete instructions for mixing with water or other vehicle shall be furnished to the Bureau, together with the vehicle other than water, and the approval will cover only the specific mixture that constitutes the hydraulic fluid for use in coal mines.

§ 35.5 Fees for investigation.

(a) The full fee must accompany an application for testing a hydraulic fluid or for retesting a fluid that has been previously tested and disapproved. If less work is involved than for a complete investigation, the charge will be in proportion to the work done. Any surplus will be refunded to the applicant.

(b) The fee for tests covering only part of a complete investigation will be charged according to the work involved

and will be in proportion to that charged for a complete investigation. The fee for such tests shall be determined in advance by the Bureau and the applicant notified accordingly in writing.

(c) The fee for an extension of certification will be determined according to the work required and the applicant will be notified accordingly. The fee must be paid in advance before the investigation will be undertaken.

(d) The following fees are charged for testing a hydraulic fluid—concentrate or emulsion:

1. Autogenous-ignition temperature test, each----- \$25.00
2. Temperature-pressure spray-ignition test, each----- 45.00
3. Test to determine effect of evaporation on flammability, each-- 30.00
4. Fees for other tests not included in the above list will be determined in advance by the Bureau. The applicant will be notified accordingly in writing; and the fee shall be paid before such tests are begun.

§ 35.6 Applications.

(a) No investigation or testing will be undertaken by the Bureau except pursuant to a written application, in duplicate, accompanied by a check, bank draft, or money order, payable to the United States Bureau of Mines, to cover the fees; and all descriptions, specifications, test samples, and related materials. The application and all related matters and correspondence concerning it shall be sent to the Central Experiment Station, Bureau of Mines, 4800 Forbes Avenue, Pittsburgh 13, Pennsylvania, Attention: District Supervisor, Health and Safety District B.

(b) Descriptions and specifications shall be adequate in detail to identify fully the composition of the hydraulic fluid and to disclose its characteristics. Descriptions and specifications shall include:

(1) An identifying name or number of the fluid or concentrate for the production thereof.

(2) Pour point, ° F.; freezing point, ° F.; color; neutralization number or pH; viscosity at 100° F., 150° F., 175° F. (Saybolt or Furol); viscosity index; specific gravity.

(3) A statement of the water or other vehicle content in percent by weight or volume and how it affects fire resistance of the hydraulic fluid. If water is the

vehicle, the statement shall include the applicant's method for determining water content quickly in the field.

(c) The application shall state whether the fluid submitted for test is toxic or irritating to the skin and what precautions are necessary in handling it.

(d) The application shall state that the applicant has tested the fluid which he believes to have fire-resistant properties, the basis for such determination, and submit with his application the data resulting from the applicant's use of laboratory tests to determine the fire-resistant properties of the fluid.

(e) The application shall contain evidence that the fluid has lubricating and hydraulic properties and is satisfactory for use in underground mining machinery; and shall state that the fluid, or concentrate for the production thereof, is fully developed and is of the composition that the applicant believes to be a suitable marketable product.

(f) The application shall state the nature, adequacy, and continuity of control of the constituents of the fluid to maintain its fire-resistant characteristics and how each lot will be sampled and tested to maintain its protective qualities. The Bureau reserves the right to have its qualified representative(s) inspect the applicant's control-test equipment, procedures, and records, and to interview the personnel who conduct the control tests to satisfy the Bureau that the proper procedure is being followed to insure that the fire-resistant qualities of the hydraulic fluid are maintained.

(g) When the Bureau notifies the applicant that the application will be accepted, it will also notify him as to the number of samples and related materials that will be required for testing. Ordinarily a 5-gallon sample of hydraulic fluid will be required provided that it is a finished product or, if in concentrate form, enough shall be furnished to make a 5-gallon sample when mixed with water or other vehicle according to the applicant's instructions. All samples and related materials required for testing must be delivered (charges prepaid) to the Central Experiment Station, Bureau of Mines, 4800 Forbes Avenue, Pittsburgh 13, Pennsylvania.

§ 35.7 Date for conducting tests.

The date of acceptance of an application will determine the order of preced-

ence for testing when more than one application is pending, and the applicant will be notified of the date on which tests will begin. However, not more than two fluids will be tested consecutively for one applicant provided other applications are pending. If a fluid fails to meet any of the requirements, it shall lose its order of precedence. If an application is submitted to resume testing after correction of the cause of failure, it will be treated as a new application and the order of precedence for testing will be so determined.

§ 35.8 Conduct of investigations, tests, and demonstrations.

Prior to the issuance of a certificate of approval, only Bureau personnel, representatives of the applicant, and such other persons as may be mutually agreed upon, may observe the investigations or tests. The Bureau shall hold as confidential and shall not disclose features of this hydraulic fluid such as the chemical analysis, specifications, descriptions, and related material. After issuing a certificate of approval, the Bureau may conduct such public demonstrations and tests of the approved hydraulic fluid as it deems appropriate. The conduct of all investigations, tests, and demonstrations shall be under the sole direction and control of the Bureau, and any other persons shall be present only as observers.

§ 35.9 Certificates of approval.

(a) Upon completion of an investigation of a hydraulic fluid, the Bureau will issue to the applicant either a certificate of approval or a written notice of disapproval, as the case may require. No informal notification of approval will be issued. If a certificate of approval is issued, no test data or detailed results of tests will accompany it. If a notice of disapproval is issued, it will be accompanied by details of the defect(s), with a view to possible correction. The Bureau will not disclose, except to the applicant, any information on a fluid upon which a notice of disapproval has been issued.

(b) A certificate of approval will be accompanied by a list of specifications covering the characteristics of a hydraulic fluid upon which the certificate of approval is based. In addition to the applicant's record of control in maintaining the fire-resistant characteristics,

applicants shall keep exact duplicates of the specifications that have been submitted to the Bureau and that relate to any fluid which has received a certificate of approval; and these are to be adhered to exactly in production of the certified fluid for commercial purposes.

§ 35.10 Approval labels or markings.

(a) A certificate of approval will be accompanied by a photograph of a design for an approval label or marking, which shall bear the seal of the Bureau of Mines and shall be inscribed substantially as follows:

PERMISSIBLE FIRE-RESISTANT HYDRAULIC FLUID
U.S.B.M. Approval No. _____
Issued to _____
 (Name of Applicant)

(b) A label so inscribed shall be attached to each fluid container in such a manner that it cannot be easily removed or containers may be so marked with a metal stencil. The letters and numbers shall be at least 1/2 inch in height and of a color which contrasts with that of the container.

(c) For a concentrate the label or marking shall clearly indicate that the certification thereof applies only when the concentrate is used in exact conformance with the instructions on such label or marking. The label or marking shall clearly indicate the exact amount of water or other vehicle to make the fire-resistant hydraulic fluid upon which the certificate of approval was based.

(d) Appropriate instructions and caution statements on the handling of the hydraulic fluid or concentrate shall be included on the approval label or marking.

(e) Use of the Bureau's approval label or marking obligates the applicant to whom the certificate of approval was granted to maintain the fire-resistant characteristics of the hydraulic fluid and guarantees that it is manufactured according to the specifications upon which the certificate of approval was based. Use of the approval label or marking is not authorized except on containers of hydraulic fluids that conform strictly with the specifications and characteristics upon which the certificate of approval was based.

§ 35.11 Material required for record.

The Bureau may retain for record all or part of the material submitted for

testing. Any material that the Bureau does not require will be returned to the applicant at his expense upon receipt of his written request and shipping instructions not more than 6 months after the termination or completion of the tests. Thereafter the Bureau will dispose of such surplus material as it deems appropriate.

§ 35.12 Changes after certification.

If an applicant desires to change any specification or characteristic of a certified hydraulic fluid, he shall first obtain the Bureau's approval of the change, pursuant to the following procedures:

(a) Application shall be made, as for an original certificate of approval, requesting that the existing certification be extended to cover the proposed change. The application shall be accompanied by specifications and related material(s) as in the case of an original application.

(b) The application and related material(s) will be examined by the Bureau to determine whether testing of the modified hydraulic fluid will be required. Testing will be necessary if there is a possibility that the modification may affect adversely the performance characteristics of the fluid. The Bureau will inform the applicant in writing whether such testing is required, and the fee.

(c) If the proposed modification meets the requirements of this part, a formal extension of certification will be issued, accompanied by a list of new and corrected specifications to be added to those already on file, as the basis for the extension of certification.

§ 35.13 Withdrawal of certification.

The Bureau reserves the right to rescind for cause, at any time, any certificate of approval granted under this part.

Subpart B—Test Requirements

§ 35.20 Autogenous-ignition temperature test.

(a) *Purpose.* The purpose of this test, referred to hereinafter as the ignition-temperature test, is to determine the lowest autogenous-ignition temperature of a hydraulic fluid at atmospheric pressure when using the syringe-injection method.

(b) *Description of apparatus—(1) Test flask.* The test flask, which is

heated and into which the test sample is injected, shall be a commercial 200 cc. borosilicate glass Erlenmeyer flask.

(2) *Thermocouples.* Calibrated thermocouples—iron-constantan or chromel-alumel—and a potentiometer shall be used for all temperature measurements.

(3) *Syringe.* A hypodermic syringe (0.25 or 1 cc. capacity) equipped with a 2-inch No. 18 stainless steel needle and calibrated in hundredths of a centimeter (0.01 cc.) shall be used to inject samples into the heated test flask.

(4) *Timer.* An electric timer or stopwatch calibrated in not more than 0.2 second intervals shall be used to determine the time lag before ignition.

NOTE: Time lag is the time that elapses between the instant of injection and that of ignition of the test sample, as evidenced by flame.

(5) *Furnace.* The furnace in which the ignition-temperature test is conducted shall consist of a refractory (alundum or equivalent) cylinder 5 inches in internal diameter and 5 inches in height; a transite-ring top and a transite-disk bottom, each of which is attached to a metal cylinder. The furnace is heated by three elements as follows: (i) A circumferential heater embedded in the refractory cylinder; (ii) a top or toroidal-neck heater that surrounds the neck of the test flask; and (iii) a flat base heater on which the test flask rests. The temperature of each heating element shall be controlled independently by an autotransformer. Means shall be provided for applying thermocouples at the neck, mid-section, and base of the test flask, which shall be inserted upright in the furnace.

(c) *Test procedures—(1) Temperature control.* Each autotransformer shall be so adjusted that the temperature at the neck, mid-section, and base of the test flask is uniform within $\pm 2^\circ$ F. of the desired test temperature.

(2) *Sample injection and timing.* A 0.07 cc. test sample shall be injected into the heated test flask with the hypodermic syringe, and the syringe shall be withdrawn immediately. Measurement of time shall start at the instant the sample is injected.

(3) *Observations.* (1) If flame does not result in 5 minutes or more after injection of the test sample, the sample shall be considered nonflammable at the test temperature, and the timer shall be

opped. The test flask shall then be washed well with clean dry air and, after a lapse of 15 minutes or more, the test shall be repeated with the test flask temperature raised $50^{\circ}\text{ F.} \pm 2^{\circ}\text{ F.}$ above the first test temperature.

(ii) If ignition (flame) is observed in 30 minutes or less after the injection of the test sample (0.07 cc.), the time lag (time interval) shall be noted. After an ignition occurs the temperature of the test flask shall be reduced 5° F. , and the test procedure repeated in decrements of 5° F. until ignition no longer occurs and this temperature shall be noted as the first nonignition test temperature for the 0.07 cc. sample.

(iii) The temperature shall be increased $50^{\circ}\text{ F.} \pm 2^{\circ}\text{ F.}$ above the first nonignition test temperature, and the ignition-temperature test procedure shall be repeated with a 0.10 cc. test sample injected into the heated test flask.

(iv) If the lowest temperature at which ignition occurs with the 0.10 cc. sample (in decrements of 5° F.) is lower than that obtained with the 0.07 cc. sample, the ignition-temperature test procedure shall be repeated using a test sample of 0.12 cc., then 0.15 cc., and so on by increments of 0.03 cc. until the lowest ignition temperature is obtained.

(v) If the lowest temperature at which ignition is obtained with the 0.10 cc. sample is greater than that obtained with the 0.07 cc. sample, the ignition temperature test procedure shall be repeated by reducing the test sample to 0.05 cc. and then to 0.03 cc. until the lowest ignition temperature is obtained.

(d) *Appraisal of tests.* A fluid shall be considered fire-resistant, according to the test requirements of this section: *Provided*, That in no instance of the ignition-temperature test procedure, as stated in this section, shall the ignition temperature of the test sample be less than 600° F.

§ 35.21 Temperature-pressure spray-ignition test.

(a) *Purpose.* The purpose of this test shall be to determine the flammability of a hydraulic fluid when it is sprayed over three different sources of ignition which are described in subparagraph (4) of paragraph (b) of this section.

(b) *Description of apparatus.* (1) A 3-quart pressure vessel, with the neces-

sary connections, valves, and heating elements, shall be used for containing and heating the fluid under the test conditions as specified hereinafter.

(2) An atomizing round-spray nozzle, having a discharge orifice of 0.025-inch diameter, capable of discharging 3.28 gallons of water per hour with a spray angle of 90 degrees at a pressure of 100 p.s.i., shall be connected to the pressure vessel.

(3) A commercial pressurized cylinder, containing nitrogen with the customary regulators, valves, tubing, and connectors, shall be used to supply nitrogen to the pressure vessel described in subparagraph (1) of this paragraph.

(4) Three igniting devices shall provide three different sources of ignition as follows:

(i) A metal trough with a metal cover in which cotton waste soaked in kerosene is ignited.

(ii) An electric arcing device in which the arc is produced by a 12,000-volt transformer.

(iii) A propane torch—Bernzomatic or equivalent.

(5) A means of measuring distances from the nozzle tip to the igniting device shall be provided.

(c) *Test procedures.* (1) A $2\frac{1}{2}$ -quart sample of the fluid shall be poured into the pressure vessel and heated to a temperature of 150° F. The temperature shall be maintained at not less than 145° F. or not more than 155° F. during the test.

(2) Nitrogen shall be introduced into the vessel at 150 p.s.i.g.

(3) The fluid shall be sprayed at each igniting device, described in subparagraph (4) of paragraph (b) of this section, which is moved along the trajectory of the spray. Each igniting device shall be held in the spray at different distances from the nozzle tip for one minute or until the flame or arc is extinguished (if less than one minute) to determine this fire-resistant characteristic of the fluid.

(d) *Appraisal of tests.* If the test procedures in paragraph (c) of this section do not result in an ignition of any sample of fluid or if an ignition of a sample does not result in flame propagation for a time interval not exceeding 6 seconds at a distance of 18 inches or more from the nozzle tip to the center of each

igniting device, it shall be considered fire resistant, according to the test requirements of this section.

§ 35.22 Test to determine effect of evaporation on flammability.

(a) *Purpose.* The purpose of this test shall be to determine the effect of evaporation on the reduction of fire resistance of a hydraulic fluid.

(b) *Description of apparatus*— (1) *Petri dish.* Standard laboratory Petri dishes, approximately 90 mm. by 16 mm., shall be used to contain the test samples.

(2) *Open.* A gravity convection air oven, capable of maintaining the specified evaporation temperature constant within $\pm 2^\circ$ F., shall be used in the test.

(3) *Pipe cleaner.* An ordinary smoker's pipe cleaner (U.S. Tobacco Co., Dill's or equivalent) shall be used in the test procedure, described in paragraph (c) of this section.

(c) *Test procedures.* (1) Three 30-milliliter samples of the fluid shall be placed in uncovered Petri dishes. Two of these samples shall be inserted in the oven, that shall have been heated to a temperature of 150° F., $\pm 2^\circ$ F., which shall be maintained throughout this test. The third sample shall remain at room temperature.

(2) An electrically operated cycling device, such as an automobile windshield wiper mechanism, shall be oscillated in a horizontal plane, 25 ± 2 cycles per minute. A pipe cleaner shall be attached to the device so that it will enter and leave a flame of a standard (Bunsen or equivalent) laboratory burner, which is adjusted to provide a nonluminous flame approximately 4 inches in height without forming a sharp inner cone. The cycling device shall be so arranged that when a 2-inch length of pipe cleaner is attached thereto the exposed end shall describe an arc with a radius of 4 inches $\pm \frac{1}{8}$ inch. The cycling device shall be so arranged that when the 2-inch length of pipe cleaner is attached thereto, its midpoint shall be in the center of the flame at one extreme end of the cycle.

(3) Each of five 2-inch lengths of pipe cleaner shall be soaked separately for a period of 2 minutes in the test sample that remained at room temperature. Each pipe cleaner shall then be removed from the test sample and permitted to drain freely until all excess

fluid is expelled from it. Each soaked pipe cleaner shall be attached to the cycling device, the mechanism started and the pipe cleaner permitted to enter and leave the burner flame, as described in subparagraph (2) of this paragraph, until a self-sustaining flame shall be observed on the pipe cleaner. The number of cycles necessary to obtain a self-sustaining flame shall be noted and averaged for each of the five soaked pipe cleaners.

(4) After one test sample has remained in the oven for a period of 2 hours, the Petri dish containing it shall be removed from the oven and allowed to cool to room temperature, after which 5 lengths of 2-inch pipe cleaner shall be soaked separately in the test sample for a period of 2 minutes. Then the test procedure stated in subparagraph (3) of this paragraph shall be repeated.

(5) After one test sample has remained in the oven for a period of 4 hours, the Petri dish containing it shall be removed from the oven and allowed to cool to room temperature, after which 5 lengths of 2-inch pipe cleaner shall be soaked separately in the test sample for a period of 2 minutes. Then the test procedure stated in subparagraph (3) of this paragraph shall be repeated.

(d) *Appraisal of tests.* To be determined as fire resistant according to the test requirements of this section, the three following results shall be achieved:

(1) The average number of cycles before attaining a self-sustaining flame in the test described in subparagraph (3) of paragraph (c) of this section shall be 24 or more.

(2) The average number of cycles before attaining a self-sustaining flame in the test described in subparagraph (4) of paragraph (c) of this section shall be 18 or more.

(3) The average number of cycles before attaining a self-sustaining flame in the test described in subparagraph (5) of paragraph (c) of this section shall be 12 or more.

§ 35.23 Performance required for certification.

To qualify as fire-resistant under the regulations of this part, a hydraulic fluid shall meet each performance requirement as stated in §§ 35.20(d), 35.21(d), and 35.22(d).

PART 36—MOBILE DIESEL-POWERED TRANSPORTATION EQUIPMENT FOR GASSY NONCOAL MINES AND TUNNELS [ADDED]

Subpart A—General Provisions

- Sec.
- 36.1 Purpose.
- 36.2 Definitions.
- 36.3 Consultation.
- 36.4 Mobile diesel-powered transportation equipment for which certificates of approval may be granted.
- 36.5 Letters of certification.
- 36.6 Applications.
- 36.7 Fees.
- 36.8 Date for conducting tests.
- 36.9 Conduct of investigations, tests, and demonstrations.
- 36.10 Certificate of approval.
- 36.11 Approval plates.
- 36.12 Changes after certification.
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Subpart B—Construction and Design Requirements

- 36.20 Quality of material, workmanship, and design.
- 36.21 Engine for equipment considered for certification.
- 36.22 Fuel-injection system.
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- 36.31 Fire extinguisher.
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- 36.40 Test site.
- 36.41 Testing methods.
- 36.42 Inspection.
- 36.43 Determination of exhaust-gas composition.
- 36.44 Maximum allowable fuel : air ratio.
- 36.45 Quantity of ventilating air.
- 36.46 Explosion tests of intake and exhaust systems.
- 36.47 Tests of the exhaust-gas cooling system.
- 36.48 Tests of surface temperature of engine and components of the cooling system.
- 36.49 Tests of exhaust-gas dilution system.
- 36.50 Tests of fuel tank.
- 36.51 Inspection and tests of headlight units.

AUTHORITY: §§ 36.1 to 36.51 issued under sec. 5, 36 Stat. 370, as amended, 30 U.S.C. 7. Interpret or apply secs. 2, 3, 36 Stat. 370, as amended; 30 U.S.C. 3, 5.

SOURCE: §§ 36.1 to 36.51 contained in Schedule 31, 26 F.R. 645, Jan. 24, 1961.

Subpart A—General Provisions

§ 36.1 Purpose.

The regulations in this part set forth the requirements for mobile diesel-powered transportation equipment to procure their approval and certification as permissible for use in gassy noncoal mines and tunnels; procedures for applying for such certification; and fees.

§ 36.2 Definitions.

As used in this part:

(a) "Mobile diesel-powered transportation equipment" means equipment that is (1) used for transporting the product being mined or excavated, or for transporting materials and supplies used in mining or excavating operations; (2) mounted on wheels or crawler treads (tracks); and (3) powered by a diesel engine as the prime mover.

(b) "Permissible", as applied to mobile diesel-powered transportation equipment, means that the complete assembly conforms to the requirements of this part, and that a certificate of approval to that effect has been issued.

(c) "Bureau" means the United States Bureau of Mines.

(d) "Certificate of approval" means a formal document issued by the Bureau stating that the complete assembly has met the requirements of this part for mobile diesel-powered transportation equipment and authorizing the use and attachment of an official approval plate so indicating.

(e) "Applicant" means an individual, partnership, company, corporation, association, or other organization, that designs, manufactures, assembles, or controls the assembly and that seeks a certificate of approval or preliminary testing of mobile diesel-powered transportation equipment for use in gassy noncoal mines and tunnels.

(f) "Noncoal mine" means an underground mine or tunnel in which the product being mined or excavated is incombustible.

(g) "Gassy noncoal mine" means a noncoal mine or tunnel in which flammable gas has been ignited, or in which a concentration of 0.25 percent or more, by volume, of flammable gas has been detected in the atmosphere of any open workings.

(h) "Diesel engine" means a compression-ignition, internal-combustion en-

gine that utilizes a low-volatile hydrocarbon (diesel) fuel.

(i) "Low-volatile hydrocarbon (diesel) fuel" means a liquid fuel which has an open-cup flash point of 140° F. or more and a sulfur content of 0.5 percent or less by weight.

(j) "Component" means a piece, part, or fixture of mobile diesel-powered transportation equipment that is essential to its operation as a permissible assembly.

(k) "Subassembly" means a group or combination of components.

(l) "Explosion proof" means that a component or subassembly is so constructed and protected by an enclosure and/or flame arrester(s) that if a flammable mixture of gas is ignited within the enclosure it will withstand the resultant pressure without damage to the enclosure and/or flame arrester(s). Also the enclosure and/or flame arrester(s) shall prevent the discharge of flame or ignition of any flammable mixture that surrounds the enclosure.

(m) "Flammable mixture" means a mixture of gas, such as methane, natural gas, or similar hydrocarbon gas with normal air, that will propagate flame or explode violently when initiated by an incandive source.

(n) "Flame arrester" means a device so constructed that flame or sparks from the diesel engine cannot propagate an explosion of a flammable mixture through it.

(o) "Normal operation" means that each component and the entire assembly of the mobile diesel-powered transportation equipment performs the functions for which they were designed.

(p) "Fuel-air ratio" means the composition of the mixture of fuel and air in the combustion chamber of the diesel engine expressed as weight—pound of fuel per pound of air.

§ 36.3 Consultation.

By appointment, applicants or their representatives may visit the Bureau of Mines, 4800 Forbes Avenue, Pittsburgh 13, Pennsylvania, to discuss with qualified Bureau personnel proposed mobile diesel-powered transportation equipment to be submitted in accordance with the regulations of this part. No charge is made for such consultation and no written report thereof will be submitted to the applicant.

§ 36.4 Mobile diesel-powered transportation equipment for which certificates of approval may be granted.

Certificates of approval will be granted for completely assembled mobile diesel-powered transportation equipment only. Subassemblies or components may be granted letters of certification in accordance with § 36.5 of this part.

§ 36.5 Letters of certification.

When a component or subassembly meets all of the applicable requirements of Subparts B and C of this part, and also its normal operation will not be affected by connection to adjacent components or subassemblies, the Bureau will issue to the applicant, upon his request, a letter of certification informing him that additional inspection or tests of the component or subassembly will not be required when it is incorporated without modification in a piece of completely assembled mobile diesel-powered transportation equipment. The applicant may cite this letter of certification to another applicant who seeks approval and certification of his completely assembled mobile diesel-powered transportation equipment and who desires to incorporate the component or subassembly in such equipment.

§ 36.6 Applications.

(a) No investigation or testing will be undertaken by the Bureau except pursuant to a written application, in duplicate, accompanied by a check, bank draft, or money order, payable to the United States Bureau of Mines, to cover the fees; and all drawings, specifications, descriptions, and related materials. The application and all related matters and correspondence concerning it shall be addressed to the Bureau of Mines, 4800 Forbes Avenue, Pittsburgh 13, Pennsylvania, Attention: Chief, Branch of Electrical-Mechanical Testing.

(b) Drawings, specifications, and descriptions shall be adequate in detail to identify fully the complete assembly, components, and subassemblies. Drawings, specifications, and descriptions shall include:

(1) Assembly drawing(s) showing the overall dimensions of the equipment, location and capacity of the fuel tank, location of flame arresters, exhaust-gas conditioner and its water-supply tank, if applicable, exhaust-gas dilution system,

and other details that are essential to the functioning of the equipment.

(2) Detailed drawings showing the intake, combustion, and exhaust systems of the diesel engine, including joints and gaskets; the turbulence or precombustion chamber, if applicable; injector assembly and nozzle details; and any surfaces that form the combustion chamber or part thereof, such as the cylinder head, piston and cylinder liner; and other features that may affect permissibility, such as exhaust-gas conditioner and flame arresters.

(3) A schematic drawing of the fuel system showing piping, connections, fuel filters, fuel-injection pump, and mechanical governor assembly. All components shall be identified to permit adjustment, as necessary, and the location of seals or locks to prevent tampering shall be indicated.

(4) Drawing(s) specifying the kind of material and detailed dimensions of the components of explosion-proof enclosures, including joints and openings.

(5) Drawing(s) showing the construction of headlights, battery boxes, including seals or locks, and method of mounting.

(6) Other drawings, specifications, or descriptions identifying any feature that the Bureau considers necessary for certification of the particular mobile diesel-powered transportation equipment.

(c) Shipment of the mobile diesel-powered transportation equipment or component part or subassembly as the case may be, shall be deferred until the Bureau has notified the applicant that the application will be accepted. Shipping instructions will be issued by the Bureau and shipping charges shall be prepaid by the applicant. Upon completion of the investigation and notification thereof to the applicant by the Bureau, the applicant shall remove his equipment promptly from the test site (see § 36.40).

(d) The application shall state that the equipment is completely developed

and of the design and materials that the applicant believes to be suitable for a finished marketable product or is a completely developed component or subassembly suitable for incorporation in a finished marketable complete assembly of mobile diesel-powered transportation equipment. If the final design of a component depends upon results of the Bureau's tests, this shall be so stated in the application.

(e) For a complete investigation leading to approval and certification, the applicant shall furnish a complete operable assembly for inspecting and testing. Spare parts and expendable components, subject to wear in normal operation, shall be supplied by the applicant to permit continuous operation of the equipment during test periods. If special tools are necessary to disassemble any component for inspection or test, the applicant shall furnish these with the equipment to be tested.

(f) With each application, the applicant shall submit evidence of how he proposes to inspect his completely assembled mobile diesel-powered transportation equipment at the place of manufacture or assembly before shipment to purchasers. Ordinarily such inspection is recorded on a factory inspection form and the applicant shall furnish to the Bureau a copy of his factory inspection form or equivalent with his application. The form shall direct attention to the points that must be checked to make certain that all components of the assembly are in proper condition, complete in all respects, and in agreement with the drawings, specifications, and descriptions filed with the Bureau.

(g) With the application, the applicant shall furnish to the Bureau complete instructions for operating and servicing his equipment. After completing the Bureau's investigation, if any revision of the instructions is required, a revised copy thereof shall be submitted to the Bureau for inclusion with the drawings and specifications.

§ 36.7 Fees.

(a)

- 1. Preliminary review of drawings, specifications, descriptions, and related data, each complete assembly----- \$35.00
- 2. Complete tests to determine composition of exhaust gas from diesel engine under various load and speed conditions---- 400.00
- 3. Tests to determine the effectiveness of air intake or exhaust flame arrester in an intake or exhaust system----- 120.00
- 4. Check tests on redesigned components or equipment in item 3 above requiring less than 20 tests----- 60.00
- 5. Complete inspection of an intake or exhaust flame arrester----- 35.00
- 6. Complete inspection of manifolds, exhaust conditioners, and other components that comprise the intake and exhaust systems----- 45.00
- 7. Complete investigation of headlight, storage-battery type---- 270.00
- 8. Complete investigation of headlight, dry-cell type----- 160.00
- 9. Tests to determine the cooling efficiency of an exhaust conditioner and rate of water consumption----- 45.00
- 10. Each final inspection of completely assembled equipment-- 80.00
- 11. Tests of exhaust gas dilution not made concurrently with final inspection of completely assembled equipment----- 55.00
- 12. Final examination and recording of drawings and specifications requisite to the issuance of a certificate of approval----- 45.00
- 13. Final examination and recording of drawings and specifications requisite to the issuance of a letter of certification----- 30.00
- 14. Examining and recording drawings and specifications requisite to the issuance of an extension of certification, each 4 hours or fraction thereof---- 15.00

¹ Fee for partial tests shall be in proportion to the work done but the minimum shall be \$100.00. If the applicant requests discontinuation of the investigation after preparations for engine tests have begun the minimum fee shall be \$100.00 regardless of the progress of the tests.

² Maximum normal fee; actual fee as detailed in Part 20 of Subchapter D of this chapter (Schedule 10, revised, the latest revision of which is Schedule 10C).

15. Tests conducted in the field shall require the same fee as when conducted on the Bureau's premises. In addition the applicant shall reimburse the Bureau for such travel, subsistence, and incidental expenses as may be required by its representative(s) in accordance with the allowances stated in the standard "Government Travel Regulations."

(b) If an applicant is unable to determine the exact fee that should be submitted with his application, the information will be provided, upon request, addressed to the Bureau of Mines, 4800 Forbes Avenue, Pittsburgh 13, Pennsylvania, Attention: Chief, Branch of Electrical-Mechanical Testing. The surplus from any fee submitted in excess of requirements will be refunded to the applicant upon completion or termination of the investigation.

§ 36.8 Date for conducting tests.

The date of acceptance of an application will determine the order of precedence for testing when more than one application is pending, and the applicant will be notified of the date on which tests will begin. If a complete assembly, or component, or subassembly fails to meet any of the requirements, it shall lose its order of precedence. However, if the cause of failure is corrected, testing will be resumed after completing such test work as may be in progress.

§ 36.9 Conduct of investigations, tests, and demonstrations.

(a) Prior to the issuance of a certificate of approval or a letter of certification, as the case may require, only Bureau personnel, representatives of the applicant, and such other persons as may be mutually agreed upon may observe the investigations or tests. The Bureau shall hold as confidential and shall not disclose principles or patentable features prior to certification, nor shall it disclose any details of drawings, specifications, descriptions, or related materials. After the issuance of a certificate of approval, the Bureau may conduct such public demonstrations and tests of the approved mobile diesel-powered transportation equipment for gassy noncoal mines

and tunnels as it deems appropriate. The conduct of all investigations, tests, and demonstrations shall be under the sole direction and control of the Bureau, and any other persons shall be present only as observers, except as noted in paragraph (b) of this section.

(b) When requested by the Bureau, the applicant shall provide assistance in disassembling parts for inspection, preparing parts for testing, and operating equipment during the tests.

§ 36.10 Certificate of approval.

(a) Upon completion of investigation of a complete assembly of mobile diesel-powered transportation equipment, the Bureau will issue to the applicant either a certificate of approval or a written notice of disapproval, as the case may require. No informal notification of approval will be issued. If a certificate of approval is issued, no test data or detailed results of tests will accompany it. If a notice of disapproval is issued, it will be accompanied by details of the defects, with a view to possible correction. The Bureau will not disclose, except to the applicant, any information on mobile diesel-powered transportation equipment upon which a notice of disapproval has been issued.

(b) A certificate of approval will be accompanied by a list of drawings, specifications, and related material covering the details of design and construction of equipment upon which the certificate of approval is based. Applicants shall keep exact duplicates of the drawings, specifications, and descriptions that relate to equipment which has received a certificate of approval, and these are to be adhered to exactly in production of the certified equipment.

(c) A certificate of approval will be accompanied by an appropriate caution statement specifying the conditions to be observed for operating and maintaining the equipment and to preserve its permissible status.

§ 36.11 Approval plates.

(a) A certificate of approval will be accompanied by a photograph of an approval plate, bearing the seal of the Bureau of Mines and spaces for the approval number, the type, the serial number, and ventilation requirement; the name of the complete assembly; and the name of the applicant.

(b) The applicant shall reproduce the design as a separate plate, which shall be attached, in a suitable place, on each complete assembly to which it relates. The size, type, and method of attaching and location of an approval plate are subject to the Bureau's approval. The method of affixing the approval plate shall not impair the permissibility (explosion-proof) features of the complete assembly of mobile diesel-powered transportation equipment.

(c) The approval plate identifies the equipment, to which it is attached, as permissible and is the applicant's guarantee that the equipment complies with the requirements of this part. Without an approval plate no equipment is considered permissible under the provisions of this part.

(d) Use of the approval plate obligates the applicant to whom the certificate of approval was granted to maintain in his plant the quality of each complete assembly bearing it and guarantees that it is manufactured and assembled according to the drawings, specifications, and descriptions upon which a certificate of approval was based.

§ 36.12 Changes after certification.

If an applicant desires to change any feature of certified equipment, he shall first obtain the Bureau's approval of the change, pursuant to the following procedure:

(a) Application shall be made as for an original certificate of approval, requesting that the existing certification be extended to cover the proposed changes and shall be accompanied by drawings, specifications, and related data, showing the changes in detail.

(b) The application will be examined by the Bureau to determine whether inspection and testing of the modified equipment or component or subassembly will be required. Testing will be necessary if there is a possibility that the modification may affect adversely the performance of the equipment. The Bureau will inform the applicant whether such testing is required; the component, subassembly, and related material to be submitted for that purpose; and the fee.

(c) If the proposed modification meets the requirements of this part, a formal extension of certification will be issued, accompanied by a list of new and corrected drawings and specifications to

be added to those already on file as the basis for the extension of certification.

§ 36.13 Withdrawal of certification.

The Bureau reserves the right to rescind for cause any certificate of approval granted under this part.

Subpart B—Construction and Design Requirements

§ 36.20 Quality of material, workmanship, and design.

(a) The Bureau will test only equipment that in the opinion of its qualified representatives is constructed of suitable materials, is of good quality workmanship, based on sound engineering principles, and is safe for its intended use. Since all possible designs, arrangements, or combinations of components and materials cannot be foreseen, the Bureau reserves the right to modify the construction and design requirements of subassemblies or components and tests thereof to obtain the same degree of protection as provided by the tests described in Subpart C of this part.

(b) The quality of material, workmanship, and design shall conform to the applicable requirements of § 18.24 of Part 18 of Subchapter D of this Chapter (Schedule 2, revised, the latest revision of which is Schedule 2F), titled "Detailed requirements for Class I parts."

§ 36.21 Engine for equipment considered for certification.

Only equipment powered by a compression-ignition (diesel) engine and burning diesel fuel (see § 36.2(i)) will be considered for approval and certification. The starting mechanism shall be actuated pneumatically, hydraulically, or by other methods acceptable to the Bureau. Electric starting shall not be accepted. Engines burning other fuels or utilizing volatile fuel starting aids will not be investigated.

§ 36.22 Fuel-injection system.

This system shall be so constructed that the quantity of fuel injected can be controlled at a desired maximum value and shall be so arranged that this adjustment can be changed only after breaking a seal or unlocking a compartment. Provision shall be made for convenient adjustment of the maximum fuel-injection rate to that required for safe operation at different altitudes (elevations above sea level). The governor,

controlling engine speed and fuel injection, shall not directly affect airflow to the engine and provision shall be made to seal or lock its adjustment compartment. Filters shall be provided to insure that only clean fuel will reach the injection pump or injectors.

§ 36.23 Engine intake system.

(a) *Construction.* The intake system (exclusive of the air cleaner) shall be designed to withstand an internal pressure equal to 4 times the maximum pressure observed in explosion tests, which are described in § 36.46 of Subpart C of this part, or a pressure of 125 pounds per square inch, whichever is the lesser. Joints in the intake system shall be formed by metal flanges fitted with metal or metal-clad gaskets, positively positioned by through bolts or other suitable means for secure assembly, or shall meet the requirements for flanged metal-to-metal flame-proof joints as required in paragraph (b) of § 36.20 of this subpart. Either type of joint shall withstand repeated explosions within the intake system without permanent deformation and shall prevent the propagation of flame through the joint into a surrounding flammable mixture.

(b) *Intake flame arrester.* (1) The intake system shall include a flame arrester that will prevent an explosion within the system from propagating to a surrounding flammable mixture. This flame arrester shall be between the air cleaner and the intake manifold and shall be attached so that it may be removed for inspecting, cleaning, or repairing. Its construction shall be such that it may be cleaned readily. The flame arrester shall be of rugged construction to withstand the effects of repeated explosions within the intake system, and the material of construction shall resist deterioration in service. It shall be so mounted in the equipment assembly that it is protected from accidental external damage.

(2) The parts of any flame arrester shall be positively positioned to produce a flame path that will arrest the propagation of an explosion and shall be so designed that improper assembly is impossible. In flame arresters of the spaced-plate type, the thickness of the plates shall be at least 0.125 inch; spacing between the plates shall not exceed 0.018 inch; and the plates forming the flame path shall be at least 1 inch wide. The unsupported length of the plates

shall be short enough that deformation during the explosion tests shall not exceed 0.002 inch. Corrosion-resistant metal shall be used to construct flame arresters.

(c) *Air shutoff valve.* The intake system shall include a valve, operable from the operator's compartment, to shut off the air supply to the engine. This valve shall be constructed to permit its operation only after the fuel supply to the engine is shut off. In reverse operation the valve must open fully before fuel can be supplied to the engine.

(d) *Air cleaner.* An air cleaner shall be included in the engine intake system and so arranged that only clean air will enter the flame arrester. The resistance to airflow shall not increase rapidly in dusty atmospheres. Filters of the self-cleansing (oil-bath) type will be considered satisfactory for this application. Provision, satisfactory to the Bureau, shall be made to prevent overfilling the oil-bath air cleaner.

(e) *Vacuum-gage connection.* A connection shall be provided in the intake system for temporary attachment of a vacuum gage to indicate the pressure drop under flow conditions. This opening shall be closed by a plug or other suitable device that is sealed or locked in place except when a gage is attached.

§ 36.24 Engine joints.

(a) *Cylinder head.* The joint between the cylinder head and block of the engine shall be fitted with a metal or metal-clad gasket satisfactory to the Bureau held securely in position by through bolts or other suitable means to prevent a change in alignment. This joint shall provide an adequate flame barrier with the gasket in place.

(b) *Valve guides.* Valve guides shall be long enough to form an adequate flame barrier along the valve stem.

(c) *Gaskets.* All metal or metal-clad gaskets shall maintain their tightness during repeated explosions within the engine and its intake and exhaust systems to prevent the propagation of flame.

§ 36.25 Engine exhaust system.

(a) *Construction.* The exhaust system of the engine shall be designed to withstand an internal pressure equal to 4 times the maximum pressure observed in explosion tests, which are described in § 36.46 of Subpart C of this part, or a

pressure of 125 pounds per square inch, whichever is the lesser. The system shall withstand repeated internal explosions without permanent deformation or deterioration.

(b) *Exhaust flame arrester.* (1) The exhaust system of the engine shall be provided with a flame arrester to prevent propagation of flame or discharge of heated particles to a surrounding flammable mixture. The flame arrester shall be so positioned that only cooled exhaust gas will discharge through it and shall be so designed and attached that it can be removed for inspecting, cleaning, or repairing. Its construction shall be such that it can be cleaned readily. The flame arrester shall be of rugged construction to withstand the effects of repeated explosions within the exhaust system, and the material of construction shall resist deterioration in service. It shall be so mounted in the equipment assembly that it is protected from accidental external damage.

(2) A spaced-plate flame arrester for the exhaust system shall meet the same requirements as flame arresters for the intake system (see § 36.23(b)(2)).

(3) In lieu of a spaced-plate flame arrester, an exhaust-gas cooling box or conditioner may be used as the exhaust flame arrester provided that explosion tests demonstrate that the cooling box will arrest flame. When used as a flame arrester the cooling box shall be equipped with a device to shut off automatically the fuel supply to the engine at a safe minimum water level. A cooling box used as a flame arrester shall withstand repeated explosion tests without permanent deformation. It shall be constructed of material, satisfactory to the Bureau, that will resist deterioration in service.

(c) *Exhaust cooling system.* (1) A cooling system shall be provided for the engine exhaust gas. The heat-dissipation capacity shall be capable of reducing the temperature of the undiluted exhaust gas to less than 170° F. at the point of discharge from the cooling system under any condition of engine operation acceptable to the Bureau. A device shall be provided that will automatically shut off the fuel supply to the engine immediately if the temperature of the exhaust gas exceeds 185° F. at the point of discharge from the cooling system. Provision shall be made, acceptable to the Bureau, to prevent restarting

the engine after the fuel supply has been shut off automatically until the water supply in the cooling box has been replenished. When the cooling box is used as a flame arrester, one safety device may be accepted provided it controls a safe minimum water level in the cooling box and also prevents the final exhaust temperature from exceeding 185° F.

(2) Cooling shall be obtained by passing the exhaust gas through water or a dilute aqueous chemical solution held in a cooling box or conditioner, or by a spray of water or a dilute aqueous chemical solution that will enter the exhaust system near the outlet of the exhaust manifold, or a combination of the two methods. When a spray is used it shall be provided with a filtering device to protect the nozzle from clogging. Provisions shall be made for draining and cleaning all parts of the exhaust cooling system. Openings for draining and cleaning shall be closed and sealed or locked by a method satisfactory to the Bureau.

(3) The cooling system shall be constructed of corrosion-resistant metal suitable for the intended application.

(4) The cooling system shall store enough water or aqueous solution to permit operation of the engine at one-third load factor for eight hours. The minimum quantity of usable water or aqueous solution available for cooling shall equal the consumption for one hour with the engine operating at maximum load and speed multiplied by 8 and this product divided by 3.

(d) *Surface temperature of engine and exhaust system.* (1) The temperature of any external surface of the engine or exhaust system shall not exceed 400° F. under any condition of engine operation prescribed by the Bureau. Water-jacketed components shall have integral jackets and provision shall be made for positive circulation of water in the jackets and to automatically shut off the engine when the temperature in the cooling jacket(s) exceeds 212° F. Insulated coverings to control surface temperature are not acceptable.

(2) When a spray is used to reduce the temperature of the exhaust gas, it shall be located as near as practicable to the outlet of the exhaust manifold.

(3) Exterior surfaces of the exhaust system shall be designed to minimize ac-

cumulation and lodgement of dust or combustible substances and to permit ready access for cleaning.

(e) *Tightness of exhaust system.* All joints in the exhaust system shall be tight to prevent the flow of exhaust gas through them under any condition of engine operation prescribed by the Bureau. A tight system shall be obtained by the use of ground joints, or thin metal or metal-clad gaskets. All such joints shall be fitted with adequate through bolts and all gaskets shall be aligned and held firmly in position by the bolts or other suitable means. Such joints shall remain tight to prevent passage of flame or propagation of repeated internal explosions to a surrounding flammable mixture.

(f) *Dilution of exhaust gas.* (1) Provision shall be made to dilute the exhaust gas with air before it is discharged into the surrounding atmosphere. The discharged exhaust gas shall be so diluted with air that the mixture shall not contain more than 0.5 percent, by volume, of carbon dioxide; 0.01 percent, by volume, of carbon monoxide; 0.0025 percent, by volume, of oxides of nitrogen (calculated as equivalent nitrogen dioxide); or 0.0010 percent, by volume, of aldehydes (calculated as equivalent formaldehyde) under any condition of engine operation prescribed by the Bureau.

(2) The final diluted exhaust mixture shall be discharged in such a manner that it is directed away from the operator's compartment and also away from the breathing zones of persons required to be alongside the equipment.

(g) *Pressure-gage connection.* A connection shall be provided in the exhaust system for convenient, temporary attachment of a pressure gage at a point suitable for measuring the total back pressure in the system. The connection also shall be suitable for temporary attachment of gas-sampling equipment to the exhaust system. This opening shall be closed by a plug or other suitable device that is sealed or locked in place except when a gage or sampling tube is attached.

§ 36.26 Composition of exhaust gas.

(a) *Preliminary engine adjustment.* The engine shall be submitted to the Bureau by the applicant in such condi-

tion that it can be tested immediately at full load and speed. The preliminary liquid-fuel-injection rate shall be such that the exhaust will not contain black smoke and the applicant shall adjust the injection rate promptly to correct any adverse conditions disclosed by preliminary tests.

(b) *Final engine adjustment.* The liquid fuel supply to the engine shall be adjusted so that the undiluted exhaust gas shall contain not more than 0.30 percent, by volume, of carbon monoxide or 0.20 percent, by volume, of oxides of nitrogen (calculated as equivalent nitrogen dioxide, NO_2) under any conditions of engine operation prescribed by the Bureau when the intake air mixture to the engine contains 1.5 ± 0.1 percent, by volume, of Pittsburgh natural gas.³

(c) *Coupling or adapter.* The applicant shall provide the coupling or adapter for connecting the engine to the Bureau's dynamometer.

NOTE: Preferably this coupling or adapter should be attached to the flywheel of the engine.

Clutches, transmissions, or torque converters ordinarily are not required in the coupling train.

§ 36.27 Fuel-supply system.

(a) *Fuel tank.* (1) The fuel tank shall not leak and shall be fabricated of metal at least $\frac{1}{16}$ inch thick, welded at all seams, except that tanks of 5 gallons or less capacity may have thinner walls which shall be preformed or reinforced to provide good resistance to deflection. A drain plug (not a valve or petcock) shall be provided and locked in position. A vent opening shall be provided in the fuel filler cap of such design that atmospheric pressure is maintained inside the tank. The size of the vent opening shall be restricted to prevent fuel from splashing through it. The filler opening shall be so arranged that fuel can be added only through a self-closing valve at least 1 foot from the exhaust manifold of the engine, preferably below it. The self-closing valve shall constitute a fuel-tight closure when fuel is not being added. Any part of the self-closing valve that might be-

come detached during the addition of fuel shall be secured to the tank by a chain or other fastening to prevent loss.

(2) The fuel tank shall have a definite position in the equipment assembly, and no provision shall be made for attachment of separate or auxiliary fuel tanks.

(3) Capacity of the fuel tank shall not exceed the amount of fuel necessary to operate the engine continuously at full load for approximately four hours.

(b) *Fuel lines.* All fuel lines shall be installed to protect them against damage in ordinary use and they shall be designed, fabricated, and secured to resist breakage from vibration.

(c) *Valve in fuel line.* A shutoff valve shall be provided in the fuel system, installed in a manner acceptable to the Bureau.

NOTE: This shutoff valve is in addition to the normal shutoff provided in the fuel-injection system and also in addition to the air-shutoff valve.

§ 36.28 Signal or warning device.

All mobile diesel-powered transportation equipment shall be provided with a bell, horn, or other suitable warning device convenient to the operator. Warning devices shall be operated manually or pneumatically.

§ 36.29 Brakes.

All mobile diesel-powered transportation equipment shall be equipped with adequate brakes acceptable to the Bureau.

§ 36.30 Rerailing device.

All mobile diesel-powered transportation equipment designed to travel on rails in haulage service shall carry a suitable rerailing device.

§ 36.31 Fire extinguisher.

Each unit of mobile diesel-powered transportation equipment shall be fitted with a fire extinguisher carried in a location easily accessible to the operator and protected by position from external damage. Liquid carbon dioxide extinguishers shall contain an active charge of not less than 4 pounds. Pressurized dry chemical extinguishers shall contain an active charge of not less than $2\frac{1}{2}$ pounds.

§ 36.32 Restriction of electrical components.

Mobile diesel-powered transportation equipment for gassy noncoal mines and

³ Investigation has shown that for practical purposes, Pittsburgh natural gas (containing a high percentage of methane) is a satisfactory substitute for pure methane in these tests.

tunnels will not be investigated for approval and certification unless the electrical components of the equipment are restricted to headlight units, as herein-after described in § 36.33.

§ 36.33 Headlight units.

(a) A headlight and its source of electrical energy shall be constructed as a unit. The component parts of a headlight unit shall be locked or sealed by a device, acceptable to the Bureau, so that in normal use the parts are inseparable.

(b) A headlight and its source of energy shall conform to the applicable requirements of Part 20 of Subchapter D of this chapter (Schedule 10, revised, the latest revision of which is Schedule 10C) pertaining to Class 1 lamps or is constructed with equivalent safeguards that are acceptable to the Bureau.

(c) The headlight unit shall be so mounted on mobile diesel-powered transportation equipment that it is in a fixed position and protected from external damage by recessing in the equipment frame or otherwise guarded in a manner acceptable to the Bureau.

(d) At least one headlight unit shall be provided on the front and rear of each piece of mobile diesel-powered transportation equipment.

Subpart C—Test Requirements

§ 36.40 Test site.

Tests shall be conducted at the Bureau's Diesel Testing Laboratory, Bruce-ton, Pennsylvania, or other appropriate place(s) determined by the Bureau.

§ 36.41 Testing methods.

Mobile diesel-powered transportation equipment submitted for certification and approval shall be tested to determine its combustion, explosion-proof, and other safety characteristics. The Bureau shall prescribe the tests and reserves the right to modify the procedure(s) to attain these objectives (see § 36.20).

§ 36.42 Inspection.

A detailed inspection shall be made of the equipment and all components and features related to safety in operation. The inspection shall include:

(a) Investigating the materials, workmanship, and design to determine their adequacy.

(b) Checking the parts and assemblies against the drawings and specifications

with respect to materials, dimensions and locations to verify their conformance.

(c) Inspecting and measuring joints, flanges, and other possible flame paths in the intake and exhaust systems to determine whether they will prevent the issuance of flame or propagation of an internal explosion.

(d) Inspecting and measuring flame arresters to determine whether they will prevent the issuance of flame or propagation of an internal explosion.

§ 36.43 Determination of exhaust-gas composition.

(a) Samples shall be taken to determine the composition of the exhaust gas while the engine is operated at loads and speeds prescribed by the Bureau to determine the volume of air (ventilation) required to dilute the exhaust gas (see § 36.45). The engine shall be at temperature equilibrium before exhaust-gas samples are collected or other test data are observed. At all test conditions the intake mixture shall contain 1.5±0.1 percent, by volume, of Pittsburgh natural gas (see footnote 3) in air. Test observations shall include the rate of fuel consumption, pressures, temperatures, and other data significant in the safe operation of diesel equipment in underground gassy noncoal mines and tunnels.

(b) Exhaust-gas samples shall be analyzed for carbon dioxide, oxygen, carbon monoxide, hydrogen, methane, nitrogen, oxides of nitrogen, and aldehydes, or any other constituent prescribed by the Bureau.

(c) The intake and exhaust systems shall be complete with all component equipment such as air cleaners, flame arresters, and exhaust cooling systems. The performance of component equipment shall be observed to determine whether it functions properly.

§ 36.44 Maximum allowable fuel:air ratio.

(a) When an engine is delivered to the Bureau with the fuel-injection system adjusted by the applicant and tests of the exhaust-gas composition (see § 36.43) show not more than 0.30 percent, by volume, of carbon monoxide, the applicant's adjustment of the fuel-injection system shall be accepted. The maximum fuel:air ratio determined from the exhaust-gas composition shall be designated as the maximum allowable fuel:air

ratio. The maximum liquid fuel rate (pounds per hour) that produces the maximum allowable fuel:air ratio shall be designated as the maximum allowable fuel rate for operating the equipment at elevations not exceeding 1,000 feet above sea level.

(b) When the carbon monoxide content of the exhaust exceeds 0.30 percent, by volume, only near maximum power output, the maximum fuel:air ratio at which carbon monoxide does not exceed 0.30 percent shall be calculated and designated as the maximum allowable fuel:air ratio. The corresponding calculated liquid fuel rate shall be designated as the maximum allowable fuel rate at elevations not exceeding 1,000 feet above sea level.

NOTE: The applicant may be requested to adjust the liquid fuel rate during tests to determine the maximum allowable fuel:air ratio.

(c) The maximum allowable fuel:air ratio and maximum liquid fuel rates shall be used to calculate a liquid fuel rate-altitude table that shall govern the liquid fuel rate of engines operated at elevations exceeding 1,000 feet above sea level.

§ 36.45 Quantity of ventilating air.

(a) Results of the engine tests shall be used to calculate ventilation (cubic feet of air per minute) that shall be supplied by positive air movement when the permissible mobile diesel-powered transportation equipment is used underground. This quantity shall be stamped on the approval plate. The quantity so determined shall apply when only one machine is operated.

(b) Determination of the ventilation rate shall be based upon dilution of the exhaust gas with normal air. The most undesirable and hazardous condition of engine operation prescribed by the Bureau shall be used in the calculations. The concentration of any of the following individual constituents in the diluted mixture shall not exceed:

0.25 percent, by volume, of carbon dioxide (CO₂).

0.005 percent, by volume, of carbon monoxide (CO).

0.00125 percent, by volume, of oxides of nitrogen (calculated as equivalent nitrogen dioxide, NO₂).

The oxygen (O₂) content of the diluted mixture shall be not less than 20 percent, by volume. The maximum quantity of normal air to produce the above dilution shall be designated the ventilation rate.

NOTE: This ventilation rate will provide a factor of safety for exposure of persons to air mixtures containing harmful or objectionable gases and for minor variations in engine performance.

§ 36.46 Explosion tests of intake and exhaust systems.

(a) Explosion tests to determine the strength of the intake and exhaust systems to withstand internal explosions and the adequacy of the flame arresters to prevent the propagation of an explosion shall be made with the systems connected to the engine or the systems simulated as connected to the engine. The systems shall be filled with and surrounded by an explosive natural gas-air mixture. The mixture within the intake and exhaust systems shall be ignited by suitable means and the internal pressure developed by the resultant explosion shall be determined. Tests shall be conducted with the ignition source in several different locations to determine the maximum pressure developed by an internal explosion.

(b) Explosion tests shall be made with the engine at rest and with the flammable natural gas-air mixtures in the intake and exhaust systems. In other tests with the flammable mixture in motion, the engine shall be driven (externally) at speeds prescribed by the Bureau but no liquid fuel shall be supplied to the injection valves.

(c) The temperature of the flame arresters in the intake or exhaust systems shall not exceed 212° F. when an explosion test is conducted. Any water-spray cooling for the exhaust system shall not be operated and water shall not be present in the exhaust cooling boxes except when water is the cooling agent for a cooling box designed to act as a flame arrester, in which case the Bureau will prescribe the test conditions.

(d) The explosion tests of the intake and exhaust systems shall not result in:

(1) Discharge of visible flame from any joint or opening.

(2) Ignition of surrounding flammable gas-air mixture.

(3) Development of dangerous afterburning.*

(4) Excessive pressures.

§ 36.47 Tests of exhaust-gas cooling system.

(a) The adequacy of the exhaust-gas cooling system and its components shall be determined with the engine operating at the maximum allowable liquid fuel rate and governed speed with 0.5 ± 0.1 percent, by volume, of natural gas in the intake air mixture. All parts of the engine and exhaust-gas cooling system shall be at their respective equilibrium temperatures. The cooling spray, if any, shall be operated, and all compartments designed to hold cooling water shall be filled with the quantity of water recommended by the applicant. No cooling air shall be circulated over the engine or components in the cooling system during the test.

(b) Determinations shall be made during the test to establish the cooling performance of the system, the cooling water consumption, high-water level when the system sprays excess water, and low-water level when the cooling system fails.

(c) The final exhaust-gas temperature at discharge from the cooling system, and before the exhaust gas is diluted with air, shall not exceed 170° F. or the temperature of adiabatic saturation, if this temperature is lower.

(d) Water consumed in cooling the exhaust gas under the test conditions shall not exceed by more than 15 percent that required for adiabatic saturation of the exhaust gas at the final temperature. Water in excess of that required for adiabatic saturation shall be considered as entrained water. Enough water shall be available in the cooling system or in reserve supply compartments for sustained satisfactory operation for at least $2\frac{3}{4}$ hours under the test conditions.

NOTE: This amount is enough to cool the exhaust for an 8-hour shift at one-third load factor.

(e) The adequacy of the automatic fuel shutoff actuated by the temperature

*The term "afterburning" as used in this part is applied to combustion of a flammable gas-air mixture drawn into the system under test by the cooling of the products from an explosion in the system.

of the final exhaust shall be determined with the engine operating under test conditions by withdrawing water until the cooling system fails to function. The final exhaust-gas temperature at which the liquid fuel to the engine is automatically shut off shall be noted. The temperature shall not exceed 185° F.

(f) Following the automatic fuel shutoff test in paragraph (e) of this section the temperature of the control point shall be allowed to fall to 170° F. At this temperature and with the water replenished in the cooling system, it shall be possible to start the engine.

NOTE: If the cooling system includes a reserve supply water tank, the line or lines connecting it to the cooling compartment may require a suitable flame arrester.

(g) The effectiveness of the automatic engine shutoff, which will operate when the water in the cooling jacket(s) exceeds 212° F., shall be determined by causing the jacket temperature to exceed 212° F.

§ 36.48 Tests of surface temperature of engine and components of the cooling system.

(a) The surface temperatures of the engine, exhaust cooling system, and other components subject to heating by engine operation shall be determined with the engine operated as prescribed by the Bureau. All parts of the engine, cooling system, and other components shall have reached their respective equilibrium temperatures. The exhaust cooling system shall be operated, but air shall not be circulated over the engine or components. Surface temperatures shall be measured at various places prescribed by the Bureau to determine where maximum temperatures develop.

(b) The temperature of any surface shall not exceed 400° F.

NOTE: The engine may be operated under test conditions prescribed by the Bureau while completely surrounded by a flammable mixture. The Bureau reserves the right to apply combustible materials, likely to be found in gassy noncoal mines or tunnels, to any surface for test. Operation under such conditions shall not ignite the flammable mixture.

§ 36.49 Tests of exhaust-gas dilution system.

The performance and adequacy of the exhaust-gas dilution system shall be

determined in tests of the complete equipment. The engine, at temperature equilibrium, shall be operated in normal air as prescribed by the Bureau. Samples of the undiluted exhaust gas and of the diluted exhaust gas, at location(s) prescribed by the Bureau, shall be considered with the data obtained from the engine test (see § 36.43) to determine that the concentrations of carbon dioxide, carbon monoxide, oxides of nitrogen, and aldehydes in the diluted exhaust shall be below the required concentrations specified in subparagraph (1) of paragraph (f) of § 36.25.

§ 36.50 Tests of fuel tank.

The fuel tank shall be inspected and tested to determine whether: (a) It is fuel-tight, (b) the vent maintains atmospheric pressure within the tank, and (c) the vent and closure restrict the outflow of liquid fuel.

§ 36.51 Inspection and tests of headlight units.

Headlight units shall be inspected and tested according to the applicable requirements of Part 20 of Subchapter D of this Chapter (Schedule 10, revised, the latest revision of which is Schedule 10C).

SUBCHAPTER L—INTERPRETATIONS**PART 45—INTERPRETATIONS; TITLE
II, FEDERAL COAL MINE SAFETY
ACT**

Sec.

45.48-1 Underground structures. [Revised]**§ 45.48-1 Underground structures.**

Section 209(g)(5) means that all underground surfaces, including roof and rib supports, enclosing such underground installations as transformer stations, battery-charging stations, substations, permanent pump rooms, etc., shall be fire-proof, unless the equipment enclosed consists only of dry-type transformers, transformers filled with nonflammable fluid or inert gas, or equipment manufactured as package units and fully enclosed in fire-proof housings, such as mercury-arc rectifiers.

[25 F.R. 6687, July 15, 1960]

CHAPTER II—GEOLOGICAL SURVEY

DEPARTMENT OF THE INTERIOR

Part

222 Connally Act regulations. [Revised]

250 Oil and gas and sulphur operations in the outer continental shelf.
[Amended]

PART 222—CONNALLY ACT REGULATIONS [REVISED]

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222.28	Witness fees.

AUTHORITY: §§ 222.1 to 222.28 issued under secs. 5 and 11, 49 Stat. 31; 15 U.S.C. 715d; E.O. 10752, 23 F.R. 973.

SOURCE: §§ 222.1 to 222.28 appear at 28 F.R. 6742, June 29, 1963.

Prior Amendments

1961: 26 F.R. 11487, Dec. 5.
1962: 27 F.R. 11760, Nov. 29.
1963: 28 F.R. 6186, June 15.

Subpart A—General

§ 222.1 Delegations of authority.

(a) The Branch of Connally Act Compliance, Conservation Division, Geological Survey, shall administer the regulations prescribed in this part, under the supervision of the Director, Geological Survey, and the Chief, Conservation Division.

(b) The Chief, Branch of Connally Act Compliance, may hold and conduct such investigations, hearings, and proceedings as may be necessary to administer and enforce the Act of February 22, 1935, as amended (15 U.S.C., secs. 715-715k). In connection with such investigations, hearings, or proceedings he may

exercise the authority granted by the Act relating to the administering of oaths and affirmations, the attendance and testimony of witnesses, and the production of evidence.

(c) The Chief, Branch of Connally Act Compliance, may, in writing, redelegate to any official or employee of the Branch the authority delegated to him by paragraph (b) of this section. The Chief Investigator, the Investigators-in-Charge, and the General Investigators of the Branch of Connally Act Compliance are respectively empowered to exercise the authority (28 F.R. 3429) which was redelegated by the Chairman of the Federal Petroleum Board to the Chief Investigator, Investigators-in-Charge and General Investigators, respectively of the Federal Petroleum Board, until that authority is revoked or modified by the Chief of the Branch.

§ 222.2 Definitions.

When used in this part or in subsequent orders and regulations prescribed pursuant to said act and Executive orders, or in any forms prescribed thereunder, the term:

(a) "Branch" means Branch of Connally Act Compliance, Conservation Division, Geological Survey.

(b) "Person" shall include any individual, partnership, corporation, or joint stock company.

(c) "Producer" shall include every person having any part in the control or management of any operation by which petroleum is produced from any property. Every person in possession of crude petroleum who refuses to identify the prior owner thereof, from whom he acquired the same, shall be deemed the producer of such petroleum within the meaning of this part.

(d) "Refiner" shall include every person who has any part in the control or management of any operation by which the physical or chemical characteristics of petroleum or petroleum products are changed, but exclusive of the operations of passing petroleum through separators to remove gas, placing petroleum in settling tanks to remove basic sediment and water, dehydrating petroleum and generally cleaning and purifying petroleum. Within the term shall be included every person who blends petroleum with any product of petroleum.

(e) "Reclamation plant" shall include every plant operated in the process of reclaiming, treating or washing waste

petroleum, wash oil, pit oil, fugitive oil, basic sediment, or tank bottoms.

(f) "Casinghead gasoline plant" shall include every plant or device by the use of which gasoline or natural gasoline or casinghead gasoline (as those terms are commonly understood in the industry); or any of them, is extracted by any process or method from natural gas or casinghead gas, or from any gas liberated from petroleum in the process of refining.

(g) "Pipe line" shall include every line of pipe, however constructed and regardless of length, and all receiving, storage and delivery tanks and facilities used in the operation thereof, by which petroleum or any petroleum product is transported, regardless of whether or not such line of pipe is owned, in whole or in part, by the person producing, refining, processing, manufacturing, purchasing, cleansing, or marketing such petroleum or such petroleum product, or by any or all such persons jointly, or by any other person or combination of persons, except that the term "pipe line" shall not include any line from a well to lease storage, or any line used in actual plant operations, and not used in the receipt or delivery of petroleum or petroleum products. The terms "pipe line system" and "gathering system" are included within the term "pipe line."

(h) "Transporting agency" shall include railroads, pipe lines, gathering systems, tankers, barges, trucks, or any other means of conveyance used for transporting petroleum or petroleum products.

(i) "Storer" shall include every person who places petroleum or any petroleum product in any receptacle and keeps the same in any such receptacle for any period of time longer than is usually required in the ordinary conduct of business to move the same currently into the channels of trade and commerce; but excluding the ordinary working stocks of refiners and transporters by pipe line.

(j) "Petroleum" when used singly and separate and apart from "product" shall include petroleum in its crude form, and the terms "product (or products) of petroleum" or "petroleum product (or products)" shall include any article produced or derived in whole or in part from petroleum or any product thereof by refining, processing, manufacturing or otherwise. Whenever natural gas is produced in conjunction or

coincidentally with petroleum, such natural gas and all products derived therefrom shall be considered petroleum products. The terms "oil," "crude oil," and "crude petroleum" shall be considered synonymous with petroleum in the regulations in this part.

(k) "Barrel of petroleum" means 42 United States gallons of petroleum, measured and calculated to net or gross quantities in accordance with the regulations of the State authorities in force at the point of production, or in the absence of such regulations, measured and calculated in the manner generally in use in the industry at such point of production. The term "barrel" as used otherwise in the regulations in this part shall mean 42 United States gallons of the article referred to.

(l) "Contraband oil" means petroleum which, or any constituent part of which, was produced, transported, or withdrawn from storage in excess of the amounts permitted to be produced, transported, or withdrawn from storage under the laws of a State or under any regulation or order prescribed thereunder by any board, commission, officer, or other duly authorized agency of such State, or any of the products of such petroleum.

(m) "Interstate commerce" means commerce between any point in a State and any point outside thereof, or between points within the same State but through any place outside thereof, or from any place in the United States to a foreign country, but only in so far as such commerce takes place within the United States.

§ 222.3 Official records.

Official records to be kept confidential, except when otherwise ordered by the Director, Geological Survey, shall include the following types of records: reports, diagrams and other papers submitted, and records of inspections made pursuant to this part; records of investigations and hearings; and recommendations in the enforcement of the Connally "Hot Oil" Act. (See also 43 CFR Part 2.)

§ 222.4 Saving clause.

If any provision of this part or any clause, sentence or part hereof is held unauthorized or invalid for any reason, or the application thereof to any person, circumstance, commodity or class of transactions with respect to any com-

modity be held unauthorized or invalid for any reason, the validity of the remainder of this part and the application of such provisions to other persons, circumstances, commodities and classes of transactions shall not be affected thereby.

Subpart B—Records and Reports

§ 222.9 Designated areas.

The regulations in §§ 222.9 through 222.15 of this part shall be applicable only to that part of the State of New Mexico included within the counties of Lea and Eddy, to that part of the State of Texas included within the counties of:

Anderson, Andrews, Angelina, Aransas, Austin, Bee, Borden, Bowie, Brazoria, Brazos, Brooks, Burleson, Calhoun, Cameron, Camp, Cass, Chambers, Cherokee, Cochran, Colorado, Crane, Crockett, Dawson, De Witt, DeWitt, Ector, Fayette, Fisher, Fort Bend, Franklin, Galnes, Galveston, Garza, Glasscock, Goliad, Gonzales, Gregg, Grimes, Hardin, Harris, Harrison, Hidalgo, Hockley, Houston, Howard, Jackson, Jasper, Jefferson, Jim Hogg, Jim Wells, Karnes, Kenedy, Kleberg, Lavaca, Lee, Liberty, Live Oak, Loving, Lynn, Madison, Marion, Martin, Matagorda, Midland, Mitchell, Montgomery, Morris, Nacogdoches, Newton, Nueces, Orange, Panoia, Pecos, Polk, Reagan, Red River, Reeves, Refugio, Rusk, Sabine, San Augustine, San Jacinto, San Patricio, Scurry, Shelby, Smith, Starr, Terry, Titus, Trinity, Tyler, Upshur, Upton, Victoria, Walker, Waller, Ward, Washington, Webb, Wharton, Willacy, Wilson, Winkler, Wood, Yoakum, and Zapata, and to the entire State of Louisiana, which area is hereinafter referred to as the designated area.

§ 222.10 Records.

The following records shall be made and retained accurately and completely showing the following facts with respect to production, refining, processing, manufacturing, transporting, withdrawing or otherwise handling petroleum or petroleum products in the designated area. Unless otherwise notified by the Chief, Branch of Connally Act Compliance, the operator may dispose of records retained for a period of 5 or more years.

(a) By producers:

(1) *Location, wells, allowable production.* The location of the producing properties, the number and location of wells thereon, and the allowable production for each property and well as prescribed by the proper State agency.

(2) *Inventories.* An opening and closing inventory of the crude petroleum on

hand at the beginning and end of a month.

(3) *Production.* The monthly production in barrels of petroleum produced from each lease and each well shall show the number of wells which produced oil with a notation of the allowance for basic sediment and water, and tanks, identified by number and location, into which the petroleum is run. When wells are produced into common storage tanks production from each well will be based on latest gas-oil ratio well status tests. Where a Lease Automatic Custody Transfer (LACT) system or the Positive Displacement Meter is used, said meter's calibration correction factor shall also be recorded. For Dump Tank and Weir Tank types of LACT systems are used, the number of pipeline runs and the quantity of oil run shall likewise be recorded.

(4) *Consumption.* The amount of petroleum consumed upon each property monthly.

(5) *Deliveries.* A monthly record of all deliveries of petroleum or petroleum products, showing the names and place of business of all persons to whom such petroleum or petroleum products are delivered, whether purchasers, consignees or transporting agencies, the quantity involved in each delivery, transportation or other disposition, the identity of the means of transportation by which the petroleum or products are removed.

(6) *Tickets.* Gauge tickets and run tickets, as made by the employees actually performing or observing the operations to which such records relate.

(7) *Diagrams.* Where any type of Lease Automatic Custody Transfer system is in operation by producers, complete diagrams shall be maintained of the system in use, with accurate meter calibration records kept.

(8) *Other records.* Such other records as may now be required under the rules and regulations of other governmental agencies, State or Federal, which supervise, regulate or tax the production of petroleum.

(b) By every purchaser, refiner, storer, shipper, or consignee of petroleum or petroleum products, by every casing head gasoline plant, and by every person dealing in petroleum or petroleum products as a factor, broker, buyer, or seller:

(1) *Inventories.* An opening and closing inventory of petroleum and petro-

um products on hand at the beginning and end of each month.

(2) *Receipts.* The monthly receipts of petroleum and the petroleum products showing the amount received, the place and date of each receipt, the tanks identified by location and number into which received, the names and addresses of all producers or other persons from whom the crude petroleum and the petroleum products were received, a description identifying the transporting agency or facility by which received.

(3) *Consumption.* The amount of petroleum and petroleum products used or otherwise disposed of monthly showing the amount run to stills and to cracking units and the amount and type of petroleum products refined, processed or manufactured.

(4) *Deliveries; purchasers; transporter.* A monthly record of all deliveries of petroleum and petroleum products including the names and addresses of purchasers and a description identifying the transporting agency delivering the same.

(5) *Reports of operations.* Crude, pumping, still, transfer, and yield reports as made by the employees actually performing or observing the operations to which such records relate.

(6) *Other records.* Such other records as may now be required under the rules and regulations of other governmental agencies, State or Federal, which supervise, regulate, or tax the purchasing, refining, storing, shipping or consigning or otherwise dealing in as a factor, broker, buyer or seller of petroleum and petroleum products.

(c) By every person operating a reclamation plant:

(1) *Inventories.* An opening and closing inventory of all petroleum and petroleum products on hand at the beginning and end of each month.

(2) *Receipts.* The number of barrels of each kind of petroleum and petroleum products which came into the possession of such plant monthly, the name and address of each person from whom possession was acquired, the location from which the petroleum and petroleum products were acquired, the quantities acquired from each prior possessor and from each location, a description identifying the transporting agency by which such petroleum and petroleum products were acquired. In case any petroleum or petroleum product is picked up or reclaimed by such plant from any pit,

creek, river, stream or the bed thereof, such record shall also contain information as to apparent source of the petroleum or petroleum product before it went into such pit, creek, river, stream or the bed thereof.

(3) *Reclamation; destination; identification.* The number of barrels reclaimed by such plant monthly and the disposition thereof showing the names and addresses of purchasers, a description identifying the transporting agency used in making delivery.

(4) *Original operating records.* The original records made by the employees actually performing or observing the operations to which such records relate as required by subparagraphs (1), (2) and (3) of this paragraph.

(5) *Other records.* Such other records as may now be required under the rules and regulations of other governmental agencies, State or Federal which supervise, regulate, or tax the reclaiming or handling of petroleum or petroleum products.

(d) By pipelines:

(1) *Inventories.* An opening and closing inventory including averages of crude petroleum and petroleum products on hand at the beginning and end of each month.

(2) *Receipts; consignors, consignees; origin, destination.* The monthly receipts of all petroleum and petroleum products showing the kind, grade, and quantity received, the names and addresses of the consignors, the names and addresses of the consignees, the points of origin and destination.

(3) *Locations; persons; transporting agencies.* In case of the first transporting pipeline, and where possible in cases of subsequent transporting pipelines, the location of the properties where the petroleum or petroleum products were produced, refined, processed, or manufactured, the names and addresses of persons removing the petroleum or petroleum products from the properties where produced, refined, processed, or manufactured, and a description identifying the transporting agency used in making delivery from such properties.

(4) *Diversion, stoppage.* A record of all shipments of petroleum or petroleum products diverted prior to reaching the original point of destination or stopped in the course of transportation, showing the disposition thereof.

(5) *Shipping documents.* Copies of all run tickets, waybills, division and

transfer orders and other documents used in the transportation of petroleum or petroleum products.

(6) *Other records.* Such other records as may now be required under the rules and regulations of other governmental agencies, State or Federal, which supervise, regulate, or tax the transportation of petroleum or petroleum products.

(e) By transporting agencies, other than pipelines:

(1) *Shipments.* The monthly shipments of all petroleum and petroleum products showing the kind, grade and quantity transported, the names and addresses of the consignors, the names and addresses of the consignees, the points of origin and destination, and in the case of railroads the car initials and numbers identifying the various shipments.

(2) *Diversion or stoppage.* A record of all shipments of petroleum or petroleum products diverted prior to reaching the original point of destination, or stoppage in the course of transportation, showing the disposition thereof.

(3) *Shipping documents.* Copies of all waybills, bills of lading and other documents used in the transportation of petroleum or petroleum products.

(4) *Other records.* Such other records as may now be required under the rules and regulations of other governmental agencies, State or Federal, which supervise, regulate, or tax the transportation of petroleum or petroleum products.

(f) The records required by this section to be made and preserved shall be made currently as the transactions involved occur. Such records prescribed in paragraph (a) (1), (2), (3), (4), and (5) of this section shall be kept on the lease or property to which they relate, or shall be kept in the field office or field headquarters from which the operations on such properties are conducted. Such records prescribed under paragraph (b) (1), (2), (3), (4), (c) (1), (2), and (3), and (d) (1), (2), (3), and (5) of this section shall be kept at the field office or field headquarters from which the operations involved are conducted. Such records prescribed under paragraph (e) (1) and (3) of this section shall be kept at the freight office where the shipping papers for any shipment originate.

§ 222.11 Measurements; records.

Every producer, transporter, storer and refiner in the designated area shall ac-

curately gauge and measure all petroleum and petroleum products before a part thereof leaves his possession or control. No means or device which prevents or hinders such accurate measurement shall be used. Complete and accurate records of all such measurements shall be kept up to date and retained as provided in § 222.10, and shall be open to the inspection of any person authorized by the Chief, Branch of Connally Act Compliance.

§ 222.12 Accurate billing.

No transporting agency transporting petroleum or petroleum products from the designated area in interstate commerce shall accept for shipment any petroleum or any petroleum product unless the billing and other records of transportation covering such shipment truly and accurately describe by its proper and generally accepted name the commodity so shipped. Every transporting agency shall be held responsible for the truth of its records, way bills, bills of lading, division or transfer orders and other papers relating to such shipment, and shall be answerable as for a violation of the regulations in this part for each false billing of any such petroleum or petroleum product.

§ 222.13 Way bills.

Each transporting agency, other than pipe lines, transporting petroleum or petroleum products in or from the designated area shall make available daily to the Branch of Connally Act Compliance for inspection copies of all way bills or other papers fulfilling the functions thereof, covering the movement during the preceding day of petroleum or petroleum products in or from said area, both interstate and intrastate. Upon request of the Chief of the Branch such way bills or other papers shall be attached to an affidavit executed by a duly authorized agent of the transporting agency stating that the way bills or other papers cover all shipments of petroleum or petroleum products moved by the transporting agency during the period named therein.

§ 222.14 Producer's reports.

(a) Except as provided in paragraph (b) of this section, every producer of petroleum or petroleum products in the areas designated in § 222.9 shall file a

monthly report, Form P, and a semiannual report, Form P-A.

(b) If the Chief, Branch of Connally Act Compliance, determines that the reports required of any person under this section serve no useful purpose, he may, by written notice to such person, relieve him of the obligation to submit such reports for any specified period of time or until further notice.

222.15 Instructions for filing reports P and P-A.

(a) Report forms may be obtained from any office of the Branch of Connally Act Compliance, or unofficial copies may be used provided that they are exact reproductions of the official forms.

(b) The Form P report shall be filed on or before the 15th day of the month succeeding the month covered by the report. The Form P-A report shall be filed semiannually, on or before January 15 and July 15. The reports must be complete as to all data requested in the forms. Unless otherwise directed by the Chief of the Branch, reports shall be filed at the following offices of the Branch:

Kilgore, Texas, by producers of leases in the counties of Anderson, Angelina, Bowie, Camp, Cass, Cherokee, Franklin, Gregg, Harrison, Houston, Marion, Morris, Nacogdoches, Panola, Red River, Rusk, Sabine, San Augustine, Shelby, Smith, Titus, Upshur, and Wood, Texas.

Midland, Texas, by producers of leases in the counties of Lea and Eddy, New Mexico, and the counties of Andrews, Borden, Cochran, Crane, Crockett, Dawson, Ector, Fisher, Gaines, Garza, Glasscock, Hockley, Howard, Loving, Lynn, Martin, Midland, Mitchell, Pecos, Reagan, Reeves, Scurry, Terry, Upton, Ward, Winkler, and Yoakum, Texas.

Victoria, Texas, by producers of leases in the counties of Aransas, Austin, Bee, Brazoria, Brazos, Brooks, Burleson, Calhoun, Cameron, Chambers, Colorado, De Witt, Duvall, Fayette, Fort Bend, Galveston, Goliad, Gonzales, Grimes, Hardin, Harris, Hidalgo, Jackson, Jasper, Jefferson, Jim Hogg, Jim Wells, Karnes, Kenedy, Kleberg, Lavaca, Lee, Liberty, Line Oak, Madison, Matagorda, Montgomery, Newton, Nueces, Orange, Polk, Refugio, San Jacinto, San Patricio, Starr, Trinity, Tyler, Victoria, Walker, Waller, Washington, Webb, Wharton, Willacy, Willson, and Zapata, Texas.

Lafayette, Louisiana, by Producers of leases in all parishes in Louisiana.

(c) A separate report shall be made for each field or pool. The report shall be signed by the producer, one or more members of a partnership, or an officer

of a corporation. However, the report may be signed by an authorized agent of any person (as defined in § 222.2(b)), but such authorization must be submitted in writing to the office of the Branch at which the report is filed.

§ 222.16 Diagrams.

Whenever directed by written order issued by a person authorized under § 222.1 to conduct investigations, any producer, refiner, or operator of any pipeline, gathering system, reclamation plant or casinghead gasoline plant shall, within 30 days from the service of such order, furnish the Branch of Connally Act Compliance with a diagram or diagrams accurately and completely showing to scale, so far as is applicable to the business of the person furnishing the diagram, the location of each lease, the location and identifying number of each well, the location, capacity and identifying number of all tanks, the location and size of all pipelines, flow lines and gathering systems and other outlets attached to his properties, and every method by which oil is or can be delivered to and from his properties.

§ 222.17 Sworn or certified reports and statements.

When any sworn or certified report or statement is required by this part, or by orders promulgated pursuant hereto or to the act of February 22, 1935 (49 Stat. 30; 15 U.S.C. 715-715k) as amended, or Executive orders, to be made or filed by any person, such report or statement must be made or filed by any real person in interest owning, producing, refining, processing, manufacturing, transporting, withdrawing from storage, or otherwise handling petroleum or petroleum products involved in the transaction or transactions which are the subject of such report or statement. Such report or statement, however, may be made or filed by a duly authorized agent of such real party in interest if, on or before the date of filing the same, proof of his authorization has been filed with the Branch of Connally Act Compliance or other agency with which the report or statement is to be filed.

§ 222.18 Shipment by barge, tanker, or other vessel; reports; certificates.

The shipper, or duly authorized agent of the shipper, a copy of whose authorization has been filed with the Geological Survey, Department of the In-

terior, Washington 25, D.C., of a cargo of petroleum or petroleum products, or any part thereof, which has been loaded at any port in the States of Texas, Louisiana, Arkansas, or Mississippi, for shipment by tanker, barge, or other vessel, in whole or in part in interstate or foreign commerce, shall transmit by mail to the Geological Survey, Department of the Interior, Washington 25, D.C., with full postage paid, not later than 24 hours after the date of sailing, a report and certification in duplicate on form designated OCR-1, made and executed in accordance with instructions prescribed and approved by the Secretary of the Interior and appearing thereon. No such report on Form OCR-1 is required covering the shipment of petroleum or petroleum products where the cargo is loaded and unloaded wholly within a State.

Subpart C—Investigations

§ 222.23 Inspection of books and records; examination of properties and facilities.

All persons producing, refining, processing, manufacturing, transporting, withdrawing from storage or otherwise handling petroleum or any petroleum product shall permit any person or persons authorized under § 222.1 to conduct investigations to enter upon their properties, plants and facilities, and to examine all the books and records kept or required to be kept in accordance with this part, and all other books, papers, records, vouchers, run-tickets, bills of lading, way bills, charges, memoranda, diagrams showing the location of each lease, the location and identifying number of each well, the location, capacity and identifying number of each tank, the size of all pipelines, flow lines and gathering systems and other outlets attached to their properties, or other documents which are used by them in connection with producing, refining, processing, manufacturing, transporting, withdrawing from storage or otherwise handling petroleum or any petroleum products, and to inspect such plants, facilities and properties, and to gauge tanks, and to examine wells, pipelines, gathering systems, flow lines, pipe connections, storage tanks, loading racks, separators, pumps, meters or other measuring devices, and any other equipment or instruments.

§ 222.24 Non-public investigatory proceedings.

All formal proceedings in connection with any investigation conducted pursuant to this part to hear or take testimony of a witness, whether the witness appears voluntarily or in response to a subpoena, are designated and shall be conducted, as non-public investigatory proceedings.

§ 222.25 Right to copy of data or transcript of testimony.

(a) Except with respect to a non-public investigatory proceeding, a person who has submitted data or evidence in the course of an investigation conducted pursuant to this part shall be entitled to retain or procure a copy of his data or a transcript of his testimony. If a person who has testified in a non-public investigatory proceeding desires a copy of the transcript of his testimony, such person shall file a written request stating the reason for desiring to procure such transcript. The Chief, Branch of Connally Act and Compliance, may for good cause deny such request. The determination as to whether good cause exists for denying the request shall be based upon the nature and content of the testimony in its relation to the investigation or investigations concerning which it was given or required. If the request is denied, such person, upon proper identification, shall have the right to inspect the official transcript of his testimony.

(b) A witness who desires a copy of the official transcript of the testimony which he has given in any such non-public investigatory proceeding must file a written request. The request may be filed during the proceeding or at any time thereafter. Such request shall be acted upon within fifteen days after its filing. The filing of such a request shall not be grounds for failure or refusal by a witness to testify in any such non-public investigatory proceeding until the request has been acted upon, and such testimony shall not constitute a waiver of any rights the witness may have to obtain a copy of the official transcript of his testimony.

§ 222.26 Counsel for witnesses in investigations.

(a) Any person appearing in an investigation or investigatory proceeding

conducted pursuant to this part may be accompanied, represented, and advised by counsel, but such counsel may not represent any other witness, or any other person being investigated, unless permitted in the discretion of the authorized person conducting the investigation, or of the Chief, Branch of Connally Act Compliance, upon being satisfied that there is no conflict of interest in such representation and that the presence of identical counsel for other witnesses or persons being investigated would not tend to hinder the course of the investigation.

(b) Counsel appearing with a person or witness, as provided in paragraph (a) of this section, shall be limited to attorneys at law permitted to practice before the courts of any State, Territory, or the District of Columbia.

§ 222.27 Suspension or exclusion of counsel.

The Chief, Branch of Connally Act Compliance, may, for good cause, issue an order requiring any counsel appearing with a person or witness during an investigation or investigatory proceeding to show cause why he should not be suspended or excluded for the duration of the investigation or investigatory proceeding in which he has so appeared, by reason of disorderly or contemptuous conduct in the course of any such investigation or proceeding. Such counsel shall be granted due opportunity to be heard in his own defense. Thereafter, if warranted by the facts, the Chief, Branch of Connally Act Compliance, may issue an order of reprimand, suspension, or exclusion against such counsel. In the event such order is one of suspension or exclusion, the person or witness shall be given the right and opportunity to retain other counsel.

§ 222.28 Witness fees.

Any person compelled to appear in person in an investigation or investigatory proceeding conducted pursuant to this part shall be entitled to fees and mileage to the extent authorized under section 10 of the Administrative Expenses Act of 1946 (60 Stat. 809, 5 U.S.C. 95a).

PART 250—OIL AND GAS AND SULPHUR OPERATIONS IN THE OUTER CONTINENTAL SHELF

REQUIREMENTS FOR LESSEES

Sec.

250.34a Extension of leases by drilling or well reworking. [Added]

250.40 Control of wells. [Amended]

§ 250.34a Extension of leases by drilling or well reworking.

(a) The Secretary shall be deemed to have approved, within the meaning of section 8(b)(2) of the Outer Continental Shelf Lands Act, drilling or well reworking operations, conducted on the leased area in the following instances:

(1) If, after discovery of oil or gas in paying quantities has been made on the leasehold, and within 90 days prior to expiration of the five-year term or any extension thereof, or thereafter, the production thereof shall cease at any time, or from time to time, from any cause and production is restored or drilling or well reworking operations are commenced within 90 days thereafter, and such drilling or well reworking operations (whether on the same or different wells) are prosecuted diligently until production is restored in paying quantities.

(2) If, within 90 days prior to expiration of the five-year term or any extension thereof, or thereafter, at any time, or from time to time, lessee is engaged in drilling or well reworking

operations on the leasehold and there is no well on the leasehold capable of producing in paying quantities and the lessee diligently prosecutes such operations (whether on the same or different wells) with no cessation of more than 90 days.

(b) The Secretary may approve such other operations for drilling or reworking upon application of lessee.

(c) Nothing in this section obviates the necessity of obtaining the Supervisor's approval of a plan or notice of intention to drill or of complying with the other provisions of this part.

[24 F.R. 9527, Nov. 28, 1959]

§ 250.40 Control of wells.

(b) The lessee shall take all reasonable precautions to prevent any well from blowing open and shall take immediate steps and exercise due diligence to bring under control any such well. Storm chokes or similar safety devices shall be installed in any well capable of flowing oil or gas: *Provided*, That if in the opinion of the Supervisor, upon a clear showing by the lessee, a storm choke or similar safety device is not needed for the protection of the well or is likely to cause damage to or loss of the well, the Supervisor is authorized to waive this requirement.

[Paragraph (b) amended, 25 F.R. 637, Jan. 26, 1960]

CHAPTER III—OFFICE OF MINERALS EXPLORATION
DEPARTMENT OF THE INTERIOR [REVISED]

PART 301—REGULATIONS FOR OBTAINING FEDERAL ASSISTANCE IN FINANCING EXPLORATIONS FOR MINERAL RESERVES, EXCLUDING ORGANIC FUELS, IN THE UNITED STATES, ITS TERRITORIES AND POSSESSIONS

GENERAL PROVISIONS

- Sec. 301.1 Purpose.
- 301.2 Definitions.
- 301.3 Eligible minerals or mineral products.
- 301.4 Operator's property rights.

APPLICATIONS

- 301.5 Form and filing.
- 301.6 Information required.
- 301.7 Criteria.
- 301.8 Approval.

EXPLORATION CONTRACTS

- 301.9 Government participation.
- 301.10 Allowable costs.
- 301.11 Repayment by the operator.
- 301.12 Interest on amount of Government participation.
- 301.13 Limitation on the amount of Government participation.
- 301.14 Government not obligated to buy.
- 301.15 Title to and disposition of property.

AUTHORITY: §§ 301.1 to 301.15, issued under sec. 2(e), 72 Stat. 700; 30 U.S.C. 642(e).

SOURCE: §§ 301.1 to 301.15 appear at 24 F.R. 6757, Aug. 22, 1959, except as otherwise noted.

GENERAL PROVISIONS

§ 301.1 Purpose.

These regulations govern the obtaining of Federal financial assistance in conducting exploration for mineral reserves, excluding organic fuels, in the United States, its territories or possessions.

§ 301.2 Definitions.

As used in this part:

(a) "Exploration" means the search, including related development work, for new or unexplored mineral deposits within a specified area or parcel of ground where geologic conditions favor their occurrence. Exploration using recognized and sound procedures, including standard geophysical and geochemical methods, may be conducted from the surface or underground to obtain pertinent geological and mineralogical informa-

tion. The work shall not go beyond reasonable delineation and sampling of a mineral deposit, and shall not be conducted primarily for mining or preparation for mining.

(b) "Operator" means an individual, partnership, corporation, or other entity that is party to an exploration contract with the Government.

(c) "Secretary" means the Secretary of the Interior, or his authorized representative.

(d) "Government" and "Federal" mean the United States of America.

(e) "Commercial Sources" means banking institutions or other private sources of credit.

§ 301.3 Eligible minerals or mineral products.

The following are eligible for Government financial assistance:

- | | |
|----------------------------|---------------------------------|
| Antimony. | Mica (strategic). |
| Asbestos. | Molybdenum. |
| Bauxite. | Monazite. |
| Beryllium. | Nickel. |
| Bismuth. | Platinum Group Metals. |
| Cadmium. | Quartz Crystal (piezoelectric). |
| Chromite. | Rare Earths. |
| Cobalt. | Rutile. |
| Columbium. | Selenium. |
| Corundum. | Silver. |
| Diamond (industrial). | Sulphur. |
| Fluorspar. | Talc (block steatite). |
| Gold. | Tantalum. |
| Graphite (crucible flake). | Tellurium. |
| Iron Ore. | Thorium. |
| Kyanite (strategic). | Tin. |
| Manganese. | Uranium. |
| Mercury. | |

[27 F.R. 9217, Sept. 18, 1962]

Prior Amendments

1960: 25 F.R. 8033, Aug. 19.

1961: 26 F.R. 6714, July 27.

§ 301.4 Operator's property rights.

The operator must have and preserve the right to possession of the land (as owner, lessee, or otherwise) for a term at least sufficient to complete the exploration work. (See § 301.11(f) regarding repayment.) The operator shall devote the land and all existing improvements, facilities, buildings, installations, and appurtenances necessary to the purposes of the exploration.

APPLICATIONS**301.5 Form and filing.**

An application for Federal financial assistance must be submitted in quadruplicate on forms which may be obtained from and filed with either:

Office of Minerals Exploration,
Department of the Interior,
Washington 25, D.C.

or Field Officers, Office of Minerals Exploration. The regions which they serve and their Post Office addresses are as follows:

Region I: Alaska, Idaho, Montana, Oregon, and Washington—Office of Minerals Exploration, South 157 Howard Street, Spokane 4, Washington. Applicants for Alaska projects may file applications with the United States Bureau of Mines, P.O. Box 2688, Juneau, Alaska, for forwarding to the Field Officer, Region I.

Region II—California, Hawaii, and Nevada—Office of Minerals Exploration, 113 Custom House, 555 Battery Street, San Francisco 11 California.

Region III: Arizona, Colorado, Kansas, Nebraska, New Mexico, North Dakota, Oklahoma, South Dakota, Texas, Utah, and Wyoming—Office of Minerals Exploration, Federal Center, Denver 25, Colorado.

Region IV: Alabama, Arkansas, Connecticut, Delaware, Florida, Georgia, Illinois, Indiana, Iowa, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, New Hampshire, New Jersey, New York, North Carolina, Ohio, Pennsylvania, Rhode Island, South Carolina, Tennessee, Vermont, Virginia, West Virginia, and Wisconsin—Office of Minerals Exploration, Room 11, Post Office Building, Knoxville 2, Tennessee.

CODIFICATION: § 301.5 was revised, 25 F.R. 8033, Aug. 19, 1960. Subsequently the description of Region II was amended to read as set forth above, 26 F.R. 6714, July 27, 1961.

Prior Amendments

1960: 25 F.R. 3322, Apr. 16.

§ 301.6 Information required.

(a) Each application shall fully describe the proposed exploration, and shall include all detailed data called for by the application form. The Secretary may require the filing of additional information, including financial statements, reports, maps or charts, and exhibits and such physical on-site examination as he deems necessary.

(b) The application must include evidence that funds for the exploration work are unavailable on reasonable terms from commercial sources. The evidence shall include information as to the commercial sources to which applications were made, the amounts requested, and the reasons why loans were not obtained. [Paragraph (b) amended, 26 F.R. 8879, Sept. 21, 1961]

(c) The application must include a certification by the applicant that he would not normally undertake the exploration at his sole expense under current conditions or circumstances. [Paragraph (c) added, 26 F.R. 8879, Sept. 21, 1961]

§ 301.7 Criteria.

The following factors will be considered and weighed in passing upon applications:

(a) The geologic probability of a significant discovery being made.

(b) The estimated cost of the exploration in relation to the size and grade of the potential deposit.

(c) The plan and method of conducting the exploration.

(d) The accessibility of the project area.

(e) The background and operating experience of the applicant.

(f) The applicant's title or right to possession of the property.

CODIFICATION: In § 301.7 paragraphs (g) and (h) were deleted at 26 F.R. 8879, Sept. 21, 1961.

§ 301.8 Approval.

If the application is approved, the Government may enter into an exploration contract with the applicant upon terms and conditions which the Secretary deems necessary and appropriate as set forth in the contract form furnished by the Government.

EXPLORATION CONTRACTS**§ 301.9 Government participation.**

The Government will contribute not more than fifty (50) percent of the total allowable costs of the exploration specified by the terms of the contract.

§ 301.10 Allowable costs.

(a) The Government, to the extent provided in the exploration contract, will contribute to:

(1) The necessary, reasonable, and direct actual costs of performing the exploration, including the costs of: Labor, supervision, and outside consultants; operating materials, supplies, and equipment; initial rehabilitation or repair of existing buildings, installations, fixtures, and operating equipment; construction of buildings, fixed improvements, and installations; repairs and maintenance of operating equipment; analytical work, accounting, payroll and sales taxes, and employers' liability or employees' compensation insurance; payments by the operator to independent contractors; and such other necessary, reasonable, and direct actual costs as may be approved by the Government in the course of work; and

[Subparagraph (1) amended, 26 F.R. 8879, Sept. 21, 1961]

(2) The fixed unit costs agreed upon by the operator and the Government in terms of units of work to be performed (per foot of drifting, per foot of drilling, etc.) in lieu of actual costs.

(b) The Government will not contribute to costs incurred before the date of the contract, or to costs of or incident to:

(1) Acquiring, owning or possessing land with any existing improvements, facilities, buildings, installations, and appurtenances, or the depreciation and depletion thereof;

(2) General overhead, corporate management, interest and taxes (other than payroll and sales taxes);

(3) Insurance (other than employers' liability or employees' compensation insurance); and

(4) Damages to persons or property (other than authorized repair to or replacement of equipment or other property used in the work).

§ 301.11 Repayment by the operator.

(a) If the Secretary considers that as a result of the exploration, mineral or metal production from the area covered by the contract may be possible, he shall so certify in writing to the operator within the time specified in the contract.

(b) When the Secretary determines that the operator has not completed all obligations under the contract, he shall promptly so certify to the operator. If the operator has completed all obligations under the contract, the Secretary shall so certify to the operator.

(c) The operator shall pay the Government a royalty on all minerals or metals produced from the land described in the contract and any other royalty which may be provided therein:

(1) Irrespective of any certification of possible production—from the date of the contract to the date of notice of certification will not be made, or until the total amount contributed by the Government with interest is fully repaid, whichever occurs first; or

(2) Irrespective of any certification of possible production—if the Secretary deeming it necessary and in the public interest, enters into an agreement to provide for royalty payments.

(3) If a certification of possible production is issued—for a period of 5 years (or other period fixed by the contract not exceeding 25 years) from the date of the contract, or until the total amount contributed by the Government with interest, is fully repaid, whichever occurs first.

CODIFICATION: In paragraph (c) the introductory text was amended, 26 F.R. 8879, Sept. 21, 1961.

(d) The Government's royalty shall be 5 percent of the "gross proceeds" (including any bonuses, premiums, allowances, or other benefits) from the production sold, in the form sold (ore, concentrate, metal, or equivalent) at the point of delivery (the f.o.b. point) except that charges of the buyer (not the operator or producer) arising in the regular course of his business, and shown on the buyer's settlement sheets as deductions (such as treatment processes performed by the buyer, sampling and assaying to determine the value of the production sold, and freight payable by the buyer to a carrier (not the operator or producer) shall be allowed as deductions in arriving at the "gross proceeds" as that term is used in this section. No costs of the operator or producer are deductible in arriving at the "gross proceeds" as that term is used in this section. The term "treatment processes", as used in this paragraph means those processes (such as milling, concentrating, smelting, refining, or equivalent) applied to the crude ore or other pro-

action after it is extracted from the ground to put it into a commercially marketable form, excluding fabricating or manufacturing.

(e) If any production (ore, concentrate, metal, or equivalent) remains un-sold or is not used by the operator or producer in integrated manufacturing or fabricating operations (for instance, if it is stockpiled) after the lapse of six months from the date it is extracted from the ground, the Government, at its option, may require the computation and payment of its royalty on the value of such production in the form (ore, concentrate, metal, or equivalent) it is in at the time the Government elects to exercise its option. If any production is used by the operator or producer in integrated manufacturing or fabricating operations, the Government's royalty on such production shall be computed on the "value" thereof in the form in which and at the time when it is used. "Value" as used in this section means what is or would be gross income from mining operations for percentage depletion purposes in Federal income tax determination, or the market value, whichever is greater.

(f) (1) To secure the payment of the Government's royalty, the contract shall provide for a lien upon the operator's interest in the land, upon any production from the land, and upon any interests in the land other than the operator's interest. However, the Secretary may accept the undertaking of a surety company or third person in lieu of a lien upon interests in the land other than the operator's interest. In circumstances where the Secretary deems it to be in the public interest, the requirement for a lien or other undertaking concerning interests in land, other than the lien upon the operator's interest, may be omitted from the Contract.

(2) If the operator is not the producer (for example, if the operator transfers or does not retain his interest in production or in the land), the operator shall remain liable for the payment of the Government's royalty.

(g) If, in any particular case, the Secretary finds that it would be more economical or practicable to compute the Government's royalty upon some basis other than "gross proceeds" or "value", as these terms are used in this section, or upon the production in some form

other than that in which it is sold, held, or used in integrated operations, he may agree with the operator, either in the original exploration contract or by an amendment thereof, upon some other basis of computation.

(h) Nothing in this part shall be construed as imposing any obligation on the operator to engage in any mining or production operations.

(i) The Secretary may modify and adjust the terms and conditions of any contract to reduce the amount and terms of any royalty payment when he shall determine that such action is necessary and in the public interest.

§ 301.12 Interest on amount of Government participation.

(a) Simple interest is calculated from the first day of the month following the dates Federal funds are made available until the period specified for royalty payments expires or until the amount of Federal funds contributed, including interest, is fully repaid, whichever occurs first.

[Paragraph (a) amended, 26 F.R. 8879, Sept. 21, 1961]

(b) The rate of interest shall be fixed by the Secretary at not less than the rate the Department of the Interior would be required to pay if it borrowed from the Treasury, plus a two percent interest charge in lieu of the actual cost to the Government of administering the contract.

(c) Paragraphs (a) and (b) of this section shall not be construed to increase the rate of royalty or to extend the period for which the royalty is payable as set forth in § 301.11.

§ 301.13 Limitation on the amount of Government participation.

No single contract shall authorize Government participation in excess of \$250,000.

§ 301.14 Government not obligated to buy.

Nothing in this part or in any contract entered into pursuant to this part shall be construed as imposing any obligation on the Government to purchase any materials mined or produced from the land which is the subject of such contract.

§ 301.15 Title to and disposition of property.

Facilities, buildings, fixtures, equipment, or other items or groups of items (such as pipe, rail, steel, etc.), costing more than \$50.00 each, paid for or purchased with funds contributed jointly by the operator and the Government, although title may be taken in the name of the operator, shall belong to the operator and the Government jointly, in proportion to their respective contributions to the extent set forth in the contract. The exploration contract shall make suitable provisions also for their disposal for the joint account of the operator and the Government.

[25 F.R. 8033, Aug. 19, 1960]

CHAPTER IV—FEDERAL COAL MINE SAFETY
BOARD OF REVIEW

PART 401—RULES OF PROCEDURE

INITIAL PROCEEDINGS

Sec.

401.3 Where to file. [Revised]

401.4 Form of application. [Note]

401.7 Service on Director; manner and proof. [Amended]

DEPOSITIONS

401.28 Certification and filing by officer. [Amended]

INITIAL PROCEEDINGS

§ 401.3 Where to file.

Each application shall be filed with the Secretary of the Board, at the principal office of the Board in Room 507, First National Bank Building, 1701 Pennsylvania Avenue NW., Washington 25, D.C. [28 F.R. 1102, Feb. 5, 1963]

§ 401.4 Form of application.¹

CODIFICATION: Footnote 1 to the heading of § 401.4 was amended, 28 F.R. 1102, Feb. 5, 1963.

§ 401.7 Service on Director: manner and proof.

(a) (1) The applicant shall send a copy of the application by registered mail or by certified mail to the Director at Washington, D.C.

¹Forms which meet the requirements of section 401.4 may be obtained by operators or operators' associations from the Secretary of the Board, Room 507, First National Bank Building, 1701 Pennsylvania Avenue NW., Washington 25, D.C., or from the field offices of the Accident Prevention and Health Division, Bureau of Mines.

(2) A copy of any request for temporary relief shall also be sent by registered mail or by certified mail to the Director at Washington, D.C.

[Paragraph (a) amended, 25 F.R. 6968, July 22, 1960]

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DEPOSITIONS

§ 401.28 Certification and filing by officer.

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(b) If any of the requirements specified in paragraph (a) (1) to (6) of this section are waived, the certificate shall so state. The officer shall sign the certificate and affix thereto his seal of office, if he has such seal. Unless waived on the record by agreement, he shall then, without delay, securely seal in an envelope all the evidence, notices and paper exhibits, inscribe upon the envelope a certificate giving the number and title of the case, the name of each witness, and the date of sealing, and deliver the envelope, in person or by registered mail or by certified mail, to the Secretary of the Board. If the weight or bulk of an exhibit shall exclude it from the envelope it shall, unless waived on the record by agreement of all parties, be authenticated by the officer and transmitted in a separate package, marked and forwarded to the Secretary of the Board by suitable means.

[Paragraph (b) amended, 25 F.R. 6968, July 22, 1960]

CHAPTER V—GENERAL SERVICES ADMINISTRATION [ADDED]

Part
501 Stabilization payments to small domestic producers of lead and zinc ores and concentrates. [Added]

PART 501—STABILIZATION PAYMENTS TO SMALL DOMESTIC PRODUCERS OF LEAD AND ZINC ORES AND CONCENTRATES

Sec.

- 501.1 Basis and purpose.
- 501.2 Definitions.
- 501.3 Duration of the program.
- 501.4 Participation in the program.
- 501.5 Stabilization payments.
- 501.6 Limitations on individual producers and properties.
- 501.7 General limitations.
- 501.8 Reports and inspections.
- 501.9 Access to books and records.
- 501.10 Modification of benefits.
- 501.11 Criminal and civil penalties.

AUTHORITY: §§ 501.1 to 501.11 issued under secs. 4, 5, 75 Stat. 767, 768; 30 U.S.C. 684, 685. Delegation of the Secretary of the Interior, 27 F.R. 3822. Additional authority is cited in parentheses following the section affected.

Source: §§ 501.1 to 501.11 appear at 27 F.R. 7432, July 28, 1962, except as otherwise noted.

§ 501.1 Basis and purpose.

The purpose of the regulations in this part is to implement the Act of Congress approved October 3, 1961, Public Law 87-347, 75 Stat. 766, which authorizes the establishment and maintenance of a program of stabilization payments to small domestic producers of lead and zinc ores and concentrates in order to stabilize the mining of lead and zinc by such producers on public, Indian, and other lands. Pursuant to this Act and the delegation of authority from the Secretary of Interior dated April 19, 1962, and published in the FEDERAL REGISTER (27 F.R. 3822), on April 20, 1962, the Administrator of General Services is authorized to make stabilization payments and to establish and promulgate such regulations and to require such reports as he deems necessary to carry out the purposes of the Act and to assure equitable distribution of the benefits provided for by the Act among the small domestic producers affected. The Administrator of General Services will make such stabilization payments in accordance with the Act and the regulations in this part.

§ 501.2 Definitions.

As used in the regulations in this part:

(a) "Administrator" means the Administrator of General Services or his duly authorized representative.

(b) "Act" means the Act of Congress approved October 3, 1961, Public Law 87-347, 75 Stat. 766.

(c) The term "small domestic producer" means any person or firm engaged in producing ores or concentrates from mines located within the United States or its possessions and in selling the material so produced in normal commercial channels who, during any twelve-month period between January 1, 1956, and the first day of the first period for which he seeks a payment under the Act, has not produced or sold ores or concentrates the recoverable content of which is more than three thousand tons of lead and zinc combined: *Provided*, That the principal product or products of such producer is either lead or zinc or a combination of lead and zinc.

(d) The term "normal commercial channels" means the use of beneficiating plants, smelters, refineries, or other processing plants which purchase and process lead or zinc ores or concentrates as a usual part of their business.

(e) "Recoverable content" means 95 percent of the lead content of ores or concentrates, and 85 percent of the zinc content of ores or concentrates, as determined by assay.

(f) "Ton" means 2,000 pounds avoirdupois net dry weight.

(g) "Sale" means a bona fide transfer for value of ores or concentrates from a producer to a processor, which shall be deemed to have occurred not later than the date of receipt of the material by the processor. If a producer smelts or refines his own ores or concentrates, a sale shall be deemed to have occurred when such ores or concentrates are received at his smelter or refinery. A sale of concentrates produced from ores sold to a processing plant by a small domestic producer in accordance with the regulations in this part shall not be considered as a sale by the owner of the processing plant, but shall be considered as a sale by such producer.

(h) "Newly mined ores or concentrates" means domestic ores severed from the land, or concentrates produced from such domestic ores, subsequent to October 3, 1961, including a normal inventory of crude ore as defined in paragraph (i) of this section. The term does not refer to material recovered from mine dumps, mill tailings, smelter slags, or residues, derived from ore mined prior to October

, 1961, or to secondary or salvage material, or to any ores or concentrates which have been commingled with such materials.

(i) A "normal inventory of crude ore" means the quantity of broken ore on land at the surface of a mine on October 3, 1961, but not in excess of a quantity which bears a reasonable relation to the quantities of such material customarily maintained during the calendar year, between January 1, 1950, and December 31, 1960, in which the producer attained his maximum production.

(j) "Operating unit" means a mine or group of mines, or portions of either, which the Administrator determines, on the basis of cost and operating records or other available data, is being operated as a single unit separate and apart from other units in the same area.

(k) "Quarter" means a three-month period commencing on the first day of January, April, July, or October.

(l) The term "principal product or products" means that the dollar value of lead or zinc sold or the combination of lead and zinc sold must have been 50 per centum or more of the total dollar value of all minerals and metals contained in the ores and concentrates produced and sold by the small domestic producer, calculated on the basis of the product of the total metal and mineral content of the ores and concentrates sold, as determined from the settlement assays, and the quoted market prices of those metals or minerals at the time of the sale.

(Sec. 6(a), 75 Stat. 768; 30 U.S.C. 686)

CODIFICATION: § 501.2 was amended as follows, 28 F.R. 12868, Dec. 4, 1963:

1. Former paragraph (c) was deleted and a new paragraph (c) was added.
2. A new paragraph (l) was added.

§ 501.3 Duration of the program.

The program shall terminate with respect to each calendar year upon the happening of either of the following events, whichever occurs first:

(a) The closing of the calendar year, or

(b) When the amounts of stabilization payments for the calendar years 1962, 1963, 1964, and 1965 total \$4,500,000, \$4,500,000, \$4,000,000, and \$3,500,000, respectively.

§ 501.4 Participation in the program.

(a) Any small domestic producer desiring to participate in the program shall apply on GSA Form 1776 to General Services Administration, Defense Materials Service, General Services Building, Washington 25, D.C. The application should state that the applicant has read the regulations in this part and accepts their terms and conditions. The Administrator may request such additional information as may be necessary and will issue to each applicant found by him to be qualified a certificate of participation on GSA Form 1777, authorizing the applicant to apply for stabilization payments under the regulations in this part to the extent he is eligible and qualified to receive such payments. The issuance of such a certificate shall not entitle the applicant to any stabilization payments to which he would not otherwise be entitled under the terms and conditions of the Act and the regulations in this part.

(b) To obtain stabilization payments a certified producer shall submit to General Services Administration a request for payment on GSA Form 1778.

(c) Notwithstanding the fact that all requirements of the regulations in this part may have been met, a small domestic producer shall not be entitled to any stabilization payments if funds are not available therefor under the program.

(d) The rights under a certificate of participation cannot be acquired by assignment through a sale, lease, permit or other similar transaction, but may be acquired by succession in interest other than by such an assignment.

(e) No person or firm may succeed to the rights under a certificate of participation unless an amended application on GSA Form 1776 is made to the above address giving all the facts relating to such succession in interest. If a valid succession in interest is shown to have occurred and the successor in interest is otherwise eligible, an amended certificate of participation on GSA Form 1777 will be issued entitling the successor in interest to continue the rights under the original certificate.

§ 501.5 Stabilization payments.

Stabilization payments will be made to small domestic producers upon the following terms and conditions:

limitations to the extent necessary and in a manner designed to assure equitable distribution of the benefits of the programs. The limitations and quotas so fixed and assigned will not be subject to adjustment except in the event of changes in market prices having such substantial impact upon amounts payable on sales during the quarter as the Administrator determines to require adjustments to avoid defeating the statutory purposes of stabilizing production and making equitable distribution of benefits. The sum of the quarterly limitations or the sum of all producers' quarterly quotas for a calendar year may be less than the total eligible tonnage if funds are not available to cover the full eligible tonnage. Shortfalls in meeting quarterly quotas for any of the first three quarters may be made up by sales in excess of the individual producer's quota for the following quarter only. Shortfalls in the fourth quarter cannot be made up by sales in the first quarter of the following year. Sales made in any quarter in excess of the quota for that quarter may not be carried forward for payment during subsequent quarters.

§ 501.8 Reports and inspections.

(a) Applicants shall furnish the Administrator from time to time reports showing production and disposition of ores or concentrates, together with such other reports and information as the Administrator may require for the administration of the regulations in this part. This reporting requirement has been approved by the Bureau of the Budget in accordance with the Federal Reports Act of 1942, and any requirements subsequently prescribed will be subject to such approval.

(b) Authorized representatives of the United States Government may enter the applicant's property at all reasonable times for inspection of the operations of the applicant. The applicant shall provide such authorized representatives with all reasonable means of access for such inspections.

§ 501.9 Access to books and records.

Until three (3) years after the termination of the program established under the regulations in this part, authorized

representatives of the United States Government shall have access to and the right to examine any pertinent books, documents, papers and records of a participant involving transactions related to the program.

§ 501.10 Modification of benefits.

The regulations in this part may be amended or revised by the Administrator from time to time whether or not such amendment or revision increases or decreases any of the benefits provided by the regulations in this part or affects the distribution of benefits among domestic producers.

§ 501.11 Criminal and civil penalties.

As provided in section 9 (a) and (b) of the Act—

(a) Whoever, for the purpose of procuring a payment to which he is not entitled under the Act or the regulations in this part or for the purpose of assisting another to procure a payment to which the other is not entitled under the Act or the regulations in this part, misrepresents any material fact, knowing the same to be false, fictitious, or fraudulent, shall be guilty of an offense against the United States and shall be fined not more than \$5,000 or imprisoned not more than two years, or both, and shall thenceforth be entitled to no benefits under the Act or the regulations in this part.

(b) Whoever accepts a payment under the Act or the regulations in this part to which, or any portion of which, he is not entitled, knowing that he is not entitled thereto or whoever, having accepted a payment under the Act or the regulations in this part to which, or any portion of which, he is not entitled, retains the same, knowing that he is not entitled thereto, shall be required, in a civil action instituted by the Attorney General, to refund treble the amount accepted or retained by him. The acceptance or retention of any payment as aforesaid shall also constitute an offense against the United States punishable by a fine or not more than \$5,000 or imprisonment for not more than two years, or both, and any person who shall be convicted of such offense shall thenceforth be entitled to no benefits under the Act or the regulations in this part.

Title 31—Money and Finance: Treasury

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Subtitle A—Office of the Secretary of the Treasury

Part

- 3 Claims Regulations. [Amended]
- 10 Practice of attorneys and agents before the Treasury Department. [Amended]
- 15 Policy with respect to the remission and mitigation of forfeitures incurred by vehicles under various statutes relating to Internal Revenue, Customs, Narcotics, and the Secret Service. [Added]

PART 3—CLAIMS REGULATIONS

Subpart A—General Provisions

Sec.

3.3 Approval of claim. [Amended]

Subpart B—Federal Tort Claims Act

3.21 Allowable claims. [Revised]

Subpart F—Claims Arising Outside the United States [Added]

- 3.81 Purpose.
- 3.82 Definitions.
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- 3.96 Qualification of members.
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- 3.99 Procedure.
- 3.100 Action.
- 3.101 Cross-servicing of claims.

Subpart A—General Provisions

§ 3.3 Approval of claim.

(a) Claims not exceeding \$2,500 submitted under the Federal Tort Claims Act and claims not exceeding \$1,000 submitted under the Small Claims Act are approved or disapproved by the head of the bureau, division or office out of whose activities the accident or incident arose, or his designee, upon the recommendation of the Chief Counsel or other legal officer in immediate charge of the legal affairs of the bureau, division or office. [Paragraph (a) amended, 24 F.R. 8934, Nov. 3, 1959]

* * * * *

Subpart B—Federal Tort Claims Act

§ 3.21 Allowable claims.

Claims are payable by the Department under the Federal Tort Claims Act and this subpart on account of damage to, or loss of, property or on account of personal injury or death, where the total amount of the claim does not exceed \$2,500, caused by the negligent or wrongful act or omission of any employee of the Department, while acting within the scope of his office or employment, under

circumstances where the United States, if a private person, would be liable to the claimant for such damage, loss, injury or death, in accordance with the law of the place where the act or omission occurred.

[24 F.R. 8934, Nov. 3, 1959]

Subpart F—Claims Arising Outside the United States [Added]

AUTHORITY: §§ 3.81 to 3.101 issued under R.S. 161, as amended, sec. 633, 63 Stat. 545, sec. 2734, 70A Stat. 154, as amended; 5 U.S.C. 22, 14 U.S.C. 633, 10 U.S.C. 633, 10 U.S.C. 2734.

SOURCE: §§ 3.81 to 3.101 appear at 25 F.R. 677, Jan. 27, 1960.

§ 3.81 Purpose.

The purpose of this subpart is to promote and maintain friendly relations by the prompt settlement of meritorious claims.

§ 3.82 Definitions.

As used in this part, the following terms will have the meanings here indicated:

(a) *Settle*. Consider, ascertain, adjust, determine, and dispose of a claim, whether by full or partial allowance or by disallowance.

(b) *Military personnel*. Forces or individual members of the Coast Guard.

(c) *Civilian employees*. Civilian employees of the Coast Guard, volunteer workers, and others serving as employees of the Coast Guard without compensation.

(d) *Noncombat activities*. Authorized activities which are primarily Coast Guard activities having little parallel in civilian pursuits or which historically have been considered as furnishing a proper basis for paying claims such as maneuvers, special exercises, practice firing of guns, operation of aircraft, use of instrumentalities having latent mechanical defects not traceable to negligent acts or omissions, explosions, movement of vehicles designed especially for military use, and use and occupancy of real estate.

(e) *Maritime claims*. Claims caused by Coast Guard vessels or by members of Coast Guard crews in the operation of such vessels.

§ 3.83 Scope.

This subpart prescribes the substantive basis for the settlement under section 2734 of Title 10, United States

Code, as amended to include the Coast Guard (Pub. Law 86-223), of claims against the United States by inhabitants of a foreign country for death or personal injury, or damage to or loss or destruction of public or private property, arising on or after September 1, 1959, outside the United States, its Territories, commonwealths or possessions, if caused by a military member or civilian employee of the Coast Guard or is otherwise incident to noncombat activities of the Coast Guard.

§ 3.84 Claims payable.

Unless otherwise prescribed, claims for death, personal injury, or damage to or loss of property, real or personal, may be settled under this subpart as follows:

(a) *Death.* Only one claim arises for all beneficiaries. The amount allowed will, to the extent found practicable, be apportioned among the beneficiaries as prescribed by the law or custom of the place where the incident resulting in the death occurred.

(b) *Property.* Included in the property for damage to which claims may be settled under this subpart are real property used and occupied under lease, express or implied, or otherwise, and personal property loaned, rented, or otherwise bailed to the Government under an agreement, express or implied, unless the owner has expressly assumed the risk of damage or loss. Claims enforceable under a lease or other contract may be settled under this subpart, or under contractual procedures, as deemed in the best interest of the Government. Claims for rent, as such, may not be settled under these regulations, but allowance may be made for the use or occupancy of property arising out of trespass or other tort, even though claimed as rent.

§ 3.85 Claims not payable.

No claim will be settled under this subpart if it:

(a) Results from combat activities; or

(b) Any portion of the claim falls under any workmen's compensation law or regulations, whether Federal Employees Compensation Act of September 7, 1916 (39 Stat. 742), as amended (5 U.S.C. 751, et seq.), Longshoremen's and Harborworkers Compensation Act (44 Stat. 1424), as amended (33 U.S.C. 901), or local law or custom, except when spe-

cifically authorized by the Chief Counsel, U.S. Coast Guard;

(c) Is waived or assumed by a foreign country under treaty or agreement, or is one for the settlement of which a foreign country is responsible under Article VIII of the Agreement Regarding the Status of Forces of Parties to the North Atlantic Treaty, Article XVIII of the Japanese Administrative Agreement, or other similar treaty or agreement;

(d) Is purely contractual in character;

(e) Arises from private domestic obligations;

(f) Is based solely on compassionate grounds;

(g) Is a bastardy claim;

(h) Is for patent infringement.

§ 3.86 Claims under other laws and regulations.

Claims otherwise under the Coast Guard Claims Act (14 U.S.C. 645), claims for loss or damage to personal property incident to service, and claims under Art. 139, UCMJ, will not be settled under this subpart. Maritime claims may be settled under these regulations only if specifically authorized by the Chief Counsel, U.S. Coast Guard, in each case. Authority to settle a maritime claim may be requested by letter containing a summary of the facts.

§ 3.87 Claims under treaties and agreements.

When a foreign government is responsible for dealing with claims against the United States under Article VIII of the Agreement Regarding the Status of Forces of Parties to the North Atlantic Treaty, Article XVIII of the Japanese Administrative Agreement, or other similar treaty or agreement, the cognizant Coast Guard command will, upon request, furnish foreign countries with a copy of the investigative report of the incident and all relevant evidence available.

§ 3.88 When claims must be presented.

A claim may not be considered under this subpart unless presented within one year after the occurrence of the incident out of which it arose, or filed within that year with a foreign government under Article VIII of the Agreement Regarding the Status of Forces of Parties to the North Atlantic Treaty, Article XVIII of

the Japanese Administrative Agreement, or other similar treaty or agreement. If examination of a claim discloses that it was not seasonably presented, the claimant may be advised to that effect without further action being required. A claim otherwise within this subpart but not presented within one year will not be settled under other claims regulations.

§ 3.89 Claimants.

(a) *General.* As used in this subpart, an inhabitant of a foreign country is one who dwells or resides in the country; neither citizenship nor domicile is required. A corporation or other business association doing business in a foreign country is not necessarily excluded as a claimant because organized under United States law. A transient is not a proper claimant unless he is an inhabitant of another foreign country and an inhabitant of any part or subdivision of a foreign country is considered to be an inhabitant of the foreign country as to any claim arising in that country or any part of it.

(b) *Claimants excluded.* The following are excluded as claimants:

(1) A national or an ally or a corporation controlled by a national or an ally of a country at war or engaged in armed conflict with the United States, or of any country allied with such enemy country, unless the foreign claims commission considering the claim or the appointing authority thereof shall determine that the claimant was, at the time of the incident, and is, friendly to the United States.

(2) Members and civilian employees of the Armed Forces of the United States and their dependents who are inhabitants of the United States and in a foreign country primarily because of their sponsor's or their own military orders.

(c) *Insurers and other subrogees.* An insurer or other subrogee may not present a claim in his own name under this subpart. A claim for the entire amount of damage or injury suffered will be presented by, and settlement made solely with, the insured, without regard to the insurance; not with the insurer or with both the insured and the insurer. This leaves undisturbed, as between the parties, the rights of the insured and of the insurer or another who has become subrogated to the rights of the owners of the property lost, damaged, or destroyed,

or of the person who is injured or whose death results. This permits the Government to settle with a single claimant thus eliminating any need for determination of the relative rights of the parties concerned.

§ 3.90 Form of claim.

A claim may be presented orally but before approval, must be presented in writing and signed by the claimant or his authorized agent or attorney. Written claims should be presented on the form furnished for the purpose or a similar form, but any written claim will be considered if it gives a reasonably definite indication of the time, place and nature of an accident or incident and an estimate or statement of the amount claimed. The amount claimed will be expressed in terms of the currency of the situs and, if allowed, will be paid in the currency of the country either in which the accident or incident occurred or in which the claimant was or is an inhabitant.

§ 3.91 Conditions of payment.

(a) The statutory test provided is that the damage, loss, injury or death must have been caused by military personnel or civilian employees of the Coast Guard or must otherwise have been incident to its noncombat activities. Acts or omissions which create a condition without which the accident or incident could not have occurred but which are not its proximate cause, will not constitute a proper basis for payment of a claim even though they violate the law of the situs or military regulations. A claim may be allowed under this subpart when the act or omission causing the injury or death, or damage to or loss or destruction of property, except for so-called "other noncombat activities" (par. 3d), was negligent, wrongful, or otherwise involved fault and was caused by:

- (1) Military personnel;
- (2) Civilian employees who are citizens of the United States;
- (3) Civilian employees who are not citizens of the United States and were hired in one country for employment in another;
- (4) Civilian employees who are not citizens of the United States, other than those in subparagraph (3) of this paragraph, acting within the scope of their employment.

(b) Local law or custom pertaining to contributory or comparative negligence, and to joint tort-feasors, will be applied so far as practicable to determine proximate cause.

(c) Scope of employment will be determined by United States law.

§ 3.92 Determination of compensation.

Generally, in determining the proper elements and amount of damages, the law and customs of the situs will be applied, but interest, court costs, including attorney's fees, bail and the like, and punitive or moral damages, are not allowable. Items properly allowable in personal injury claims include actual and reasonable medical and hospital expenses, reasonable compensation for physical pain and suffering and disability, and loss of earning capacity, and, if death results, actual and reasonable burial expenses and compensation for loss of life. Property damage or loss is governed generally by the pertinent provisions of Title 31, CFR Part 3, Subpart A—General Provisions, Treasury Department Claims Regulations.

§ 3.93 Claims responsibility.

(a) Coast Guard commanders responsible for claims in areas outside the United States, its Territories and possessions, will supervise technical matters of Coast Guard foreign claims commissions under their respective commands. Supervision will insure prompt investigation of accidents or incidents and proper settlement or forwarding of claims, uniform practice and reporting procedures and the promotion of friendly relations with foreign countries. Direct correspondence with Commandant (CL) in claims matters is authorized.

(b) Claims cognizable under these regulations received by a command responsible for claims in the area in which the incident occurred, will be transmitted to a claims commission of that command or to Commandant (CL). Claims transmitted to a claims commission of the command will be accompanied by a copy of the investigative report required by the Coast Guard Supplement. Claims forwarded to Commandant (CL) need not be accompanied by an extra copy of the report, but should be accompanied by all additional evidence necessary for a proper settlement of the claim.

§ 3.94 Foreign claims commissions.

General. All claims under this subpart arising outside of the United States, its Territories and possessions, shall be settled by foreign claims commissions. Commissions may be appointed to consider each claim as presented or to constitute a standing claims commission to consider all claims presented to it. A commander reporting directly to Headquarters who does not have authority to appoint foreign claims commissions will advise Commandant (CL), Coast Guard Headquarters, Washington 25, D.C. of the necessity, if any, in his command for any such commission.

§ 3.95 Appointment.

The Assistant Commandant, U.S. Coast Guard, the Chief Counsel, U.S. Coast Guard, Commanding Officers of specifically designated commands, and other officers designated by the Commandant are authorized to appoint Coast Guard claims commissions. One copy of each appointing order will be sent immediately to the Commandant (CL), Coast Guard Headquarters, Washington 25, D.C.

§ 3.96 Qualifications of members.

Each member of a foreign claims commission must be a commissioned officer of the Coast Guard of a rank commensurate with the claim being investigated. He should wherever practicable have legal training or investigative or other experience enabling him to analyze evidence, determine facts, and apply laws.

§ 3.97 Composition.

Commissions will be composed of one or three members. The senior officer of a commission of three members shall be the president; two members present shall constitute a quorum and any actions concurred in by two members shall be the action of the commission. The numerical composition of a claims commission rests within the sound discretion of the appointing authority.

§ 3.98 Monetary jurisdiction.

(a) *Claims not over \$15,000.* Unless specifically limited in the appointing order, a claims commission may settle claims not over \$15,000. Any allowance by a commission of an amount over \$2,500 but not over \$15,000 shall be subject to the approval of Commandant (CL) who may:

(1) Approve the allowance in whole or in any specific lesser amount over \$2,500, which approval authorizes payment of the amount so approved; or,

(2) Disapprove all of the allowance over \$2,500 and return the claim file, with necessary comment and recommendations, to the commission for its consideration and action.

(b) *Claims over \$15,000.* A claim over \$15,000 under this subpart will be considered by a claims commission which will forward to Commandant (CL) the claim and supporting papers. However, in lieu of the commission action, the commission will attach its findings of fact, opinions and recommendations with respect to the action to be taken by the Secretary of the Treasury upon the claim.

§ 3.99 Procedure.

(a) A foreign claims commission, upon receipt of a claim and supporting documents, will consider the claim and determine how it should be processed for settlement. If the claim was not presented within one year, the claimant will be advised by the commission that the claim is barred. If necessary, the commission will conduct a further investigation. It may confer with the claimant to resolve or determine the facts and, if deemed in the best interest of the Government and permitted by the situation, conduct a hearing and take testimony. Claims under other laws, treaties, agreements or regulations will be returned promptly to the appointing authority. Payment of claims approved under this subpart will be made by sending the original of the completed claim form, commission settlement action and release, if obtainable in advance, as follows:

(1) *Claims not in excess of \$2,500.* To Comptroller, U.S. Coast Guard Headquarters, Washington 25, D.C., for issuance of a check to claimant. The Comptroller forwards the check to the commission for delivery to the claimant.

(2) *Claims in excess of \$2,500.* To Commandant (CL) for approval. Upon approval, the claim file is forwarded to the Comptroller for issuance of a check and transmittal to the commission.

(b) Upon delivery of the check to claimant, a signed receipt evidencing de-

livery thereof should be obtained from the claimant and retained in the commission claim file.

(c) One copy of the complete claim file will be forwarded to Commandant (CL) for record purposes.

§ 3.100 Action.

The action of a foreign claims commission will contain all the necessary facts and will also include a statement with calculations or reasoning when the amount allowed differs from the amount claimed, a statement of the applicable local law when the action depends upon peculiar local law and the basis for disallowance if the claim is disapproved. As many copies of the action form as may be necessary will be prepared and all copies will be signed.

(a) *Effect.* The settlement action of a commission upon claims within its jurisdiction is final and conclusive.

(b) *Notice.* The claimant will be notified by letter of the commission's settlement action and the reasons therefor if a claim within its cognizance is disapproved or if the amount approved is less than the amount claimed. Copies of the commission's action will not be furnished the claimant.

(c) *Reconsideration.* A commission may reconsider its settlement at any time before payment. When the commission is composed of different personnel than at the time of the original action, settlement may be considered only upon presentation of new and material evidence, or to correct fraud, collusion, errors in calculation or other mistakes. The action of a commission will state the reasons for reconsideration of the claim.

§ 3.101 Cross-servicing of claims.

Any claim cognizable under 10 U.S.C. 2734 whether arising from activities of the Army, Navy, Air Force, or Marine Corps, may, upon request by the service concerned, be processed or settled by a Coast Guard Foreign Claims Commission, if practical, in accordance with these regulations. A claim cognizable under 10 U.S.C. 2734 arising from Coast Guard activities in a foreign country where another service has been assigned responsibility for its settlement will be sent to the appropriate claims office of that service for settlement.

PART 10—PRACTICE OF ATTORNEYS AND AGENTS BEFORE THE TREASURY DEPARTMENT

§ 10.4 Ineligibility for enrollment.

(d) [Deleted, 27 F.R. 9919, Oct. 9, 1962]

§ 10.5 Application for enrollment.

(a) *Form; fee.* An applicant for enrollment shall file with the District Director an application on Form 23, properly executed under oath or affirmation. Such application shall be accompanied by a check or money order in the amount of \$25.00, payable to the Treasurer of the United States, which amount shall constitute a fee which shall be charged to each applicant for enrollment. The fee shall be retained by the United States whether or not the applicant is granted enrollment. Attorneys at law shall apply for enrollment at attorneys, and all other applicants shall apply for enrollment as agents, except that an applicant who is qualified to enroll either as an attorney at law or as an agent may elect whether to apply as attorney or agent.

(23 Stat. 258, 5 U.S.C. 261) [Paragraph (a) amended, 28 F.R. 10295, Sept. 20, 1963; 28 F.R. 10419, Sept. 26, 1963]

(b) *Additional information; examination.* The Director of Practice, as a condition to consideration of an application for enrollment, may require the applicant to file additional information and to submit to any written or oral examination under oath or otherwise. Upon request of the Director of Practice an applicant shall endeavor to stipulate with an officer or employee of the Department of the Treasury facts pertaining to the application to the fullest extent to which either complete or qualified agreement can be reached. The Director shall grant a hearing on an application at the applicant's written request.

(23 Stat. 258, 5 U.S.C. 261) [Paragraph (b) amended, 28 F.R. 10295, Sept. 20, 1963]

§ 10.7 Practice without enrollment.

(a) *In general.* * * *

(7) Any person who signs a return, other than an estate or gift tax return or an income tax or excess profits tax return of a corporation, as having prepared it for the taxpayer may appear, without enrollment, as the taxpayer's representative, with or without the taxpayer, before revenue agents and examining officers of the Audit Division in the offices of District Directors (but not at the Informal Conference in a District Director's office) with respect to the tax liability of the taxpayer for the tax¹

Subpart A—Rules Governing Authority to Practice Sec.

- 10.1 Director of Practice. [Amended]
- 10.3 Eligibility for enrollment. [Amended]
- 10.4 Ineligibility for enrollment. [Amended]
- 10.5 Application for enrollment. [Amended]
- 10.7 Practice without enrollment. [Amended]

Subpart B—Duties and Restrictions Relating to Enrolled Attorneys and Agents

- 10.29 Employees of accounting corporations. [Deleted]

Subpart C—Rules Applicable to Disciplinary Proceedings

- 10.51 Disreputable conduct. [Amended]
- 10.58 Service of complaint and other papers. [Amended]

Subpart D—General Provisions

- 10.91 Information, requests, and submissions. [Revised]

Subpart A—Rules Governing Authority To Practice

§ 10.1 Director of Practice.

(a) *Establishment of office.* There is established in the Office of the Secretary of the Treasury the office of Director of Practice. The Director of Practice shall be appointed by the Secretary of the Treasury.

(23 Stat. 258, 5 U.S.C. 261) [Paragraph (a) amended, 28 F.R. 10294, Sept. 20, 1963]

§ 10.3 Eligibility for enrollment.

(d) *Attorneys and certified public accountants.* * * *

(1) Any attorney at law who is a member in good standing of the bar of the highest court of a State, Territory, or possession of the United States, or of the courts of the District of Columbia;

(2) Any certified public accountant who has duly qualified to practice as a certified public accountant in a State, Territory, possession of the United States, or in the District of Columbia.

[Subparagraphs (1) and (2) amended, 27 F.R. 9919, Oct. 9, 1962]

year or period covered by that return; provided that any person who prepared the income tax return of a corporation and the individual returns of any of the corporate officers for the same taxable year or period, or any part thereof, covered by such corporate return, may also so appear as the corporation's representative. Proper authorization from the taxpayer will be required. Any person who prepared a return with respect to which the instructions or regulations do not require that it be signed by the person who prepared the return for the taxpayer may likewise appear as the taxpayer's representative when properly authorized. Unless the taxpayer is present, such persons must present satisfactory identification. All such persons will be subject to such rules regarding standards of conduct, the extent of their authority, and other matters as the Director of Practice, with approval of the Commissioner of Internal Revenue, shall prescribe. Such persons will be permitted to represent taxpayers within those limits without enrollment.

(Sec. 5, 36 Stat. 370, as amended; 30 U.S.C. 7) [Subparagraph (7) added by Circ. 230, 24 F.R. 1157, Feb. 14, 1959]

• • • • •
Subpart B—Duties and Restrictions Relating to Enrolled Attorneys and Agents

§ 10.29 Employees of accounting corporations.

[Deleted, 27 F.R. 9919, October 9, 1962]

Subpart C—Rules Applicable to Disciplinary Proceedings

§ 10.51 Disreputable conduct.

• • • • •
 (b) *Forms.* • • •

(28) Solicitation of practice in any unethical or unprofessional manner, including, but not limited to, employment unethically arranged directly or indi-

rectly by or through any individual partnership, association, corporation or employee thereof.

(Sec. 3, Act of July 7, 1884, 23 Stat. 258; 5 U.S.C. 261; 64 Stat. 1280, 5 U.S.C. 1331 [Subparagraph 28 amended, 27 F.R. 9919 Oct. 9, 1962])

§ 10.58 Service of complaint and other papers.

• • • • •
 (c) *Filing of papers.* Whenever the filing of a paper is required or permitted in connection with a disbarment or suspension proceeding, and the place of filing is not specified by this subpart or by rule or order of the Examiner, the paper shall be filed with the Director of Practice, Treasury Department, Washington, D.C. All papers shall be filed in duplicate.

(23 Stat. 258, 5 U.S.C. 261) [Paragraph (c) amended, 28 F.R. 10295, Sept. 20, 1963]

Subpart D—General Provisions

§ 10.91 Information, requests, and submittals.

The public may secure information from, or make submittals or requests to, the Director of Practice, Treasury Department, Washington, D.C. Requests for information contained in official records of the office of the Director of Practice should be addressed to the Director in writing, should clearly state the information desired, and should set forth the interest of the applicant in the subject matter and the purpose for which the information is desired. If the applicant is an attorney or agent acting for another, he should attach to the application evidence of his authority to act for his principal.

(23 Stat. 258, 5 U.S.C. 261) [28 F.R. 10295, Sept. 20, 1963]

PART 15—POLICY WITH RESPECT TO THE REMISSION AND MITIGATION OF FORFEITURES INCURRED BY VEHICLES UNDER VARIOUS STATUTES RELATING TO INTERNAL REVENUE, CUSTOMS, NARCOTICS, AND THE SECRET SERVICE [ADDED]

§ 15.1 Remission and mitigation of forfeitures incurred by vehicles.

From time to time inquiries are received by the Treasury Department regarding the policy which it pursues in connection with mitigation and remission decisions with respect to automobile forfeitures incurred under various statutes administered by the Treasury Department through the Internal Revenue Service, the Bureau of Customs, Narcotics and the Secret Service. Among such statutes are 19 U.S.C. 1594 (Customs), 49 U.S.C. 782 (Internal Revenue, Narcotics and Secret Service) and 26 U.S.C. 7301 and 7302 (Internal Revenue).

The Secretary of the Treasury by statute (19 U.S.C. 1618, 26 U.S.C. 7327 and 49 U.S.C. 784), and certain other Treasury officers by delegation from the Secretary, have discretionary authority to mitigate or remit forfeitures of this type. Relief is granted, from time to time, in favor of persons who have interests in the vehicles if the persons were not in any way involved in the violations. However, relief is not granted to one who made the vehicle available to the person involved in the violation with any knowledge, or the ability to know, that such person had a criminal record or reputation.

The Treasury Department desires to point out that in its exercise of its discretion it is guided by a standard similar to that which the Congress has established in 18 U.S.C. 3617(b) with re-

spect to the mitigation and remission by courts of forfeitures in connection with violations of the liquor laws. In relevant part that section provides that remission or mitigation shall not be allowed on behalf of any claimant "if it appears that the interest asserted by the claimant arises out of or is in any way subject to any contract or agreement under which any person having a record or reputation for violating laws of the United States or of any State relating to liquor has a right with respect to such vehicle or aircraft, [unless it appears] that, before such claimant acquired his interest, or such other person acquired his right under such contract or agreement, whichever occurred later, the claimant, his officer or agent, was informed in answer to his inquiry, at the headquarters of the sheriff, chief of police, principal Federal internal-revenue officer engaged in the enforcement of the liquor laws, or other principal local or Federal law-enforcement officer of the locality in which such other person acquired his right under such contract or agreement, of the locality in which such other person then resided, and of each locality in which the claimant has made any other inquiry as to the character or financial standing of such other person, that such other person had no such record or reputation."

In considering a person's record or reputation for crime, the Treasury Department does not, however, limit itself to crimes involving the liquor laws. It also considers other crimes, a record or reputation for which might reasonably lead to the belief that a person with such a record or reputation would be more prone than the normal to be involved in a violation leading to an automobile forfeiture.

[26 F.R. 4742, May 30, 1961]

title B—Regulations Relating to Money and Finance

CHAPTER I—MONETARY OFFICES

DEPARTMENT OF THE TREASURY

Part

- 54 Gold regulations. [Amended]
- 80 Newly-mined domestic silver regulations of July 6, 1939, as amended. [Amended]
- 90 Table of charges at the mints and assay offices of the United States. [Revised]
- 92 Procedures and descriptions of forms—Office of the Under Secretary for Monetary Affairs and Bureau of the Mint. [Revised]
- 93 Office of domestic gold and silver operations procedures and description of forms. [Added]
- 100 Exchange of paper currency and coin. [Amended]
- 102 Instructions relating to reports of currency transactions. [Revised]
- 127 Executive order of January 15, 1934, regulating transactions in foreign exchange, transfers of credit, and export of coin and currency. [Corrected]
- 128 Transactions in foreign exchange, transfers of credit, and export of coin and currency. [Revised]

PART 54—GOLD REGULATIONS

CODIFICATION: In Part 54 the words "Treasury Department" and "Under Secretary of the Treasury for Monetary Affairs or his delegate" were substituted for "Bureau of the Mint" and "Director of the Mint", respectively, at 26 F.R. 9551, Oct. 10, 1961.

Subpart A—General Provisions

- Sec.
- 54.4 Definitions. [Amended]
- 54.6 General provisions affecting licenses and authorizations. [Amended]
- 54.7 General provisions affecting export licenses. [Revised]

Subpart B—Conditions Under Which Gold May Be Acquired and Held, Transported, Melted or Treated, Imported, Exported, or Ear-marked

- 54.14 Gold situated outside of the United States. [Revised]
- 54.15 Transportation of gold to the Possessions of the United States. [Revised]
- 54.20 Rare coin. [Revised]

Subpart C—Gold for Industrial, Professional, and Artistic Use

- 54.25 Licenses. [Revised]

Subpart E—Gold for Other Purposes Not Inconsistent With the Purposes of the Gold Reserve Act of 1934 and the Act of October 6, 1917, as Amended

- 54.40 Imported gold. [Revised]
- 54.41 Gold refined from imported gold-bearing material. [Revised]

Subpart H—Transitory Provisions [Deleted]

54.70—54.82.

AUTHORITY NOTE: The authority for Part 54 was amended at 27 F.R. 6974, July 24, 1962, to read as follows:

"**AUTHORITY:** §§ 54.1 to 54.82 issued under sec. 5(b), 40 Stat. 415, as amended, secs. 3, 8, 9, 11, 48 Stat. 340, 341, 342; 12 U.S.C. 95a, 31 U.S.C. 442, 733, 734, 822b, E.O. 6260, August 28, 1933, as amended by E.O. 10896, November 29, 1960, E.O. 10905, January 14, 1961, and E.O. 11037, July 20, 1962; E.O. 6359, October 25, 1933; E.O. 9193, as amended, 7 F.R. 5205; 3 CFR 1943 Cum. Supp.; E.O. 10289, 16 F.R. 9499, 3 CFR 1951 Supp."

Subpart A—General Provisions

§ 54.4 Definitions.

(a) * * *

(3) "United States" means the Government of the United States or where used to denote a geographical area means the States of the United States, the District of Columbia, and all other places subject to the jurisdiction of the United States.

(4) "States of the United States" means the States of the United States and the District of Columbia.

[Subparagraphs (3) and (4) amended, 25 F.R. 12348, Dec. 2, 1960]

* * * * *

(13) "Person subject to the jurisdiction of the United States" means:

(i) Any individual who is a citizen of the United States;

(ii) Any individual, wheresoever located, who is a resident of, or domiciled in, the United States;

(iii) Any partnership, association, corporation, or other organization which is organized or doing business under the laws of the United States or of any state or territory thereof or of the District of Columbia;

(iv) Any partnership, association, corporation, or other organization, wheresoever organized or doing business, which is controlled, or a substantial part of the stock, shares, bonds, debentures, notes, drafts, or other securities or obligations of which, is owned or controlled, directly or indirectly, by persons specified in subdivision (i), (ii), or (iii) of this subparagraph.

[Subparagraph (13) added, 26 F.R. 323, Jan. 17, 1961]

* * * * *

(14) "Customary industrial, professional or artistic use" means the use of gold in industry, profession or art, in a manner, for a purpose, in a form, and in quantities in which gold is customarily used in industry, profession or art.

[Subparagraph (14) added, 28 F.R. 910, Jan. 31, 1963]

(15) "Possessions of the United States" means Guam, the Virgin Islands, American Samoa, Midway Islands, Wake Island, Johnston Island, and Sand Island, Swan Island and the other Island Possessions of the United States.

[Subparagraph (15) added, 28 F.R. 8289, Aug. 13, 1963]

§ 54.6 General provisions affecting licenses and authorizations.

(e) No license issued hereunder shall exempt the licensee from the duty of complying with the legal requirements of any State or local authority.

[Paragraph (e) amended, 25 F.R. 12346, Dec. 2, 1960]

§ 54.7 General provisions affecting export licenses.

At the time any license to export gold is issued, the Office of Domestic Gold and Silver Operations or Federal Reserve bank issuing the same, shall transmit a copy thereof to the collector of customs at the port of export designated in the license or, if the port of export is not within the customs territory of the United States, to the government officer at such port charged with the enforcement of laws relating to the exportation of merchandise from the United States. No collector of customs or other government officer charged with the enforcement of laws relating to the exportation of merchandise from the United States shall permit the export or transportation from the States of the United States to the Possessions of the United States, to Puerto Rico, to the Canal Zone, or to places not subject to the jurisdiction of the United States or the export or transportation from the Possessions of the

United States, from Puerto Rico or from the Canal Zone to places not subject to the jurisdiction of the United States of gold in any form except upon surrender of a license to export, a copy of which has been received by him from the agency issuing the same except that licenses on Form TGL-15 (general) covering multiple shipments during a six-months' period are retained by the licensees until the expiration of such period when they are returned to the Director, Office of Domestic Gold and Silver Operations: *Provided, however,* That the export or transportation from the States of the United States, the Possessions of the United States, Puerto Rico and the Canal Zone of fabricated gold may be permitted pursuant to § 54.25(b)(2) and the export or transportation from the States of the United States, the Possessions of the United States, Puerto Rico and the Canal Zone of gold imported for reexport may be permitted pursuant to §§ 54.32 and 54.33: *And provided further,* That gold held by the Federal Reserve banks under §§ 54.28 to 54.30, may be exported or transported for the purposes of such sections without a license. The collector of customs or other government officer to whom a license to export is surrendered shall cancel such license and return it to the Director, Office of Domestic Gold and Silver Operations or the Federal Reserve bank which issued the same. In the event that the shipment is to be made by mail, a copy of the export license shall be sent by the agency issuing the same to the postmaster of the post office designated in the application, who will act under the instructions of the Postmaster General in regard thereto.

[28 F.R. 8289, Aug. 13, 1963]

Prior Amendments

1960: 25 F.R. 12346, Dec. 2.

1961: 26 F.R. 9551, Oct. 10.

Subpart B—Conditions Under Which Gold May Be Acquired and Held, Transported, Melted or Treated, Imported, Exported or Earmarked

§ 54.14 Gold situated outside of the United States.

(a) Gold in any form situated outside of the United States may be acquired, held, transported, melted or treated, or earmarked by or on behalf of persons subject to the jurisdiction of the United States only to the extent permitted by licenses relating to the legitimate and

² The regulations in this part shall not be construed as relieving any person from the obligation of compliance with the regulations of the Bureau of Foreign Commerce (formerly the Office of International Trade) (15 CFR Parts 360 to 399), the Bureau of Customs (19 CFR Ch. I) or other laws or regulations relating to the importation or exportation of merchandise, where applicable to imports or exports of gold, or articles containing gold.

customary use of gold in industry, profession, or art issued under § 54.25: *Provided, however*, The provisions of §§ 54.16, 54.17, and 54.19, relating to fabricated gold, metals containing gold and gold in its natural state, respectively, shall be applicable to the acquisition, holding and transportation of gold in such forms outside of the United States by or on behalf of persons subject to the jurisdiction of the United States.

(b) The acquisition, holding, transportation, importing and exporting, by persons subject to the jurisdiction of the United States, of securities issued by any person holding, as a substantial part of his assets, gold as a store of value or as, or in lieu of, money and not for a specific and customary industrial, professional or artistic use, is prohibited.

[27 F.R. 6974, July 24, 1962]

Prior Amendments

1961: 26 F.R. 323, Jan. 17.

§ 54.15 Transportation of gold to the Possessions of the United States.

Gold may be transported from the States of the United States to the Possessions of the United States, to Puerto Rico and to the Canal Zone only as authorized by §§ 54.25, 54.32, 54.33 or 54.34 or licenses issued pursuant thereto.

[28 F.R. 8290, Aug. 13, 1963]

Prior Amendments

1960: 25 F.R. 12346, Dec. 2.

§ 54.20 Rare coin.

(a) Gold coin of recognized special value to collectors of rare and unusual coin may be acquired, held, and transported within the United States without the necessity of holding a license therefor. Such coin may be imported, however, only as authorized by this section or §§ 54.28 to 54.30, 54.34, 54.40, or licenses issued thereunder, and exported only in accordance with the provisions of § 54.25.

(b) Gold coin made prior to April 5, 1933, is considered to be of recognized special value to collectors of rare and unusual coin.

(c) Gold coin made subsequent to April 5, 1933, is presumed not to be of recognized special value to collectors of rare and unusual coin.

(d) The Director, Office of Domestic Gold and Silver Operations, may in exceptional cases issue or cause to be issued

licenses or other authorizations permitting the importing of gold coin of recognized special value to collectors of rare and unusual coin.

[27 F.R. 6974, July 24, 1962]

Subpart C—Gold for Industrial, Professional and Artistic Use

§ 54.25 Licenses.

(a) *Licenses for the acquisition and holding, transportation, melting and treating, importing and disposition of gold.* (1) Upon receipt of the application and after obtaining such additional information as may be deemed advisable, the Director, Office of Domestic Gold and Silver Operations shall, if satisfied that gold is necessary for the legitimate and customary requirements of the applicant's industry, profession, art, or business, and that the applicant is qualified in all respects to conduct gold operations in full compliance with the provisions of this part and the provisions of a Treasury gold license, issue or cause to be issued to the applicant a Treasury gold license on the approved form for the kind of industry, profession, art, or business, in which the applicant is engaged.

(2) Licenses issued under this section may authorize the licensee to acquire and hold not to exceed a maximum amount specified therein; to transport such gold, melt or treat it to the extent necessary to meet the requirements of the industry, profession, art or business for which it was acquired and held or otherwise to carry out the purposes for which it is held under license; and to import gold so long as the aggregate amount of all gold held after such importation does not exceed the maximum amount authorized by the license to be held.

(3) Licenses issued under this paragraph do not permit the exportation or transportation of gold in any form from the States of the United States to the Possessions of the United States, to Puerto Rico, to the Canal Zone or to places not subject to the jurisdiction of the United States, or the exportation or transportation from the Possessions of the United States, from Puerto Rico or from the Canal Zone to places not subject to the jurisdiction of the United States. Such exportation or transporta-

tion is permitted only to the extent authorized in paragraph (b) of this section or in a separate license issued pursuant to such paragraph.

(b) *Licenses and authorizations for the exporting of gold*—(1) *Semi-processed gold*. Semi-processed gold as defined in § 54.4 may be exported or transported from the States of the United States to the Possessions of the United States, to Puerto Rico, to the Canal Zone, or to places not subject to the jurisdiction of the United States, and from the Possessions of the United States, from Puerto Rico or from the Canal Zone to places not subject to the jurisdiction of the United States, only pursuant to a separate export license. Such licenses shall be issued by the Director, Office of Domestic Gold and Silver Operations upon application made on Form TG-15 establishing to the satisfaction of the Director that the gold to be exported is semi-processed gold and that the export or transport is for a specific and customary industrial, professional, or artistic use and not for the purpose of using or holding or disposing of such semi-processed gold outside the States of the United States, as or in lieu of money, or for the value of its gold content.

(2) *Fabricated gold*. Fabricated gold as defined in § 54.4 may be exported or transported from the States of the United States, from Puerto Rico and from the Canal Zone without the necessity of obtaining a Treasury gold license: *Provided, however*, That the Bureau of the Census Schedule B statistical classification number of each specific commodity to be exported shall be plainly marked on the outside of the package or container, the shipper's export declaration shall contain a statement that such gold is fabricated gold as defined in § 54.4 and is being exported pursuant to the authorization contained in this subparagraph, and such additional documentation shall be furnished as may be required by the Bureau of Customs or any other government agency charged with the enforcement of laws relating to the exportation of merchandise from the United States.

(3) *Rare coin*. Rare gold coin, as defined in § 54.21 made prior to April 5, 1933 may be exported or transported from the States of the United States, from the Possessions of the United States, from Puerto Rico and the Canal Zone without the necessity of ob-

taining a Treasury gold license: *Provided, however*, That the shipper's export declaration shall contain a statement that such coin is rare gold coin and is being exported pursuant to the authorization contained in this subparagraph and such additional documentation shall be furnished as may be requested by the Bureau of Customs or any other government agency charged with the enforcement of laws relating to the exportation of merchandise from the United States.

(ii) Gold coin made subsequent to April 5, 1933, may be exported or transported from the States of the United States, from the Possessions of the United States, from Puerto Rico and from the Canal Zone only under license on Form TGL-11 issued by the Director, Office of Domestic Gold and Silver Operations. Application for such a license shall be executed on Form TG 11 and filed with the Director, Office of Domestic Gold and Silver Operations, Treasury Department, Washington 25, D.C.

(4) *Other exports of gold*. Export licenses may also be issued upon application made on Form TG-15 in the same manner as prescribed in subparagraph (1) of this paragraph, authorizing the exportation of gold in any form for refining or processing subject to the condition that the refined or processed gold (or the equivalent in refined or processed gold) be returned to the United States, or subject to such other conditions as the Director may prescribe.

[28 FR 9290, Aug. 13, 1963]

Prior Amendments

1960: 25 FR 12240, Dec. 2.

1951: 26 FR 5051, Oct. 14.

Subpart E—Gold for Other Purposes Not Inconsistent With the Purpose of the Gold Reserve Act of 1934 and the Act of Oct. 6, 1917, as Amended

§ 54.40 Imported gold.

EXCEPT FOR GOLD WHICH MAY BE IMPORTED IN ACCORDANCE WITH THE PROVISIONS OF § 54.51, NO GOLD IS AUTHORIZED TO BE IMPORTED INTO THE UNITED STATES AS

it shall have been situated within the customs limits of the United States, and then only subject to the following provisions:

(a) *Notation upon entry.* Upon formal entry of any gold intended for sale to a mint under this subpart, the importer shall declare to the collector of customs at the port of entry where the gold is formally entered that the gold is entered for such sale. The collector shall make a notation of this declaration upon the entry and forward a copy to the mint designated by the importer.

(b) *Statement by importer.* Upon the deposit of the gold with the mint designated by the importer, the importer shall file a statement executed in duplicate on Form TG-23.

[25 F.R. 12347, Dec. 2, 1960]

§ 54.41 Gold refined from imported gold-bearing material.

The mints are authorized to purchase gold refined (or the equivalent to gold refined) from gold-bearing material which has been either imported into the United States pursuant to a license issued under paragraph (a) of § 54.25 for sale of the gold derived therefrom to a designated mint, or imported into the United States under § 54.32 (notwithstanding the declaration made by the importer upon the entry into the United States of such gold-bearing material as required by § 54.32(b)), whether or not such gold or gold-bearing material has been in customs custody throughout the period it has been in the customs limits of the United States, subject to the following provisions:

(a) In the case of gold-bearing material imported pursuant to license issued under paragraph (a) of § 54.25, the importer shall declare to the collector of customs at the port of entry that the gold-bearing material is being imported for sale of the gold refined therefrom to a designated mint; the collector shall make on the entry a notation to this effect and forward a copy thereof to the mint designated by the importer.

(b) In the case of gold-bearing material imported under § 54.32, if the gold refined therefrom is offered to a mint other than the mint at San Francisco or the assay office at New York, the importer shall have caused the copy of the entry described in § 54.32(b) to be forwarded to the mint to which he is offering the gold for sale.

(c) Before any gold may be purchased under this section, the requirements of § 54.32(b) (2) and (3) must be shown to have been complied with: *Provided, however,* That any person importing gold-bearing materials for sale of the gold refined therefrom to a mint other than the mint at San Francisco or the assay office at New York shall have caused the true copy of the record described in § 54.32(b) (3) to be forwarded to the mint to which he is offering the gold for sale.

(d) Upon presentation of the gold to a mint or assay office for purchase, the importer shall file a statement executed in duplicate on Form TG-26, together with two true copies of the settlement sheet covering the gold-bearing material imported.

(e) No gold shall be accepted for purchase under authority of this paragraph unless it is delivered to the mint and all of the terms hereof complied with within seven months from the date of the formal entry into the United States of the gold-bearing material from which it was extracted.

[25 F.R. 12347, Dec. 2, 1960]

Subpart H—Transitory Provisions [Deleted]

CODIFICATION: §§ 54.70-54.82 under this Subpart were deleted, 28 F.R. 8290, Aug. 13, 1963.

Prior Amendments

1960: 25 F.R. 12348, Dec. 2.

1961: 26 F.R. 323, Jan. 17; 26 F.R. 9551, Oct. 10.

1962: 27 F.R. 6974, July 24.

**PART 80—NEWLY-MINED DOMESTIC
SILVER REGULATIONS OF JULY 6,
1939, AS AMENDED**

CODIFICATION: In Part 80, at 26 F.R. 9551, Oct. 10, 1961, the words "Under Secretary of the Treasury for Monetary Affairs or his delegate" were substituted for "Director of the Mint" wherever the latter appeared.

Rate per gross
troy ounce
(cents)

Bar sizes:

Not less than 500 ounces.....	1/2
Between 125 and 500 ounces.....	3/4
125 ounces or less.....	2
No charge will be imposed on 1,000 ounce bars.	

(c) *Charges on gold bars sold.*² (1)

Gold bars may be sold only in lots of not less than 25 finetroy ounces and only when of a fineness of 999 thousandths or above.

(2) No bar charge will be imposed on any gold bars of a fineness below 999 thousandths when particular sizes or finenesses are not requested.

(3) The following bar charges will be made for bars of a fineness of 999 thousandths or above, for bars of particular fineness, and for bars of particular sizes, when any of such bars are requested and available:

Fineness (thousandths)	Bar sizes (gross troy ounces)	Rates per \$100 value
999 and above, but below 999.9; also be- low 999 when partic- ular sizes or fine- nesses are requested.	Large, over 50 ounces..	<i>Cents</i> 8
	Medium, 25 to 50 ounces.	10
	Small, below 25 ounces but not less than 15 ounces.	12
	Special, below 15 but not less than 5 ounces.	15
999.9.....	Any size.....	21

(d) *Charges on silver bars sold.* No bar charges are imposed on 1,000 ounce silver bars, sold in accordance with 31 U.S.C. 316d and the regulations issued thereunder (§ 92.20 of this chapter).

§ 90.5 Assays of gold or silver bullion or jewelry free from platinum group metals.

	<i>Charge</i>
Gold	\$7.00
Silver	7.00
Gold and Silver (same sample).....	12.00

An extra charge of \$3.50 for each assay of gold or silver will be imposed when the sample contains any of the platinum group metals.

§ 90.6 Assays of plated and filled goods (over 800 base metal) and white gold free from platinum group metals.

	<i>Charge</i>
Gold	\$3.00
Silver	8.00

An extra charge of \$3.50 for each assay of gold or silver will be imposed when the sample contains any of the platinum group metals.

§ 90.7 Assays of ores.

Assays of ores will be made at the United States Mint at Denver, Colorado. The charge for each metal determined will be:

	<i>Charge</i>
Gold	\$3.00
Silver	3.00
Gold and Silver (same sample).....	5.00
Lead	5.00
Zinc	5.00
Copper	4.50

§ 90.8 Assaying and stamping charges.¹

On bullion deposited for the purpose of receiving the Government assay and stamp the melting and assay charges above specified shall be imposed.

§ 90.9 General provision.³

Nothing in this part shall be applied in a manner inconsistent with, or deemed to amend, modify, or repeal, any acts, orders, proclamations, regulations, or instructions, relating to gold or silver.

¹ See § 90.9.

³ Sections 54.44 and 54.52 of this chapter set forth the purchase and sale price of gold purchased and sold to the United States Mints and Assay Office under Subparts F and G of the Gold Regulations (§§ 54.35-54.52 of this chapter). The one-fourth of one percent charge referred to therein shall be in addition to all other mint charges in connection with purchases or sales of gold by the United States.

**PART 92—BUREAU OF THE MINT
PROCEDURES AND DESCRIPTIONS
OF FORMS [REVISED]**

Subpart A—Procedures

- Sec. 92.1 Gold which may be purchased by the United States.
- 92.2 Deposits of gold bullion with a mint or assay office for return in bar form.
- 92.3 Acceptability of gold deposits.
- 92.4 Deposit of newly mined domestic silver with a mint or assay office.
- 92.5 Deposit of silver for return in bar form.
- 92.6 Silver contained in gold bullion.
- 92.7 Receipt of bullion deposits.
- 92.8 Handling of bullion deposits.
- 92.9 Charges on bullion deposited.
- 92.10 Payment for bullion deposits.
- 92.11 Advance payment.
- 92.12 Redemption and deposit of United States coin.
- 92.13 Sale of gold.
- 92.14 Sale of "proof" gold.
- 92.15 Sale of silver.
- 92.16 Supplying of "proof" silver.
- 92.17 Assays of bullion and ores.
- 92.18 Manufacture of medals.
- 92.19 Sale of "List" medals.
- 92.20 Manufacture of "proof" coins.
- 92.21 Informal consultations.
- 92.22 Matters of official record.
- 92.23 Official records.
- 92.24 Requests for information or official records.

AUTHORITY: §§ 92.1 to 92.24 issued under R.S. 161; 5 U.S.C. 22.

SOURCE: §§ 92.1 to 92.24 appear at 27 F.R. 8270, Aug. 18, 1962.

Prior Amendments

1961: 26 F.R. 9551, Oct. 10.

Subpart A—Procedures

§ 92.1 Gold which may be purchased by the United States.

For categories of gold which are purchased by the mints and assay offices, the requirements for acceptability of such gold, and the purchase price under the Gold Regulations, see Part 54, Subpart F of this chapter and § 92.3. The Director of the Mint will issue appropriate instructions to Mint Field Offices on the basis of determinations made under § 93.6 of this chapter regarding gold not eligible for purchase under this chapter (Gold Regulations) and gold held in non-compliance with orders is purchased under the instructions.

tions of the Secretary of the Treasury of January 17, 1934. No return or payment is made for metal other than gold or silver contained in the deposit.

§ 92.2 Deposits of gold bullion with a mint or assay office for return in bar form.

Any owner of gold bullion, lawfully entitled to hold such gold, may deposit it at any mint or the New York Assay Office for return in the form of stamped bars (but in no case is a gold bar of less weight than 5 ounces made or issued) when licensed to receive such bars under Part 54 of this chapter (Gold Regulations).

§ 92.3 Acceptability of gold deposits.

A gold deposit must contain at least one troy ounce of gold, at least 100 parts of gold in 1,000 with enough additional gold or silver to make at least 200 parts of gold and silver combined in 1,000, so that there will be not more than 800 parts base metals including copper in 1,000. If it does not meet these requirements, or if the report of the Assayer at the Mint institution at which deposited indicates it to be unsuitable for mint operations, it will not be purchased. If the unacceptability of a deposit of scrap gold can be determined before the deposit is melted it may be returned to the depositor, but if the deposit has been melted, it may be returned to the depositor only if he is authorized under the Gold Regulations (Part 54 of this chapter) to hold melted gold. If the depositor is not authorized to hold such gold, it is held for delivery, at his request and for his account. Appropriate instructions on the basis of determinations made pursuant to § 93.7 of this chapter are issued by the Director of the Mint to Mint Field Offices regarding delivery to a refiner or other person licensed under the Gold Regulations to acquire and hold such gold, provided that the gold was not required to be delivered to the United States by the Order of the Secretary of the Treasury dated December 28, 1933.

§ 92.4 Deposit of newly-mined domestic silver with a mint or assay office.

Any owner of newly mined domestic silver, mined subsequently to July 1, 1939, as defined in the Newly Mined Domestic Silver Regulations of July 6, 1939, as amended and supplemented (Part 80 of this chapter), may deposit such silver

	<i>Rate per gross troy ounce (cents)</i>	
Bar sizes:		
Not less than 500 ounces.....		½
Between 125 and 500 ounces.....		¾
125 ounces or less.....		2
No charge will be imposed on 1,000 ounce bars.		

(c) *Charges on gold bars sold.*¹ (1)

Gold bars may be sold only in lots of not less than 25 finetroy ounces and only when of a fineness of 899 thousandths or above.

(2) No bar charge will be imposed on any gold bars of a fineness below 999 thousandths when particular sizes or finenesses are not requested.

(3) The following bar charges will be made for bars of a fineness of 999 thousandths or above, for bars of particular fineness, and for bars of particular sizes, when any of such bars are requested and available:

Fineness (thousandths)	Bar sizes (gross troy ounces)	Rates per \$100 value
		<i>Cents</i>
999 and above, but below 999.9; also below 999 when particular sizes or finenesses are requested.	Large, over 50 ounces..	8
	Medium, 25 to 50 ounces.	10
	Small, below 25 ounces but not less than 15 ounces.	12
	Special, below 15 but not less than 5 ounces.	15
999.9.....	Any size.....	21

(d) *Charges on silver bars sold.* No bar charges are imposed on 1,000 ounce silver bars, sold in accordance with 31 U.S.C. 316d and the regulations issued thereunder (§ 92.20 of this chapter).

§ 90.5 Assays of gold or silver bullion or jewelry free from platinum group metals.

	<i>Charge</i>
Gold	\$7.00
Silver	7.00
Gold and Silver (same sample).....	12.00

An extra charge of \$3.50 for each assay of gold or silver will be imposed when the sample contains any of the platinum group metals.

§ 90.6 Assays of plated and filled gold (over 800 base metal) and white gold free from platinum group metals.

	<i>Charge</i>
Gold	\$8.00
Silver	8.00

An extra charge of \$3.50 for each assay of gold or silver will be imposed when the sample contains any of the platinum group metals.

§ 90.7 Assays of ores.

Assays of ores will be made at the United States Mint at Denver, Colorado. The charge for each metal determined will be:

	<i>Charge</i>
Gold	\$3.00
Silver	3.00
Gold and Silver (same sample).....	5.00
Lead	5.00
Zinc	5.00
Copper	4.50

§ 90.8 Assaying and stamping charges.²

On bullion deposited for the purpose of receiving the Government assay and stamp the melting and assay charges above specified shall be imposed.

§ 90.9 General provision.³

Nothing in this part shall be applied in a manner inconsistent with, or deemed to amend, modify, or repeal, any acts, orders, proclamations, regulations, or instructions, relating to gold or silver.

¹ See § 90.9.

² Sections 54.44 and 54.52 of this chapter set forth the purchase and sale price of gold purchased and sold to the United States Mints and Assay Office under Subparts F and G of the Gold Regulations (§§ 54.35-54.52 of this chapter). The one-fourth of one percent charge referred to therein shall be in addition to all other mint charges in connection with purchases or sales of gold by the United States.

PART 92—BUREAU OF THE MINT PROCEDURES AND DESCRIPTIONS OF FORMS [REVISED]

Subpart A—Procedures

- Sec.
92.1 Gold which may be purchased by the United States.
92.2 Deposits of gold bullion with a mint or assay office for return in bar form.
92.3 Acceptability of gold deposits.
92.4 Deposit of newly mined domestic silver with a mint or assay office.
92.5 Deposit of silver for return in bar form.
92.6 Silver contained in gold bullion.
92.7 Receipt of bullion deposits.
92.8 Handling of bullion deposits.
92.9 Charges on bullion deposited.
92.10 Payment for bullion deposits.
92.11 Advance payment.
92.12 Redemption and deposit of United States coin.
92.13 Sale of gold.
92.14 Sale of "proof" gold.
92.15 Sale of silver.
92.16 Supplying of "proof" silver.
92.17 Assays of bullion and ores.
92.18 Manufacture of medals.
92.19 Sale of "List" medals.
92.20 Manufacture of "proof" coins.
92.21 Informal consultations.
92.22 Matters of official record.
92.23 Official records.
92.24 Requests for information or official records.

AUTHORITY: §§ 92.1 to 92.24 issued under R.S. 161; 5 U.S.C. 22.

SOURCE: §§ 92.1 to 92.24 appear at 27 F.R. 8270, Aug. 18, 1962.

Prior Amendments

1961: 26 F.R. 9551, Oct. 10.

Subpart A—Procedures

§ 92.1 Gold which may be purchased by the United States.

For categories of gold which are purchased by the mints and assay offices, the requirements for acceptability of such gold, and the purchase price under the Gold Regulations, see Part 54, Subpart F of this chapter and § 92.3. The Director of the Mint will issue appropriate instructions to Mint Field Offices on the basis of determinations made pursuant to § 93.6 of this chapter regarding gold not eligible for purchase under Part 54 of this chapter (Gold Regulations) except that gold held in non-compliance with the gold orders is purchased in accordance with the Instruc-

tions of the Secretary of the Treasury of January 17, 1934. No return or payment is made for metal other than gold or silver contained in the deposit.

§ 92.2 Deposits of gold bullion with a mint or assay office for return in bar form.

Any owner of gold bullion, lawfully entitled to hold such gold, may deposit it at any mint or the New York Assay Office for return in the form of stamped bars (but in no case is a gold bar of less weight than 5 ounces made or issued) when licensed to receive such bars under Part 54 of this chapter (Gold Regulations).

§ 92.3 Acceptability of gold deposits.

A gold deposit must contain at least one troy ounce of gold, at least 100 parts of gold in 1,000 with enough additional gold or silver to make at least 200 parts of gold and silver combined in 1,000, so that there will be not more than 800 parts base metals including copper in 1,000. If it does not meet these requirements, or if the report of the Assayer at the Mint institution at which deposited indicates it to be unsuitable for mint operations, it will not be purchased. If the unacceptability of a deposit of scrap gold can be determined before the deposit is melted it may be returned to the depositor, but if the deposit has been melted, it may be returned to the depositor only if he is authorized under the Gold Regulations (Part 54 of this chapter) to hold melted gold. If the depositor is not authorized to hold such gold, it is held for delivery, at his request and for his account. Appropriate instructions on the basis of determinations made pursuant to § 93.7 of this chapter are issued by the Director of the Mint to Mint Field Offices regarding delivery to a refiner or other person licensed under the Gold Regulations to acquire and hold such gold, provided that the gold was not required to be delivered to the United States by the Order of the Secretary of the Treasury dated December 28, 1933.

§ 92.4 Deposit of newly-mined domestic silver with a mint or assay office.

Any owner of newly mined domestic silver, mined subsequently to July 1, 1939, as defined in the Newly Mined Domestic Silver Regulations of July 6, 1939, as amended and supplemented (Part 80 of this chapter), may deposit such silver

at the mints; return for such silver is made in accordance with such regulations. Deposits of newly mined domestic silver must be accompanied by duly executed affidavits as evidence that such silver is eligible for deposit. As a matter of convenience to the public, when specifically authorized by the Director, the Assay Office at New York will accept eligible silver for the account of the mint at Philadelphia. Silver of this category will be accepted provided it contains at least 200 parts in 1,000 of silver or of gold and silver combined. The gold content of such deposits will be paid for at the rate set forth in § 54.44 of this chapter upon compliance with § 54.36 of this chapter. No payment or return will be made for other metal contained in the deposit.

§ 92.5 Deposit of silver for return in bar form.

Silver bullion not eligible for deposit under § 92.4 may be deposited at any mint or the New York Assay Office for return in the form of fine silver bars: *Provided*, That such silver contains not less than 600 parts of silver in 1,000 and not more than 100 parts of gold in 1,000. (The gold content of such deposits if eligible for purchase under § 54.37 of this chapter is paid for at the price set forth in § 54.44 of this chapter; no return is made for base metal contained in the deposit.) No Mint stamped fine silver bar weighing less than 100 gross troy ounces is issued. If a silver deposit containing less than 100 fine ounces of silver is deposited for return in the form of fine silver, the silver returned will be in the form of unmarked bars, or an unmarked piece cut from a bar, approximating as closely as practicable, but not more than, the fine silver content of the deposit. Any fine silver remainder, due the depositor, will be purchased at the price then being paid for silver contained in gold bullion under § 92.6, except that not more than 1,000 ounces of silver shall be purchased in any one month at any one Mint institution without special authorization. Appropriate instructions will be communicated by the Director of the Mint to Mint Field Offices.

§ 92.6 Silver contained in gold bullion.

At the option of the depositor, silver contained in gold bullion (other than newly mined as set forth in § 92.4) sold

to the Government is returned to the depositor in the form of silver bars or purchased at such valuations as are from time to time established. The Director of the Mint will issue appropriate instructions to Mint Field Offices, on the basis of determinations made pursuant to § 93.9 of this chapter, regarding changes in such valuations.

§ 92.7 Receipt of bullion deposits.

As a matter of expedience and convenience to the public, the officers in charge of the mint institutions are authorized to receive deposits of bullion by express or mail. In cases where reasonable doubts may arise as to the ownership and eligibility or any other pertinent factor concerning deposits, the officers may decline to receive deposits unless made in person. When gold or silver deposits are received by express or mail, or when formal receipts are not requested by the depositors of silver bullion, memorandum receipts are issued to the depositors. Whenever the depositor of silver requests a formal receipt, he is given a receipt on Form 7a for the before-melting weight of his deposit. No receipt on Form 7a may be given to a depositor of gold bullion. Receipts on Form 7a must be surrendered, properly indorsed by the depositor at the time payment is made for the silver bullion represented thereby. If the depositor of silver bullion loses his receipt on Form 7a, it is necessary for him before payment is made to give a bond of indemnity for double the value of the deposit.

§ 92.8 Handling of bullion deposits.

(a) All bullion deposited or purchased at any of the mints or assay offices is weighed, when practicable, in the presence of the depositor or his agent, and the weight is verified by some official or competent employee of the mint. Weights are recorded in troy ounces and hundredths of an ounce. In receiving and weighing deposits, fractions of one-hundredths of an ounce are disregarded. When several parcels are deposited by the same depositor at the same time they may be weighed separately at his request, but separate assays are made only subject to separate melting charges for each parcel assayed.

(b) The Assayer takes at least two samples in sufficient portions for assay from each deposit of bullion. The per-

centages of the gold, silver and base metal contained, as well as the charges to which the deposit is subject, are indicated by the Assayer on a special form provided for that purpose, which is signed by the Assayer. This form also contains the depositor's name, the number and date of the deposit, the class of bullion, the weight before and after melting and the deductions, if any, to which the deposit has been subjected.

§ 92.9 Charges on bullion deposited.

The charges for the various operations on bullion deposited and for the preparation of bars are fixed from time to time by the Director of the Mint, with the concurrence of the Secretary of the Treasury, so as to equal but not exceed in their judgment the actual average cost of the material, labor, wastage and use of machinery employed. The current charges are set forth in the Table of Charges (Part 90 of this chapter). Depositors are credited with the after-melting weight of their bullion except that deductions will be made on base bullion deposits if they have adhering substances, slag, or an oxidized surface. The detailed memorandum of the weight of bullion after melting, the report of the Assayer as to fineness, the value of the deposit and the amount of the charges is given to the depositor.

§ 92.10 Payment for bullion deposits.

Payment for bullion is made, in so far as practicable, in the order in which the deposits are received by check drawn in favor of the depositor (or if payment is for silver bullion to such other person as he may designate). In no case is a check in payment of a deposit drawn in favor of any officer or employee of the institution where the deposit is made, and in no case may any person employed in the institution act as agent for the depositor. Checks may be sent by ordinary mail at the risk of the payee or by registered mail at their request and expense.

§ 92.11 Advance payment.

When the approximate fineness of a deposit of bullion containing \$5,000 or more in gold or 5,000 or more ounces of silver may be readily determined, partial payment of 90 percent of the value may be made at the discretion of the officer in charge. If the fineness is closely determined by assay, and the deposit is awaiting remelting and reassay for exact de-

termination, partial payment up to 98 percent of the value may be made. Partial payment of 98 percent of the declared value of a deposit of foreign coin valued at not less than one million dollars may be made after its weight and approximate value have been determined. On a deposit of a million dollars in value of gold bullion not less than 0.995 fine, payment of 98 percent of the declared value may be made after the weight and approximate value have been determined. Other advances may be authorized by the Secretary of the Treasury. In any case of an advance the depositor must give a written guaranty that the value of the deposit is at least equal to the amount advanced.

§ 92.12 Redemption and deposit of United States coin.

(a) United States gold coin is received at the mint institutions in accordance with the Instructions of the Secretary of the Treasury of January 17, 1934. Coin eligible for acceptance under such instructions if of legal weight is paid for at face value; if worn or mutilated is received as standard metal without previous melt or assay (except when it may be necessary to establish the amount of foreign substance present that cannot otherwise be determined), and is paid for as bullion at the rate of \$20.67+ per ounce of fine gold.

(b) The regulations governing the redemption and exchange of silver and minor coins are set forth in Part 100 of this chapter.

§ 92.13 Sale of gold.

The regulations governing the sale of gold by mint institutions and the sale price thereof are set forth in §§ 54.51 and 54.52 of this chapter. The right is reserved to furnish such gold from any mint institution if the interest of the Government so requires. Transportation costs from the institution of sale to the purchaser are paid by the purchaser. Payment in cash or currency, or Federal Reserve bank check, will be accepted at the time of delivery of the bars. Payment by other check will be accepted but delivery will not be made until the check has been deposited by the officer in charge of the institution and has cleared.

§ 92.14 Sale of "proof" gold.

"Proof" gold (i.e., gold at least 0.9999+ fine) is sold only upon specific instructions by the Director of the Mint to Mint

Field Offices on the basis of determinations made pursuant to § 93.11 of this chapter.

§ 92.15 Sale of silver.

Discontinued by direction of the President on November 28, 1961.

§ 92.16 Supplying of "proof" silver.

"Proof" silver (i.e., silver 0.9999+ fine) may in exceptional cases be supplied in exchange for silver furnished by the applicant, with appropriate charges to cover the cost of manufacture.

§ 92.17 Assays of bullion and ores.

Samples of bullion are assayed for gold and silver for the public at all mint institutions at the charges set forth in the Table of Charges (Part 90 of this chapter). Samples of ores are assayed for the public at the Denver Mint, for the metals listed in the Table of Charges (Part 90 of this chapter), at the prices set forth therein.

§ 92.18 Manufacture of medals.

With the approval of the Director of the Mint, dies for medals of a national character may be executed and struck at the Philadelphia Mint. Mint institutions are not authorized to prepare dies for private medals. However, when in the opinion of the Director the regular business of the Mint permits and when the Director so specifically authorizes, private medals may be struck from dies furnished by the parties in interest; charges are assessed to cover the cost of the operations. Application for the manufacture of such medals may be made by letter to the Director of the Mint, Treasury Department, Washington 25, D.C.

§ 92.19 Sale of "list" medals.

Medals on the regular mint list, when available, are sold to the public at a charge sufficient to cover their cost. Copies of the list of medals available for sale and their selling prices may be obtained from the Superintendent of the Mint at Philadelphia.

§ 92.20 Manufacture of "proof" coins.

"Proof" coins, i.e., coins prepared from blanks specially struck and polished, are made by the Mint at Philadelphia, upon specific authorization by the Director and are sold by the Superintendent at a price fixed by the Director, which is face value plus a charge sufficient to cover the additional expense of their

preparation. Their manufacture and issuance are contingent upon the demands of regular operations. "Proof" coins are made only in the designs and denominations of coins manufactured for circulation in the year in which they are struck.

§ 92.21 Informal consultations.

Officials of the Bureau of the Mint are available by appointment for consultation on problems involving the functions of the Bureau, interpretation of regulations, or similar matters.

§ 92.22 Matters of official record.

The following are deemed to be matters of official record within the meaning of section 3(c) of the Administrative Procedure Act (60 Stat. 237; 5 U.S.C. 1002(c)):

- (a) Records of before-melting weight of gold and silver.
- (b) Final report of assay and calculation of value of bullion (supplied to depositor).
- (c) Correspondence relating to each of the above.
- (d) Rulings and opinions issued in connection with mint matters.

§ 92.23 Official records.

(a) *Official records deemed confidential.* Official records falling within § 92.22 (a) through (d) are held to be confidential for the following causes: (1) They do not contain information of legitimate concern to the general public; (2) they may contain information of a confidential nature concerning the commercial and industrial affairs and activities of individuals and enterprises; and (3) to permit general inspection of such documents would violate public and private confidence.

(b) *Availability of official records deemed confidential.* Official records deemed confidential are available for inspection as follows:

- (1) Depositors of gold or silver may inspect documents included in § 92.22 (a) through (d) which refer to their deposit; and
- (2) Persons properly and directly concerned, upon the furnishing of a court order therefor entered in pending litigation, or in lieu thereof with the written consent of the person authorized to inspect the documents under this paragraph or paragraphs (a) or (c) of this section, may inspect documents included in § 92.22 (a) through (d); and

(3) Upon official requests of other Federal or State governmental agencies or officers thereof, acting in their official capacities, the records included in § 92.22 may be made available to them.

(c) *Information for applicants.* Applicants will be advised of the records which they will be permitted to examine, the time and place of examination. In certain instances, where facilities permit, copies of documents may in the discretion of the Director be sent to the applicant. A reasonable fee may be charged for furnishing copies of official records.

§ 92.24 Requests for information or official records.

Requests for information or to examine matters of official record should be directed to the Director of the Mint. The request should clearly state the information desired and set forth the interest of the applicant in the subject matter and the purpose for which the information is desired. If the applicant is an agent or attorney acting for another, he should attach to the application evidence of his authority to act for his principal.

PART 93—OFFICE OF DOMESTIC GOLD AND SILVER OPERATIONS PROCEDURES AND DESCRIPTIONS OF FORMS [ADDED]

Subpart A—Procedures

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Subpart B—Description of Forms and Required Statements

- 93.40 Description of; copies of forms.

FORMS RELATING TO GOLD MATTERS

- 93.41 Form TG-11: Application for license to export gold coin.
 93.42 Form TG-12: Application for a gold license.
 93.43 Form TGR-12: Semiannual report of scrap gold dealers.
 93.44 Form TGR-13: Semiannual report for holders of licenses on Form TGL-13 and TGL-13-A.
 93.45 Form TGR-14: Semiannual report for holders of licenses on Form TGL-14.
 93.46 Form TG-15: Application for license to export or transport semiprocessed gold from the continental United States.
 93.47 Statement to accompany applications to export semiprocessed gold.
 93.48 Form TG-15 (General): Application for general license to export semiprocessed gold from the United States for use in the dental profession.
 93.49 Form TGR-15 (General): Report for holders of general licenses on Form TGL-15 (General).

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- 93.50 Form TG-15-B: Application for general licenses to export gold from the continental United States in any form for refining or processing.
 93.51 Form TGR-15-B: Monthly report for holders of general licenses on Form TGL-15-B.
 93.52 Form TG-16: Certification accompanying export declaration for gold refined from imported gold-bearing materials.
 93.53 Supplemental to application on Form TG-16: Certificate of no Communist Chinese or North Korean interest.
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 93.54 Form TG-17: Application for license to import, hold, transport, and export transit gold.
 93.55 Form TG-18: Application for license to acquire, transport, melt or treat, import, export or earmark gold or hold gold in custody for foreign or domestic account.
 93.56 Form TG-19: Certification accompanying deposits by persons who have recovered gold by mining or panning.
 93.57 Form TG-20: Certification accompanying deposits by persons who have recovered gold in the regular course of their business of operating a custom mill, smelter, or refinery.
 93.58 Form TG-21: Certification accompanying deposits by persons purchasing gold directly from miners or panners.
 93.59 Form TG-22: Certification of depositor of scrap gold.
 93.60 Form TG-23: Certification of depositor of gold (other than United States gold coin) imported into the United States after January 30, 1934.
 93.61 Form TG-24: Certification to Treasury Department by direct user of gold.
 93.62 Form TG-25: Certification to Treasury Department by person engaged in the business of furnishing gold for use in industry, profession, or art.
 93.63 Form TG-26: Certification to accompany deposit of gold refined from gold-bearing material imported into the United States.
 93.64 Form TG-28: Statement of depositor of gold recovered from Mint sweeps.
 93.65 Form TG-29: End-use certificate for semi-processed gold.
 93.66 Form TG-30: Statement of holder of melted gold.
 93.67 Form TG-31: Application for license to import gold coin.

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FORMS RELATING TO SILVER MATTERS

- 93.75 Application to purchase silver from the Treasury Department under the Act of July 31, 1946 (60 Stat. 750; 31 U.S.C. 316d).
- 93.76 Forms prescribed (for deposits) under the Act of July 6, 1939.
- 93.77 Forms prescribed (for deposits) under the Act of July 31, 1946.

AUTHORITY: §§ 93.1 to 93.77 issued under RS 161; 5 U.S.C. 22.

SOURCE: §§ 93.1 to 93.77 appear at 27 F.R. 8282, Aug. 18, 1962.

Subpart A—Procedures**§ 93.1 1933 gold orders.**

With certain exceptions, all persons subject to the jurisdiction of the United States were required to deliver to the Treasurer of the United States gold coins, gold bullion, and gold certificates situated in the United States, pursuant to Executive Order No. 6102 of April 5, 1933, Executive Order 6260 of August 28, 1933 (31 CFR, 1938 ed., Part 50), and the Order of the Secretary of the Treasury of December 28, 1933 (31 CFR, 1938 ed., Part 52), (referred to in this part as the gold orders). Gold coins having a recognized special value to collectors of rare and unusual coins, including all gold coins made prior to April 5, 1933 have been exempted from such delivery requirement. Gold bullion and certificates withheld in violation of the gold orders are still required to be delivered in accordance therewith.

§ 93.2 Melted or treated gold improperly withheld.

Persons holding gold in melted or treated form which was required to be delivered by the gold orders, or which is not authorized to be held under the Gold Regulations issued under the Gold Reserve Act of 1934, and section 5(b) of the Act of October 6, 1917, as amended (Part 54 of this chapter) (referred to in this part as the gold regulations), should immediately deliver such gold to a mint or assay office. Payment for gold held in noncompliance with the gold orders is governed by the Instructions of the Secretary of the Treasury of January 17, 1934 (Part 53 of this chapter).

§ 93.3 Regulations governing gold.

Gold in any form may be presently acquired, held, transported, melted or

treated, imported, exported, earmarked or disposed of only in accordance with the Gold Regulations, set forth in Part 54 of this chapter, and the procedural requirements of this part.

§ 93.4 Applications for gold licenses.

Applications for gold licenses should be filed in duplicate with the Office of Domestic Gold and Silver Operations, Treasury Department, Washington 25, D.C. The Director makes the determination as to the eligibility of the applicant to receive a gold license.

§ 93.5 Issuance of gold licenses.

The Director issues gold licenses in accordance with the provisions of Part 54 of this chapter (Gold Regulations). In addition to determining whether applicants satisfy the specific requirements for the issuance of a gold license, the Director investigates the general business reputation, character and financial responsibility of the applicant before authorizing the issuance of a gold license.

§ 93.6 Gold which may be purchased by the United States.

For categories of gold which are purchased by the United States, the requirements for acceptability of such gold, and the purchase price under the Gold Regulations, see Part 54, Subpart F of this chapter and § 93.7. Disposition of gold not eligible for purchase under Part 54 of this chapter (Gold Regulations) is determined by the Director, Office of Domestic Gold and Silver Operations, except that gold held in noncompliance with the gold orders is purchased in accordance with the Instructions of the Secretary of the Treasury of January 17, 1934. No return or payment is made for metal other than gold or silver contained in the deposit.

§ 93.7 Acceptability of gold deposits.

A gold deposit must contain at least one troy ounce of gold, at least 100 parts of gold in 1,000 with enough additional gold or silver to make at least 200 parts of gold and silver combined in 1,000, so that there will be not more than 800 parts base metals including copper in 1,000. If it does not meet these requirements, or if the report of the Assayer at the Mint institution at which deposited indicates it to be unsuitable for Mint operations, it will not be purchased. If the unacceptability of a deposit of

scrap gold can be determined before the deposit is melted, it may be returned to the depositor, but if the deposit has been melted, it may be returned to the depositor only if he is authorized under the Gold Regulations (Part 54 of this title) to hold melted gold. If the depositor is not authorized to hold such gold, it is held for delivery, at his request and for his account, and by authorization of the Director, Office of Domestic Gold and Silver Operations, to a refiner or other person licensed under the Gold Regulations to acquire and hold such gold, provided that the gold was not required to be delivered to the United States by the Order of the Secretary of the Treasury dated December 28, 1933.

§ 93.8 Deposit of newly-mined domestic silver with a mint or assay office.

Any owner of newly-mined domestic silver, mined subsequently to July 1, 1939, as defined in the Newly-Mined Domestic Silver Regulations of July 6, 1939, as amended and supplemented (Part 80 of this chapter), may deposit such silver at the mints; return for such silver is made in accordance with such regulations. Deposits of newly-mined domestic silver must be accompanied by duly executed affidavits as evidence that such silver is eligible for deposit. When specifically authorized by the Director of the Mint, the Assay Office at New York will accept eligible silver for the account of the Mint at Philadelphia. Silver of this category will be accepted provided it contains at least 200 parts in 1,000 of silver or of gold and silver combined. The gold content of such deposits will be paid for at the rate set forth in § 54.44 of this chapter, upon compliance with § 54.36 of this chapter. No payment or return will be made for other metal contained in the deposit.

§ 93.9 Silver contained in gold bullion.

At the option of the depositor, silver contained in gold bullion (other than newly-mined as set forth in § 93.8) sold to the Government is returned to the depositor in the form of silver bars or purchased at such valuations as are from time to time established by the Director, Office of Domestic Gold and Silver Operations.

§ 93.10 Sale of gold.

The regulations governing the sale of gold by mint institutions and the sale

price thereof are set forth in §§ 54.51 and 54.52, and Part 92 of this chapter.

§ 93.11 Sale of "proof" gold.

"Proof" gold (i.e., gold at least 0.9999+ fine) is sold only in exceptional cases upon specific authorization of the Director, Office of Domestic Gold and Silver Operations, at a charge equal to \$35 per fine troy ounce plus one-quarter of one percent plus cost of manufacture.

§ 93.12 Sale of silver.

Discontinued by direction of the President on November 28, 1961.

§ 93.13 Informal consultations.

Officials of the Office of Domestic Gold and Silver Operations are available by appointment for consultation on problems involving the functions of the Office, interpretation of regulations, or similar matters.

§ 93.14 Opinions, rulings and orders available to the public.

Final opinions, rulings and orders issued by the Office of Domestic Gold and Silver Operations in specific cases in connection with administration of the gold and silver regulations and other matters are not cited as precedents and, accordingly, are not published or made available to the public except in the discretion of the Director upon specific request and a showing of legitimate interest therein. Rulings and opinions of general applicability are available to the public upon written request to the Director.

§ 93.15 Matters of official record.

The following are deemed to be matters of official record within the meaning of section 3(c) of the Administrative Procedure Act (60 Stat. 237; 5 U.S.C. 1002(c)):

- (a) Applications for gold licenses.
- (b) Gold licenses.
- (c) Applications or End-Use certificates for the purchase of gold supplied to the mints and assay offices or to authorized gold dealers.
- (d) Reports submitted by gold licensees and by depositors of silver.
- (e) Audit reports of silver refining companies and persons having transactions in other than monetary gold made by field auditors of the Office of Domestic Gold and Silver Operations.
- (f) Affidavits and statements accompanying deposits of gold and silver.

(g) Transcripts of hearings with exhibits and other supporting documents.

(h) Correspondence relating to each of the above.

(i) Investigative reports.

(j) Rulings and opinions issued in connection with administration of gold and silver regulations and other matters.

§ 93.16 Official.

(a) *Official records deemed confidential.* Official records falling within § 93.15 (a) through (i) are held to be confidential for the following causes: (1) They do not contain information of legitimate concern to the general public; (2) they may contain information of a confidential nature concerning the commercial and industrial affairs and activities of individuals and enterprises; and (3) to permit general inspection of such documents would violate public and private confidence.

(b) *Availability of official records deemed confidential.* Official records deemed confidential are available for inspection as follows:

(1) An applicant for a gold license and his agent or successor in interest may inspect documents included in § 93.15 (a), (b), (c), (d), and (h) which refer to his application;

(2) Gold licensees, persons whose licenses have been revoked, persons whose applications have been denied, and their agents or successors in interest may inspect documents included in § 93.15 (a), (b), (c), (d), (g), and (h) which refer to their applications or licenses;

(3) Persons properly and directly concerned, upon the furnishing of a court order therefor entered in pending litigation, or in lieu thereof with the written consent of the person authorized to inspect the documents under this paragraph or paragraph (a) or (c) of this section, may inspect documents included in § 93.15 (a) through (h); and

(4) Any person showing a legitimate interest therein will be advised as to the form and amount of a license held by any person.

(5) Upon official requests of other Federal or state governmental agencies or officers thereof, acting in their official capacities, the records included in § 93.15 may be made available to them.

(c) *Information for applicants.* Applicants will be advised of the records which they will be permitted to examine, the time and place of examination. In certain instances, where facilities per-

mit, copies of documents may in the discretion of the Director be sent to the applicant. A reasonable fee may be charged for furnishing copies of official records.

§ 93.17 Requests for information or official records.

Requests for information or to examine matters of official record should be directed to the Director, Office of Domestic Gold and Silver Operations. The request should clearly state the information desired and set forth the interest of the applicant in the subject matter and the purpose for which the information is desired. If the applicant is an agent or attorney acting for another, he should attach to the application evidence of his authority to act for his principal.

§ 93.18 Procedures for denying an application for a gold license, for revoking, suspending, modifying a license, and for excluding any person from the privileges or authorizations conferred in Part 54 of this chapter.

(a) *Investigations.* The Director, Office of Domestic Gold and Silver Operations is authorized to make or cause to be made such investigations as the Director deems necessary or proper to assist in the consideration of any applications for licenses or in the administration and enforcement of the Gold Reserve Act of 1934 (31 U.S.C. 440) section 5(b) of the act of October 6, 1917, as amended (12 U.S.C. 95a(3)), and Part 54 of this chapter (Gold Regulations). In general, such investigations are conducted by the staff of the Office of Domestic Gold and Silver Operations. Subpoenas are issued by the Director, Office of Domestic Gold and Silver Operations in accordance with the provisions of § 54.26 of this chapter, and may require the appearance and testimony of any person believed to have knowledge of any pertinent facts and the production of any documents or records specified in § 54.26 of this chapter or otherwise deemed to be relevant to the inquiry, at any designated place.

(b) *Notification*—(1) *Notification to person whose application has been denied, whose license has been revoked, suspended or modified, or who has been excluded from any authorization or privilege.* Any person whose application for an initial gold license, or for a renewal of an existing license is denied, whose gold license is revoked, modified or suspended, or who is excluded from

any privilege or authorization conferred in Part 54 of this chapter, shall be notified by the Director, Office of Domestic Gold and Silver Operations by registered letter mailed to the last address of such person on file with the Office of Domestic Gold and Silver Operations, of such denial, revocation, suspension, modification, or exclusion. Such notice shall contain a concise statement of the grounds for any such action, and shall, in appropriate cases, inform the party proceeded against of his right to reconsideration under paragraphs (c) and (d) of this section: *Provided*, That the notice is answered in writing or a hearing is requested within 15 days after receipt of such notice, or within such different time as the Director, Office of Domestic Gold and Silver Operations may, for special cause, prescribe.

(2) *Notification by show-cause order.* In the first instance, the Director, Office of Domestic Gold and Silver Operations may, by registered letter addressed to the last address of the respondent on file with the Office of Domestic Gold and Silver Operations, require any such person to show cause why his Treasury Department gold license should not be revoked, modified or suspended, or to show cause why he should not be excluded from any privileges or authorizations conferred in Part 54 of this chapter. Such show-cause order shall set forth the specific violations charged, including references to the particular regulatory provisions alleged to have been violated, and shall give notice of the sanctions which may be imposed in the event respondent is found to have committed the alleged violations, i.e., whether his license will be revoked, modified or suspended, or he will be excluded from any privilege or authorization contained in Part 54 of this chapter or both. Such order shall advise the respondent that in the event of a failure to answer the charges in writing or to request a hearing within 15 days from the date of receipt of the show-cause order, or within such other time as the Director, Office of Domestic Gold and Silver Operations shall, for special cause prescribe, he shall be held in default, in which case the Director shall issue a final decision, all intervening proceedings being deemed waived because of such default. A show-cause order issued under this subparagraph may also require the appearance and testimony of any person

believed to have knowledge of any pertinent facts, and the production of any documents or records specified in § 54.26 of this chapter, or otherwise deemed to be relevant to the inquiry.

(c) *Requests for reconsideration.* A written request for reconsideration of any action of which notification has been given under paragraph (b) (1) of this section, setting forth in detail the basis for such request, or an answer to a show-cause order issued pursuant to paragraph (b) (2) of this section may be addressed to the Director, Office of Domestic Gold and Silver Operations, Treasury Department, Washington 25, D.C. In addition, upon written request the Director will schedule a formal hearing in the matter at which time there may be brought to the attention of the Office of Domestic Gold and Silver Operations any information bearing thereon. If the respondent so desires he may waive the formal hearing and have the case considered by the Director, Office of Domestic Gold and Silver Operations on the basis of his written answer.

(d) *Hearings*—(1) *Initiation of proceedings.* In any case of a request for a formal hearing made in accordance with the provisions of paragraph (c) of this section, the Director, Office of Domestic Gold and Silver Operations shall send a charging letter notifying the respondent of the basis upon which action denying his application, revoking, suspending, or modifying his license, or excluding him from any privilege or authorization contained in Part 54 of this chapter was taken. The charging letter shall inform the respondent of the time and place of the hearing, and shall be sent by registered mail to the last address of the respondent on file with the Office of Domestic Gold and Silver Operations. The specific violations charged and references to the particular laws and regulations alleged to have been violated shall be included in the charging letter: *Provided, however*, That, in the event that proceedings are initiated by show-cause order issued by the Director, Office of Domestic Gold and Silver Operations in accordance with the provisions of paragraph (b) (2) of this section, such show-cause order and any amendments thereto, shall constitute the charging letter.

(2) *Preliminary informal conferences.* Prior to any hearing conducted under subparagraph (3) of this paragraph.

there may be held, at the request of either party and with the consent of both parties, a preliminary informal conference, for the purpose of settling or simplifying the issues by consent of the parties.

(3) *Formal procedures*—(i) *Presiding officers.* Hearings under this subparagraph shall be conducted by the Director, Office of Domestic Gold and Silver Operations or by an independent hearing examiner duly appointed and qualified by the Civil Service Commission and designated by the Director, Office of Domestic Gold and Silver Operations to preside. The presiding officer shall have authority in connection with the hearing to administer oaths and affirmations, rule upon offers of proof, take or cause depositions to be taken whenever the ends of justice would be served thereby, regulate the course of the hearing, hold conferences for the settlement or simplification of the issues by consent of the parties, dispose of procedural requests or similar matters, and take other action consistent with the rules and regulations of the Office of Domestic Gold and Silver Operations and other requirements of law.

(ii) *Conduct of hearings.* The Office of Domestic Gold and Silver Operations and the respondent may offer any oral or documentary evidence relevant and material to the charges specified in the charging letter or the show-cause order. The exclusionary rules of evidence prevailing in courts of law shall not be applied. However, irrelevant, immaterial, or unduly repetitious evidence shall be excluded. Respondent and the agency may be represented by counsel. The proceedings shall be duly reported and a full transcript thereof filed with Office of Domestic Gold and Silver Operations. After both parties have had a full opportunity to offer all oral and documentary evidence bearing on the charges, to conduct such cross-examination as may be required for a full and complete development of the facts, and to submit rebuttal evidence, the hearing examiner shall declare the hearing adjourned.

(iii) *Submission of corrections in the record, proposed findings, and conclusions.* Upon adjournment of the hearing, copies of the transcript shall be submitted to the respondent and to counsel for the Office of Domestic Gold and Silver Operations, who may, within 15 days after receipt thereof or within such other

time as the presiding officer may, for special cause prescribe, submit to the presiding officer a statement in writing setting forth proposed findings and conclusions, which may be accompanied by a brief in support thereof, and proposed corrections in the record. The presiding officer may, upon the request of any party allow the submission of a reply brief in any case involving disputed questions of law: *Provided, however,* That except in justified cases, the presiding officer shall allow, for the submission of a reply brief, a period of not more than ten days after the party requesting the opportunity to submit a reply has received the brief of the opposing party. If respondent or counsel for the Office of Domestic Gold and Silver Operations submits any proposed findings or conclusions, briefs, or corrections in the record, he shall, as promptly as practicable, furnish copies thereof to the opposing side. All such submittals shall be a part of the record.

(iv) *Requests to reopen a hearing.* The presiding officer may upon written request reopen a proceeding at any time prior to his report, or should the Director, Office of Domestic Gold and Silver Operations preside at the hearing, then prior to the final decision, for the purpose of hearing any relevant and material evidence which was unknown or which was unobtainable at the time of the original hearing. The request for re-opening shall contain a summary of such evidence, the reasons why it is considered to be material and relevant, and the reasons why it could not have been presented at the original proceeding.

(v) *Hearing examiner's report.* In any case in which a hearing is conducted by an independent hearing examiner, such examiner, within 30 days after the expiration of the time allowed for filing proposed findings and conclusions and briefs, or within such different period as the Director, Office of Domestic Gold and Silver Operations may prescribe, shall file with the Director, Office of Domestic Gold and Silver Operations his report containing his findings of fact, recommended decision, and rulings on any corrections in the record submitted under subdivision (iii) of this subparagraph. A copy of such report shall be forthwith furnished to the respondent and to counsel for the Office of Domestic Gold and Silver Operations by the Direc-

tor, Office of Domestic Gold and Silver Operations.

(vi) *Exceptions.* Within 15 days after receipt of a copy of the hearing examiner's report the respondent or counsel for the Office of Domestic Gold and Silver Operations may file exceptions to the recommended decision of the hearing examiner, or any portion thereof, or to his failure to follow a proposed finding or conclusion, or to the admission or exclusion of evidence, and within such period he may file a brief in support of his contentions and exceptions. All such submittals shall be addressed to the Director, Office of Domestic Gold and Silver Operations. A copy of such exceptions and briefs shall be furnished to the opposing side.

(vii) *Decision.* Final decision in the case shall be made by the Director, Office of Domestic Gold and Silver Operations, after reviewing the record and all exceptions thereto. Copies of such decision shall forthwith be furnished to the respondent and to counsel for the Office of Domestic Gold and Silver Operations.

(e) *Issuance of temporary license or authorization.* Any person whose license has been suspended, revoked or modified, or who has been excluded from any of the privileges or authorizations conferred in Part 54 of this chapter, and who has requested a reconsideration of such suspension, revocation, modification or exclusion, in accordance with the provisions of paragraphs (c) and (d) of this section may be permitted during the pendency of any such proceeding, to operate under a temporary license or authorization upon such terms and conditions as the Director, Office of Domestic Gold and Silver Operations shall prescribe, unless, in the opinion of the Director, the issuance of such a temporary license or authorization would be contrary to the public interest.

Subpart B—Description of Forms and Required Statements

§ 93.40 Description of; copies of forms.

The descriptions of the forms and required statements contained in this subpart are not intended to indicate the detail of the forms but are merely general references to the use and content thereof.

Copies of the forms may be obtained from the Treasury Department, Office of Domestic Gold and Silver Operations, Washington 25, D.C.

FORMS RELATING TO GOLD MATTERS

§ 93.41 Form TG-11: Application for license to export gold coin.

(See §§ 54.20 and 54.25(b)(3) of this chapter.) The applicant is required to submit a description of each coin, including date, denomination, country of issue, condition, mint mark (if any), and design. Port of export and the name and address of the person to whom the gold coins will be exported are also required to be stated.

§ 93.42 Form TG-12: Application for a gold license.

This form is to be used in applying for an initial license, or for a modification or renewal of an existing license to acquire and hold, transport, melt or treat, and/or import gold for use in industry, profession or art or for sale to the United States. It contains descriptions of various types of gold licenses which may be issued on the basis of this application. The applicant is required to submit information concerning his particular needs for gold and a gold license and the ownership and nature of his business.

§ 93.43 Form TGR-12: Semiannual report of scrap gold dealers.

This report is required of holders of gold licenses on Form TGL-12. Detailed information is required concerning the acquisition, holding and disposition of scrap gold by the licensee during the six-months period.

§ 93.44 Form TGR-13: Semiannual report for holders of licenses on Form TGL-13 and TGL-13-A.

This report is required of holders of gold licenses on Form TGL-13 and TGL-13-A. Detailed information is required concerning the acquisition, holding and disposition of gold by the licensee during the six-months' period.

§ 93.45 Form TGR-14: Semiannual report for holders of licenses on Form TGL-14.

This report is required of holders of gold licenses on Form TGL-14. Detailed information is required concerning the acquisition, holding and disposition of gold by the licensee during the six-months period.

§ 93.46 Form TG-15: Application for license to export or transport semiprocessed gold from the continental United States.

(See § 54.25(b) (4) of this chapter.) Information is required concerning the amount and invoiced sales price of the semiprocessed gold which it is desired to export, the description of the semiprocessed gold, the port of export, the consignee, and the purposes for which the gold will be used abroad.

§ 93.47 Statement to accompany applications to export semiprocessed gold.

This statement is required of the consignee of the gold and must accompany applications on Form TG-15 to export semiprocessed gold in excess of 100 fine troy ounces. Information is required concerning the business of the consignee, the use to be made of the gold, and the disposition of previous holdings of gold; the consignee is also required to state that the proposed importation and payment therefor are authorized or licensed under the applicable laws of the country of importation.

§ 93.48 Form TG-15 (General): Application for general license to export semiprocessed gold from the United States for use in the dental profession.

(See § 54.25(b) (4) of this chapter.) Application is submitted on this form instead of Form TG-15 if the applicant desires to obtain a license to cover recurring shipments to regular customers for specified amounts and types of semiprocessed gold of 22 karats or less for use in the dental profession. This application is required to be submitted on a semi-annual basis, and information is required with respect to each consignee.

§ 93.49 Form TGR-15 (General): Report for holders of general licenses on Form TGL-15 (General).

This report is required of holders of gold licenses on Form TGL-15 (General). Detailed information is required concerning the exportations made during each six months period pursuant to the general license.

§ 93.50 Form TG-15-B: Application for general licenses to export gold from the continental United States in any form for refining or processing.

(See § 54.25(b) (4) of this chapter.) The applicant is required to set forth a description of the gold which it is desired

to export for refining or processing, the amounts of such gold, the ports of export, and the specific reason for exporting the gold. The applicant is also required to agree that he will reimport into the United States the refined or processed gold (or its equivalent in refined or processed gold) derived from the gold exported.

§ 93.51 Form TGR-15-B: Monthly report for holders of general licenses on Form TGL-15-B.

This report is required of holders of gold licenses on Form TGL-15-B. Information is required concerning the gold exported for refining or processing and the reimportations of the refined or processed gold derived therefrom, during the calendar month of the report.

§ 93.52 Form TG-16: Certification accompanying export declaration for gold refined from imported gold-bearing materials.

(See § 54.32 of this chapter.) The applicant is required to submit information as to the amount of refined gold to be exported, names and addresses of the immediate and ultimate consignees, the location of the plant at which the gold was refined, and the ports of export; and to make certain representations concerning its interest in the gold.

§ 93.53 Supplemental to application on Form TG-16: Certificate of no Communist Chinese or North Korean interest.

This certificate is required to be executed by persons abroad effecting sale of gold refined from imported gold-bearing materials and filed in support of Form TG-16. Information is required concerning the gold to be re-exported and the foreign consignee. The signer is required to certify that he has no information other than that set forth on the form that any designated national as defined in the Foreign Assets Control Regulations (Chapter V of this title) may have or may obtain any interest in the refined gold, which is to be re-exported, or that any person with whom the signer has had dealings in connection with such gold may be, or may have been acting on behalf of any designated national as defined in the Foreign Assets Control Regulations (Chapter V of this title).

§ 93.54 Form TG-17: Application for license to import, hold, transport, and export transit gold.

(See § 54.33 of this chapter.) The applicant is required to submit information concerning the entry and re-export of the gold, the amount and description of the gold, the name and address of the consignee, and place of delivery abroad.

§ 93.55 Form TG-18: Application for license to acquire, transport, melt or treat, import, export or earmark gold or hold gold in custody for foreign or domestic account.

(See § 54.34 of this chapter.) Application is made on this form for a license to deal in gold for purposes other than those specified in Part 54 of this chapter (Gold Regulations) which in the judgment of the Secretary of the Treasury are not inconsistent with the purposes of the Gold Reserve Act of 1934 and section 5(b) of the act of October 6, 1917, as amended. The applicant is required to submit a complete statement of the nature of the transaction or type of transactions for which the gold is to be used, the reasons why gold is required, and the grounds on which he bases his belief that such use of the gold is not inconsistent with such acts.

§ 93.56 Form TG-19: Certification accompanying deposits by persons who have recovered gold by mining or panning.

(See § 54.36(a)(1) of this chapter.) The depositor is required to submit a description of the gold and information as to the sources and dates of acquisition.

§ 93.57 Form TG-20: Certification accompanying deposits by persons who have recovered gold in the regular course of their business of operating a custom mill, smelter, or refinery.

(See § 54.36(a)(2) of this chapter.) The depositor is required to submit a description of the gold and to certify he is keeping records as to the source of the gold.

§ 93.58 Form TG-21: Certification accompanying deposits by persons purchasing gold directly from miners or panners.

(See § 54.36(a)(3) of this chapter.) The depositor is required to submit a description of the gold and information as to the sources and dates of acquisition.

§ 93.59 Form TG-22: Certification of depositor of scrap gold.

(See § 54.38 of this chapter.) The depositor is required to submit a description of the gold and information as to the sources and dates of acquisition.

§ 93.60 Form TG-23: Certification of depositor of gold (other than United States gold coin) imported into the United States after January 30, 1934.

(See § 54.40 of this chapter.) The depositor is required to submit a description of the gold, the name of the foreign shipper and of the owner, the date of arrival of the gold in the United States, and to certify to other facts.

§ 93.61 Form TG-24: Certification to Treasury Department by direct user of gold.

(See § 54.51 of this chapter.) The applicant is required to submit information concerning his present holdings of gold, his requirements for fine gold for a 3-months' period, and the amount of gold used during the preceding year.

§ 93.62 Form TG-25: Certification to Treasury Department by person engaged in the business of furnishing gold for use in industry, profession, or art.

(See § 54.51 of this chapter.) The applicant is required to submit information concerning his present holdings of gold, his requirements for fine gold for a 3-months' period, and the amount of gold sold during the preceding year.

§ 93.63 Form TG-26: Certification to accompany deposit of gold refined from gold-bearing material imported into the United States.

(See § 54.41 of this chapter.) The depositor is required to submit information concerning his business, the description of the gold, the importation of the gold-bearing materials and the refinement thereof.

§ 93.64 Form TG-28: Statement of depositor of gold recovered from Mint sweeps.

(See § 54.39 of this chapter.) The depositor is required to describe the gold, to certify that the gold contained in the deposit was recovered from sweeps purchased from a mint or assay office.

§ 93.65 Form TG-29: End-use certificate for semi-processed gold.

The purchaser of semi-processed gold from refiners in amounts in excess of \$200, is required to certify on this form as to the end-use of the gold purchased.

§ 93.66 Form TG-30: Statement of holder of melted gold.

(See § 92.2.) This statement is required of persons holding gold in melted or treated form which was required to be delivered to the United States under the gold orders or which is not authorized to be held under Part 54 of this chapter. Information is required concerning the acquisition, and the melting and treating of the gold.

§ 93.67 Form TG-31: Application for license to import gold coin.

(See § 54.20 of this chapter.) The applicant is required to submit a description of each coin, including date, denomination, country of issue, condition, and mint mark (if any), person from whom to be acquired and purpose for which it will be used.

FORMS RELATING TO SILVER MATTERS

§ 93.75 Application to purchase silver from the Treasury Department under the Act of July 31, 1946 (60 Stat. 750; 31 U.S.C. 316d).¹

The applicant is required to state that the amount of silver which he desires to purchase together with that on hand, will not exceed his normal requirements for a 2-months' period, and that the silver is "for manufacturing uses."

§ 93.76 Forms prescribed (for deposits) under the act of July 6, 1939.

The following forms are required to be submitted in connection with domestic silver mined subsequently to July 1, 1939, and deposited with a mint institution pursuant to section 4 of the act of July 6, 1939 (53 Stat. 998; 31 U.S.C. 316c) (see Part 80 of this chapter):

(a) *Form TSA-1: Affidavit and agreement by owner relative to silver mined subsequently to July 1, 1939.* This affidavit and agreement is required to be submitted by the owner of the silver deposited, and requires information con-

cerning the date the silver was mined and the ownership thereof.

(b) *Form TSA-2: Affidavit of miner relative to silver mined subsequently to July 1, 1939.* This is a supporting affidavit required to be submitted with Form TSA-1, when applicable. The affiant is required to set forth information concerning silver which he has mined subsequently to July 1, 1939, the location of the mine, the place the silver was delivered and the amount thereof.

(c) *Form TSA-2A: Affidavit of miner relative to silver taken subsequently to July 1, 1939, from mine dumps and tailing piles which existed as such on midnight July 1, 1939.* This is also a supporting affidavit required to be submitted with Form TSA-1, when applicable. The affiant is required to swear that the silver was derived in the manner and from the sources set forth therein.

(d) *Form TSA-3: Report of person delivering silver pursuant to the provisions of section 4 of the act of July 6, 1939, and the regulations issued thereunder.* A detailed report is required of the acquisitions, holding and dispositions of silver mined subsequently to July 1, 1939.

§ 93.77 Forms prescribed (for deposits) under the act of July 31, 1946.

The following forms are required to be submitted in connection with domestic silver mined subsequently to July 1, 1946, and deposited with a mint institution pursuant to the act of July 31, 1946 (60 Stat. 750; 31 U.S.C. 316d) (see Part 80 of this chapter):

(a) *Form TSA-10: Affidavit and agreement by owner relative to silver mined subsequently to July 1, 1946.* This affidavit and agreement is required to be submitted by the owner of the silver deposited, and requires information concerning the date the silver was mined and the ownership thereof.

(b) *Form TSA-20: Affidavit of miner relative to silver mined subsequently to July 1, 1946.* This is a supporting affidavit required to be submitted with Form TSA-10, when applicable. The affiant is required to set forth information concerning silver which he has mined subsequently to July 1, 1946, and location of the mine, the place the silver was delivered and the amount thereof.

(c) *Form TSA-20A: Affidavit of miner relative to silver taken subsequently to July 1, 1946, from mine dumps*

¹ Sales of silver for industrial use discontinued by order of the President of November 28, 1961.

and tailing piles which existed as such on midnight July 1, 1946. This is also a supporting affidavit required to be submitted with Form TSA-10, when applicable. The affiant is required to swear that the silver was derived in the manner and from the sources set forth therein.

(d) Form TSA-30: Report of persons delivering silver pursuant to the provisions of the act of July 31, 1946, supplementing the provisions of section 4 of the act of July 6, 1939, and the regulations issued thereunder. A detailed report is required of the acquisition, holdings and dispositions of silver mined subsequently to July 1, 1946.

(e) Form 300: Verification of affidavit on Form TSA-20 or TSA-20A. This form is used for verification of supporting affidavits which have been submitted with TSA-10 affidavits.

PART 100—EXCHANGE OF PAPER CURRENCY AND COIN

Subpart A—In General

Sec.
100.3 Lawfully held coins and currencies in general. [Revised]

Subpart B—Exchange of Mutilated Paper Currency

100.8 Certificates relative to affidavits. [Revoked]

100.9 Affidavit forms; totally destroyed paper; discretion of Treasurer of the United States. [Revised]

Subpart C—Exchange of Mutilated Coin

100.10 Mutilated coin; in general. [Revised]

110.11 Coins altered to render them available for use as other denominations. [Revoked]

Subpart A—In General

§ 100.3 Lawfully held coins and currencies in general.

The official agencies of the Treasury Department will continue to exchange lawfully held coins and currencies of the United States, dollar for dollar, for other coins or currencies which may be lawfully acquired and are legal tender for public and private debts. Paper currency of the United States (including national bank notes and Federal Reserve bank notes in process of retirement and Federal Reserve notes) which has been falsely altered and coins altered to render them available for use as other denominations will not be redeemed since such currency and coins are subject to forfeiture under title 18, U.S. Code, section 492. Persons receiving such currency and coins should notify immediately the nearest local office of the Secret Service Division of the Treasury Department and hold the same pending advice from that Division. [24 F.R. 5489, July 8, 1959]

Subpart B—Exchange of Mutilated Paper Currency

§ 100.8 Certificates relative to affidavits. [Revoked, 24 F.R. 5490, July 8, 1959]

§ 100.9 Affidavit forms; totally destroyed paper; discretion of Treasurer of the United States.

Blank forms for affidavits will be furnished upon request by the Currency Redemption Division, Office of the Treasurer of the United States, Washington 25, D.C. No relief is granted on account of currency totally destroyed. The Treasurer of the United States will exercise such discretion under this subpart as may seem to him needful to protect the United States from fraud. [24 F.R. 5489, July 8, 1959]

Subpart C—Exchange of Mutilated Coin

§ 100.10 Mutilated coin; in general.

Mutilated silver and minor coins are not accepted at their face amount but at their bullion or metal value. Silver coins are mutilated when punched, clipped, plugged, fused together, or when so defaced as to be not readily and clearly identifiable as to genuineness and denomination. Minor coins are mutilated when punched, clipped, plugged, fused together, or so defaced as not to be readily identifiable. Coins containing lead, solder or other substances which will render them unsuitable for coinage metal will not be accepted by the mints. Silver and minor coins that are bent or twisted out of shape, but are readily and clearly identifiable as to genuineness, and coins that have been reduced in weight by natural abrasion only, are not regarded as mutilated, and will be received at face amount. [24 F.R. 5490, July 8, 1959]

§ 100.11 Coins altered to render them available for use as other denominations.

[Revoked, 24 F.R. 5490, July 8, 1959]

PART 102—INSTRUCTIONS RELATING TO REPORTS OF CURRENCY TRANSACTIONS [REVISED]

Sec.

102.1 Reports of currency transactions required.

102.2 Filing of reports.

102.3 Identification required.

102.4 Definitions.

AUTHORITY: §§ 102.1 to 102.4 issued under R.S. 251, sec. 5(b), 40 Stat. 415, as amended; 31 U.S.C. 427, 12 U.S.C. 95a and note, E.O. 8389, as amended by E.O.s 8405, 8446, 8484, 8493, 8565, 8701, 8711, 8721, 8746, 8785, 8832, 8963, 8998, 9760, 3 CFR, 1943 Cum. Supp., 3 CFR 1943-1948 Comp., E.O. 9193, as amended by E.O.s 9567, 9788, 3 CFR, 1943 Cum. Supp., 3 CFR, 1943-1948 Comp.

SOURCE: §§ 102.1 to 102.4 appear at 24 F.R. 6242, Aug. 4, 1959; 24 F.R. 6390, Aug. 8, 1959.

§ 102.1 Reports of currency transactions required.

Commencing with transactions occurring in the month of August 1959, every financial institution in the United States shall file monthly reports on Form TCR-1 concerning each deposit or withdrawal, or other payment or transfer, effected by, through, or to such financial institution, which involves transactions in United States currency as follows:

(a) Transactions involving \$2,500 or more of United States currency in denominations of \$100 or higher;

(b) Transactions involving \$10,000 or more of United States currency in any denominations, and

(c) Transactions involving any amount in any denominations,

which in the judgment of the financial institution exceed those commensurate with the customary conduct of the business, industry or profession of the person or organization concerned.

§ 102.2 Filing of reports.

Reports on Form TCR-1 shall be filed on or before the 15th day of the month following that in which the reported transactions occur, with the Federal Reserve Bank of the district in which the reporting financial institution is lo-

§ 102.3 Identification required.

No financial institution shall effect any transaction with respect to which a report is required unless the person or organizations with whom such transaction is to be effected has been satisfactorily identified.

§ 102.4 Definitions.

As used in this part "payment or transfer" shall include exchange of currency; and "financial institutions" shall mean banks, trust companies, savings banks, private bankers, investment bankers, building and loan associations, securities and commodities brokers, and currency exchanges and other persons or organizations engaged primarily in cashing checks and exchanging currency.

**PART 127—EXECUTIVE ORDER OF
JANUARY 15, 1934, REGULATING
TRANSACTIONS IN FOREIGN EX-
CHANGE, TRANSFERS OF CREDIT,
AND EXPORT OF COIN AND CUR-
RENCY**

GENERAL

Sec.

127.2 Possessions of the United States.
[Corrected]

GENERAL

§ 127.2 Possessions of the United States.

CORRECTION OF CFR, REV. JAN. 1, 1959: In § 127.2, the first line in the second column on page 361 of the basic volume is corrected to read "United States and banking institutions".

PART 128—TRANSACTIONS IN FOREIGN EXCHANGE, TRANSFERS OF CREDIT, AND EXPORT OF COIN AND CURRENCY [REVISED]

Subpart A—Regulations

Sec.

- 128.1 General license.
128.2 Reports.
128.3 Modification or revocation.

Subpart B—Description of Forms Prescribed Under This Part

- 128.10 Copies.
128.11 Foreign Exchange Form B-1: "Short-term" liabilities to "foreigners."
128.12 Supplement to Foreign Exchange Form B-1: "Short-term" dollar liabilities to "foreigners" in countries not listed separately on Form B-1.
128.13 Foreign Exchange Form B-2: "Short-term" claims on "foreigners."
128.14 Foreign Exchange Form B-3: "Long-term" liabilities to, and claims on, "foreigners."
128.15 Foreign Exchange Form C-1/2: Liabilities to, and claims on, "foreigners."
128.16 Supplement to Foreign Exchange Form C-1/2: "Short-term" claims on "foreigners."
128.17 Foreign Exchange Form S-1: Purchases and sales of "long-term" securities by "foreigners."
128.18 Supplement to Foreign Exchange Form S-1: U.S. Government bonds and notes held for "foreigners."
128.19 Foreign Exchange Form S-2: Purchases and sales of U.S. Government bonds and notes by "foreign official institutions."
128.20 Foreign Exchange Form S-4: Foreign debit and credit balances.
128.21 Use of prescribed report forms for portions of data required to be reported thereon.
128.22 Special survey report forms.

AUTHORITY: §§ 128.1 to 128.22 issued under sec. 5, 40 Stat. 415, as amended; 50 U.S.C., App. 5, sec. 8, 59 Stat. 515; 22 U.S.C. 286f, E.O. 6560, Jan. 15, 1934, E.O. 10033, 14 F.R. 561, 3 CFR, 1949 Supp.

SOURCE: §§ 128.1 to 128.22 appear at 28 F.R. 4256, Apr. 30, 1963.

Prior Amendments

- 1960: 25 F. R. 9446, Oct. 19.
1962: 27 F. R. 8317, Aug. 21.

Subpart A—Regulations

§ 128.1 General license.

Licenses may be granted, and a general license is hereby granted, to all in-

dividuals, partnerships, associations, and corporations, authorizing any and all transactions in foreign exchange, transfers of credit, and exports of currency (other than gold certificates) and silver coin. The general license granted in this section authorizes transactions to be carried out which are permitted by Executive Order 6560 of January 15, 1934 (Part 127 of this chapter), under license therefor issued pursuant to such Executive order; but does not authorize any transaction to be carried out which, at the time, is prohibited by any other order or by any law, ruling, or regulation.

§ 128.2 Reports.

In order to effectuate the purposes of Executive Order 6560 of January 15, 1934 (Part 127 of this chapter), and in order that information requested by the International Monetary Fund under the Articles of Agreement of the Fund may be obtained in accordance with section 8(a) of the Bretton Woods Agreements Act (Sec. 8(a) 59 Stat. 515; 22 U.S.C. 286f and Executive Order No. 10033, 14 F.R. 561; 3 CFR, 1949 Supp.), every person subject to the jurisdiction of the United States engaging in any transaction, transfer, export or withdrawal referred to in § 127.1 of this chapter shall furnish to the Federal Reserve bank of the district in which such person has his principal place of business in the United States information relative thereto, including information relative to claims and liabilities arising therefrom, and information determined to be essential to comply with official requests for data made by the International Monetary Fund, to such extent and in such manner and at such intervals as is required by report forms and instructions prescribed by the Secretary of the Treasury. In the event that such person has no principal place of business within a Federal Reserve district, the information shall be furnished directly to the Office of International Affairs, Treasury Department, Washington 25, D.C., or to such agency as the Treasury Department may designate.

§ 128.3 Modification or revocation.

The regulations in this part and the general license granted in this part may be modified or revoked at any time.

Subpart B—Description of Forms Prescribed Under This Part ¹

§ 128.10 Copies.

Copies of the forms described in this subpart with instructions may be obtained from any Federal Reserve bank or the Office of International Affairs, Treasury Department, Washington 25, D.C.

§ 128.11 Foreign Exchange Form B-1: "Short-term" liabilities to "foreigners."

On this form bankers and banking institutions in the United States are required to report monthly to a Federal Reserve bank "short-term" liabilities to "foreigners" or assets held on behalf of "foreigners" which represent claims on institutions or individuals in the United States, as of the last day of business of the month.

§ 128.12 Supplement to Foreign Exchange Form B-1: "Short-term" dollar liabilities to "foreigners" in countries not listed separately on Form B-1.

On this form bankers and banking institutions in the United States are required to report twice a year, as of April 30 and December 31, to a Federal Reserve bank "short-term" dollar liabilities to "foreigners" in countries not listed separately on Form B-1.

§ 128.13 Foreign Exchange Form B-2: "Short-term" claims on "foreigners."

On this form bankers and banking institutions in the United States are required to report monthly to a Federal Reserve bank "short-term" assets owned by the reporter or held for the account of domestic customers which represent claims on "foreigners," as of the last day of business of the month.

§ 128.14 Foreign Exchange Form B-3: "Long-term" liabilities to, and claims on, "foreigners."

On this form bankers and banking institutions in the United States are required to report monthly to a Federal Reserve bank "long-term" liabilities to, and claims on, "foreigners" acquired or

held, either in the United States or abroad, by reporting organizations for their own account or for the account of others, as of the last day of business of the month.

§ 128.15 Foreign Exchange Form C-1/2: Liabilities to, and claims on, "foreigners."

On this form exporters, importers, industrial and commercial concerns and other nonbanking institutions in the United States are required to report quarterly, as of the last day of business of the quarter, to a Federal Reserve bank "short-term" and certain other liabilities to and claims on "foreigners" acquired or held, either in the United States or abroad, by reporting organizations for their own account or for the account of others.

§ 128.16 Supplement to Foreign Exchange Form C-1/2: "Short-term" claims on "foreigners."

On this form exporters, importers, industrial and commercial concerns and other nonbanking institutions in the United States are required to report monthly to a Federal Reserve bank data on a portion of their claims on "foreigners," as of the last day of business of the month.

§ 128.17 Foreign Exchange Form S-1: Purchases and sales of "long-term" securities by "foreigners."

On this form bankers and banking institutions, brokers and dealers in the United States are required to report monthly to a Federal Reserve bank transactions in "long-term" and certain other securities executed in the United States for account of "foreigners" and transactions in "long-term" securities executed abroad for their own account and for the account of their domestic customers.

§ 128.18 Supplement to Foreign Exchange Form S-1: U.S. Government bonds and notes held for "foreigners."

On this form bankers and banking institutions, brokers and dealers in the United States are required to report to a Federal Reserve bank, as requested by the Treasury Department, their holdings for the account of "foreigners" of United States Government bonds and notes.

¹ The specific reporting requirements contained in this subpart have been approved by the Bureau of the Budget in accordance with the Federal Reports Act of 1942.

**§ 128.19 Foreign Exchange Form S-2:
Purchases and sales of U.S. Govern-
ment bonds and notes by "foreign
official institutions."**

On this form bankers and banking institutions, brokers and dealers in the United States are required to report monthly to a Federal Reserve bank purchases and sales of United States Government bonds and notes by "foreign official institutions."

**§ 128.20 Foreign Exchange Form S-4:
Foreign debit and credit balances.**

On this form brokers and dealers in the United States are required to report semi-annually to a Federal Reserve bank, the debit and credit balances in their accounts carried by or for "foreigners," as of June 30 and December 31.

**§ 128.21 Use of prescribed report forms
for portions of data required to be
reported thereon.**

The report forms described in Sections 128.11-128.20 are also prescribed for use, as needed, for the collection at intervals other than the ones stated of a portion of the data required on each form in the same or greater detail.

§ 128.22 Special survey report forms.

On report forms other than those described in §§ 128.11 to 128.20 reports are required from time to time to provide detailed information on the content of aggregate data reported on these forms and also to provide qualitative information necessary for adequate analysis of the data reported.

CHAPTER II—FISCAL SERVICE

DEPARTMENT OF THE TREASURY

SUBCHAPTER A—BUREAU OF ACCOUNTS

- 02 Deposit of public moneys and payment of government checks. [Amended]
- 03 Special deposits of public moneys under the Act of Congress, approved September 24, 1917, as amended. [Amended]
- 08 Public moneys and official checks of United States disbursing officers. [Amended]
- 11 Delivery of checks and warrants to addresses outside the United States, its territories and possessions. [Amended]
- 21 Surety companies doing business with the Government required to furnish powers of attorney, notice of revocation of same, and certificates of election of home officers. [Revoked]
- 23 Surety companies doing business with the United States. [Amended]
- 26 Purchase of surety bonds to cover civilian officers and employees and military personnel in Executive Branch of the Federal Government. [Amended]
- 33 Payments under the Act of Congress approved August 30, 1962, on unpaid balances of awards of Philippine War Damage Commission. [Added]
- 70 Availability of records. [Amended]
- 81 Foreign exchange operations. [Revised]

SUBCHAPTER B—BUREAU OF THE PUBLIC DEBT

- 06 General regulations with respect to United States securities. [Revised]
- 09 Issue and sale of Treasury bills. [Amended]
- 15 United States Savings Bonds. [Amended]
- 16 Offering of United States Savings Bonds, Series E. [Revised]
- 21 Payment by banks and other financial institutions in connection with the redemption of United States Savings Bonds. [Amended]
- 25 Payments by banks and other financial institutions in connection with the redemption of Armed Forces Leave Bonds. [Revoked]
- 30 Regulations governing the special endorsement of United States Savings Bonds of any series and the payment of matured Series F and G Bonds by eligible paying agents. [Amended]
- 32 Offering of United States Savings Bonds, Series H. [Revised]

Part

- 338 Regulations governing Treasury Savings Stamp agents for the sale of United States Savings Stamps at schools. [Revised]
- 339 Exchange offering of United States Savings Bonds, Series H. [Added]
- 340 Regulations governing the sale of Treasury bonds through competitive bidding. [Added]
- 341 Regulations governing United States retirement bonds. [Added]

SUBCHAPTER C—OFFICE OF THE TREASURER OF THE UNITED STATES

- 359 Settlements by the Treasurer of the United States, in advance of reclamation, with payees or special endorsees of lost or stolen checks, which have been paid on forged endorsements. [Amended]
- 361 Distribution of uncirculated coins for collection purposes. [Revised]
- 365 Issue of substitutes of lost, destroyed, mutilated and defaced checks drawn on the Treasurer of the United States. [Revised]
- 368 Issue of substitutes of lost, stolen, destroyed, mutilated and defaced checks of the United States drawn on accounts maintained in depository banks in foreign countries or United States territories or possessions. [Added]

SUBCHAPTER A—BUREAU OF ACCOUNTS

**PART 202—DEPOSIT OF PUBLIC
MONEYS AND PAYMENT OF
GOVERNMENT CHECKS**

**FOR SPECIAL ATTENTION OF GENERAL
DEPOSITARIES**

Sec.

202.20 Collateral security for deposits.
[Amended]

§ 202.20 Collateral security for deposits.

* * * * *

(f) Obligations issued or guaranteed
by the International Bank for Recon-
struction and Development, and the
Inter-American Development Bank, all
at face value.

[Paragraph (f) amended, Amdt. 11, 26 F.R.
9338, Oct. 4, 1961]

* * * * *

PART 203—SPECIAL DEPOSITS OF PUBLIC MONEYS UNDER THE ACT OF CONGRESS APPROVED SEPTEMBER 24, 1917, AS AMENDED

COLLATERAL SECURITY

Sec.

203.7 Special depositaries must pledge collateral security before receiving deposits; acceptable securities. [Amended]

§ 203.7 Special depositaries must pledge collateral security before receiving deposits; acceptable securities.

* * * * *

(k) *Obligations of the International Bank for Reconstruction and Development, and the Inter-American Development Bank.* Obligations issued or guaranteed by the International Bank for Reconstruction and Development and the Inter-American Development Bank, all at face value.

[Paragraph (k) amended, Amdt. 5, 26 F.R. 9338, Oct. 4, 1961]

* * * * *

(m) *Participation Certificates of the Export-Import Bank of Washington.* Participation Certificates issued by the Export-Import Bank of Washington which evidence a participation in the Eximbank Portfolio Fund at face value (principal amount less payments made thereon).

[Paragraph (m) added, Amdt. 6, 27 F.R. 3656, Apr. 18, 1962; 27 F.R. 4355, May 8, 1962]

(n) *Deferred Participation Loans of the Small Business Administration.* Notes representing loans made by banks in which the Small Business Administration has agreed to participate by the purchase of a specified percentage of the unpaid balance if called upon to do so by the lending institution: at 90 percent of that portion of the unpaid balance of the loans guaranteed by Small Business Administration.

[Paragraph (n) added, Amdt. 7, 28 F.R. 3262, Apr. 4, 1963]

**PART 208—PUBLIC MONEYS AND
OFFICIAL CHECKS OF UNITED
STATES DISBURSING OFFICERS**

Sec.

208.2 Cash held by a disbursing officer at his personal risk. [Revoked]

208.3 Advances of funds in excess of penalties of official bonds. [Revoked]

208.4 Checks drawn to obtain cash for pay rolls and for other purposes. [Revoked]

208.5 Disposition of excess cash withdrawn for pay rolls and for other purposes. [Revoked]

§ 208.2 Cash held by a disbursing officer at his personal risk.

[Revoked, 24 F.R. 6839, Aug. 22, 1959]

§ 208.3 Advances of funds in excess of penalties of official bonds.

[Revoked, 24 F.R. 6839, Aug. 22, 1959]

§ 208.4 Checks drawn to obtain cash for pay rolls and for other purposes.

[Revoked, 24 F.R. 6839, Aug. 22, 1959]

§ 208.5 Disposition of excess cash withdrawn for pay rolls and for other purposes.

[Revoked, 24 F.R. 6839, Aug. 22, 1959]

PART 211—DELIVERY OF CHECKS AND WARRANTS TO ADDRESSES OUTSIDE THE UNITED STATES, ITS TERRITORIES AND POSSESSIONS

Sec.

211.3 Withholding of delivery on checks and warrants. [Amended]

§ 211.3 Withholding of delivery on checks and warrants.

(a) The Secretary of the Treasury hereby determines that postal, transportation, or banking facilities in general or local conditions in Albania, Communist-controlled China, Cuba, Czechoslovakia, Estonia, Hungary, Latvia, Lithuania, the Union of Soviet Socialist Republics, the Russian Zone of Occupation of Germany, and the Russian Sector of Occupation of Berlin, Germany, are such that there is not a reasonable assurance that a payee in those areas will actually receive checks or warrants drawn against funds of the United States, or agencies or instrumentalities thereof, and be able to negotiate the same for full value.

(Sec. 1, 5. 54 Stat. 1086, 1087; 31 U.S.C. 123, 127) [Paragraph (a) amended by Dept. Circ. 655, Supp. 14, 28 F.R. 7975, Aug. 6, 1963]

Prior Amendments

1960: 25 F.R. 3526, Apr. 22.
1963: 28 F.R. 5081, May 22.

(b) A check or warrant intended for delivery in any of the countries named in paragraph (a) of this section shall be withheld unless the check or warrant is specifically released. Before a check or warrant drawn against funds blocked pursuant to the provisions of Executive

Order No. 8389 (3 CFR, 1943 Cum. Supp.), as amended, and which remain blocked under the proviso clause of General License No. 101 (8 CFR 511.101) may be released. It will be necessary for a license authorizing the release to be issued by the Department of Justice, Office of Alien Property, pursuant to that Executive Order, as amended. Attention is also directed to the following regulations issued by the Secretary of the Treasury: (1) the Foreign Assets Control Regulations issued on December 17, 1950 (31 CFR 500), pursuant to Executive Order No. 9193 (3 CFR, 1943 Cum. Supp.), which prohibit transactions involving payments to nationals of China and North Korea except to the extent that they have been authorized by appropriate license and (2) the Cuban Assets Control Regulations issued on July 8, 1963 (Part 515 of this title), pursuant to the same authority, which prohibit similar transactions with nationals of Cuba unless licensed.

(Sec. 1, 54 Stat. 1086; 31 U.S.C. 123) [Paragraph (b) amended by Dept. Circ. 655, Supp. 14, 28 F.R. 7975, Aug. 6, 1963]

Prior Amendments

1960: 25 F.R. 3526, Apr. 22.

PART 221—SURETY COMPANIES DOING BUSINESS WITH THE GOVERNMENT REQUIRED TO FURNISH POWERS OF ATTORNEY, NOTICE OF REVOCATION OF SAME AND CERTIFICATES OF ELECTION OF HOME OFFICERS [REVOKED, 28 F.R. 12217, NOV. 16, 1963]

ART 223—SURETY COMPANIES DOING BUSINESS WITH THE UNITED STATES

- Sec.
- 223.1 Certificate of authority. [Revised]
- 223.3 Issuance of certificate of authority [Revised]
- 223.16 Financial statements to be published. [Revised]

§ 223.1 Certificate of authority.

The regulations in this part will govern the issuance by the Secretary of the Treasury of certificates of authority to bonding companies to do business with the United States as sureties on recognizances, stipulations, bonds, and undertakings, hereinafter sometimes called obligations, under the provisions of the Act of July 30, 1947 (61 Stat. 646, as amended; 6 U.S.C. 6-13), and the acceptance of such obligations from such companies so long as they continue to hold said certificates of authority.

[1963 Dept. Circ. 297, Supp. 5, 28 F.R. 1039, Feb. 2, 1963]

§ 223.3 Issuance of certificates of authority.

If, from the evidence submitted in the manner and form herein required, the Secretary of the Treasury shall be satisfied that such company has authority under its charter or articles of incorporation to do the business provided for by the Act referred to in § 223.1, and if the Secretary of the Treasury shall be satisfied from such company's financial statement and from any further evidence or information he may require, and from such examination of the company, at its own expense, as he may cause to be made, that such company has a capital fully paid up in cash of not less than

\$250,000, is solvent and financially and otherwise qualified to do the business provided for in said Act, and is able to keep and perform its contracts, he will, subject to the further conditions herein contained, issue a certificate of authority to such company, under the seal of the Treasury Department, to qualify as surety on obligations permitted or required by the laws of the United States to be given with one or more sureties, for a term expiring on the last day of May next following. A new certificate of authority shall, so long as the company remains qualified under the law and the regulations in this part, be issued annually on the first day of June. All certificates of authority and the underwriting limitations established in connection therewith which would otherwise expire on April 30, 1963, are hereby extended to May 31, 1963.

[1963 Dept. Circ. 297, Supp. 5, 28 F.R. 1039, Feb. 2, 1963]

§ 223.16 Financial statement to be published.

A statement (Treasury Department Circular 570) showing the underwriting limitation established for each company holding a certificate of authority under the regulations in this part will be published annually as soon as practicable following the examination and audit of the annual financial statements of the companies submitted to the Treasury. If the Secretary of the Treasury shall take any exceptions to the annual financial statement submitted by a company, he shall, before issuing Treasury Department Circular 570, give the company due notice of such exceptions.

[1963 Dept. Circ. 297, Supp. 5, 28 F.R. 1039, Feb. 2, 1963]

**PART 226—PURCHASE OF SURETY
BONDS TO COVER CIVILIAN OFFI-
CERS AND EMPLOYEES AND MILI-
TARY PERSONNEL IN EXECUTIVE
BRANCH OF THE FEDERAL GOV-
ERNMENT**

Sec.

226.14 Transmittal of bonds to Treasury;
filing. [Revoked]

§ 226.14 Transmittal of bonds to Treas-
ury; filing.

[Revoked, 28 F.R. 12217, Nov. 16, 1963]

PART 253—PAYMENTS UNDER THE ACT OF CONGRESS APPROVED AUGUST 30, 1962, ON UNPAID BALANCES OF AWARDS OF PHILIPPINE WAR DAMAGE COMMISSION [ADDED]

GENERAL PROVISIONS

Sec.

253.0 Introductory.

PAYMENTS

253.1 Manner of payment.

AMENDMENT, REVISION OR WAIVER OF REGULATIONS

253.2 Reservation of right to amend, revise or waive regulations.

AUTHORITY: §§ 253.0 to 253.2 issued under sec. 5(a), 76 Stat. 412 (Pub. Law 87-616).

SOURCE: §§ 253.0 to 253.2 appear at 27 F.R. 12830, Dec. 28, 1962.

GENERAL PROVISIONS

§ 253.0 Introductory.

This part, governing payments on the unpaid balances of awards heretofore made by the Philippine War Damage Commission under Title I of the Philippine Rehabilitation Act of 1946, is prescribed pursuant to section 5(a) of the Act of August 30, 1962 (Public Law 87-616; 76 Stat. 412), which provides that such payments shall be made in accordance with such regulations as the Secretary of the Treasury may prescribe.

PAYMENTS

§ 253.1 Manner of payment.

(a) *Generally.* Payments shall be made by disbursing officers of the Divi-

sion of Disbursement, Treasury Department, in accordance with certifications of the Foreign Claims Settlement Commission.

(b) *Philippine peso payments.* Payments certified by the Foreign Claims Settlement Commission for payment to claimants residing within the Republic of the Philippines shall be made by checks payable in Philippine pesos drawn on a general depository of the United States Government in the Republic of the Philippines. Purchases of Philippine pesos required for payments shall be made, as claims are certified by the Foreign Claims Settlement Commission, by issuance of U.S. dollar checks to the Central Bank of the Philippines at the interbank rate for pesos on the dates of purchases. Amounts certified in U.S. dollars by the Foreign Claims Settlement Commission shall be converted into Philippine pesos on the basis of the rate at which the pesos to be disbursed were acquired.

(c) *U.S. dollar payments.* Payments certified by the Foreign Claims Settlement Commission for payment to claimants residing outside the Republic of the Philippines shall be made by U.S. dollar checks.

AMENDMENT, REVISION OR WAIVER OF REGULATIONS

§ 253.2 Reservation of right to amend, revise or waive regulations.

The Secretary of the Treasury reserves the right to amend or revise these regulations or to waive any provisions thereof in appropriate circumstances.

PART 270—AVAILABILITY OF RECORDS

Sec.

270.3 Fees for copying, certifying and search of records. [Amended]

§ 270.3 Fees for copying, certifying and search of records.

* * * * *

(b) For furnishing special fiscal data that have not been published at the time of request, \$6.00 per hour, with a minimum charge of \$3.00. This item will be applicable primarily to special repetitive reports requested at frequent intervals by publishers and compilers of economic data. Where individuals make occasional requests for published data or for unpublished data where the cost of compilation is not significant, no charge will be made.

[Paragraph (b) amended, 26 F.R. 11938, Dec. 14, 1961]

Prior Amendments

1959: 24 F.R. 5605, July 11.

* * * * *

PART 281—FOREIGN EXCHANGE OPERATIONS [REVISED]

Sec.

- 281.1 Authority.
- 281.2 [Reserved]
- 281.3 Collections.
- 281.4 Guaranty funds.
- 281.5 Depositaries.
- 281.6 Withdrawals from Treasury accounts.
- 281.7 Limitations.
- 281.8 Reporting and accounting.
- 281.9 General provisions.

AUTHORITY: §§ 281.1 to 281.9 issued under sec. 114, 64 Stat. 836, sec. 613, 75 Stat. 443; 31 U.S.C. 66b; E.O. 10488, 18 F.R. 5699, 3 CFR, 1949-1953 Comp.; E.O. 10900, 26 F.R. 143.

SOURCE: §§ 281.1 to 281.9 appear at 26 F.R. 10054, Oct. 26, 1961.

§ 281.1 Authority.

By virtue of the authority vested in the Secretary of the Treasury by section 114 of the Budget and Accounting Procedures Act of 1950, 64 Stat. 836, 31 U.S.C. 66b; section 613 of the Act of September 4, 1961, 75 Stat. 443; Executive Order No. 10488, 18 F.R. 5699, 3 CFR, 1949-1953 Comp.; and Executive Order No. 10900, 26 F.R. 143, the following regulations are prescribed for administration of the purchase, custody, deposit, transfer, sale and reporting of foreign exchange (including credits and currencies) by executive departments and agencies (hereinafter referred to as agencies).

§ 281.2 [Reserved]

§ 281.3 Collections.

Foreign exchange collected by agencies shall be delivered promptly into the custody of accountable officers for credit to accounts of the Secretary of the Treasury (hereinafter referred to as the Secretary) unless otherwise directed by the Secretary. The term "collections," for the purpose of these regulations in this part, does not include foreign exchange acquired by the United States by purchase with dollars. The accountable officer shall maintain records showing the collections, by source, and indicating the miscellaneous receipt accounts or other accounts in the Treasury to be credited with dollar proceeds from sale of the foreign exchange, and such further classifications as may be needed to indicate exchange which can be used only for restricted purposes. Accountable officers shall be advised by the collecting agencies of the source of collections and

any restrictions on the use of the foreign exchange in order that the foregoing records may be maintained.

§ 281.4 Guaranty funds.

The regulations in this part are applicable to all foreign exchange acquired by the United States under guaranty provisions of section 1011 of the United States Information and Educational Exchange Act of 1948, as amended (22 U.S.C. 1442), except that receipts of such foreign exchange shall be deposited in the foreign exchange accounts of the Treasurer of the United States referred to in § 281.5(c).

§ 281.5 Depositaries.

(a) Except as provided in paragraph (b) of this section, foreign exchange which is held by accountable officers for account of the Secretary and foreign exchange acquired by accountable officers by purchase or otherwise, which is not immediately disbursed but is held by such officers for their own account or for the account of any agency, shall be maintained only in depositaries designated by the Secretary. Unless otherwise directed by the Secretary, accountable officers are not required to have separate depositary accounts for foreign exchange held for the Secretary's account.

(b) Accountable officers may carry foreign exchange as cash outside depositaries only pursuant to authority granted in accordance with Treasury Department Circular No. 1030 dated July 24, 1959, as amended.

(c) Deposits in and withdrawals from foreign exchange accounts maintained with depositaries in the name of the Treasurer of the United States will be made only as directed by the Secretary.

§ 281.6 Withdrawals from Treasury accounts.

Foreign exchange shall be withdrawn from accounts of the Secretary on the books of accountable officers or from the foreign exchange accounts carried with depositaries in the name of the Treasurer of the United States, only for the purpose of (a) sale for dollars or (b) transfer to agencies for authorized purposes, without reimbursement to the Treasury, as provided by or pursuant to law. Such transfers, as well as transfers between foreign exchange accounts of the Secretary and between foreign exchange accounts in the name of the

Treasurer of the United States, shall be made only by direction of the Secretary. An agency requiring foreign exchange from the Treasury Department shall make request of the Secretary, indicating the amount of exchange required, in units of foreign currency, and the name and location of the accountable officer to receive the exchange. To the extent practicable and desirable, standing authorizations will be given for withdrawals from accounts of the Secretary. The following conditions apply to the sale of foreign exchange and to the requisition of foreign exchange without dollar payment:

(1) *Sales.* The dollar proceeds realized from the sale of exchange shall be credited to the appropriate miscellaneous receipt account or other account in the Treasury. With respect to the sale of foreign exchange by the Treasury Department, the payment in dollars shall be calculated at the rate of exchange that would otherwise be available to the United States for the acquisition of the foreign exchange for its official disbursements. When such rate is not readily ascertainable, the Treasury will determine the rate in consultation with the agencies concerned. The dollar payment for foreign exchange purchased shall not be charged as an appropriation expenditure until the foreign exchange is disbursed.

(2) *Transfers without reimbursement.* When foreign exchange is to be obtained from the Treasury Department without payment of dollars, the agency concerned shall furnish written certification that the exchange may be used without reimbursement to the Treasury, citing the relevant legal authority. In cases where international agreements or Bureau of the Budget allocations specify the programs for which foreign exchange may be used, the Secretary may transfer exchange to agencies without requiring a certification.

§ 281.7 Limitations.

The following limitations apply to the purchase and holding of foreign exchange:

(a) Unless otherwise authorized by the Secretary, no agency or accountable officer shall purchase, or direct the purchase of, foreign exchange from any

source outside the Government of the United States, except when exchange for the purpose intended is not available for purchase from within the Government.

(b) All foreign exchange acquired by agencies by transfer from the Treasury Department, without payment of dollars, for the purpose of making authorized expenditures, shall be placed with accountable officers for account of the agencies concerned.

(c) Unless otherwise authorized by the Secretary, no accountable officer shall purchase foreign exchange which, together with the balance on hand at the time of purchase, would exceed estimated requirements for a thirty-day period.

(d) Agencies shall return promptly to accountable officers, for credit to accounts of the Secretary, any amounts of foreign exchange obtained without purchase with dollars, which the agencies determine to be in excess of their needs.

§ 281.8 Reporting and accounting.

The Treasury Department will maintain a system of central accounting and reporting for the purpose of providing information on foreign exchange operations to the President, the Congress, and the public. The Treasury Department will also prescribe rules to enhance consistency in the reporting of foreign exchange operations by all agencies. Agencies shall furnish such reports and information as may be required for the administration of the provisions of this circular.

§ 281.9 General provisions.

(a) Nothing contained in this part shall be construed as having the effect of superseding or amending the provisions of any regulations issued or approved by the Secretary pursuant to the Act of December 23, 1944, as amended (67 Stat. 61).

(b) The Secretary may waive, withdraw, or amend at any time or from time to time any or all of the provisions of the regulations of this part.

(c) Implementing regulations within the framework of this circular will be issued by the Fiscal Assistant Secretary of the Treasury. All communications pertaining to the administration of the provisions of this part shall be directed to the Fiscal Assistant Secretary.

SUBCHAPTER B—BUREAU OF THE PUBLIC DEBT

PART 306—GENERAL REGULATIONS WITH RESPECT TO UNITED STATES SECURITIES [REVISED]

Subpart A—General Information

- Sec.
306.0 Applicability of regulations.
306.1 Official agencies.
306.2 Definitions.
306.3 Transportation charges and risks in the shipment of securities.

Subpart B—Registration

- 306.10 Registration.
306.11 Forms of registration for transferable securities.
306.12 Nontransferable securities.
306.13 Errors in registration.

Subpart C—Transfers, Exchanges, and Reissues

- 306.15 Transfers and exchanges of securities—closed periods.
306.16 Denominational exchanges of registered securities.
306.17 Exchanges of registered securities for coupon securities.
306.18 Exchanges of coupon securities for registered securities.
306.19 Denominational exchanges of coupon securities.
306.20 Reissue of registered transferable securities.
306.21 Reissue of nontransferable securities.
306.22 Exchange of Treasury Bonds, Investment Series B—1975—80.

Subpart D—Redemption or Payment

- 306.25 Presentation and surrender.
306.26 Redemption of registered securities at maturity, upon prior call, or for advance refunding.
306.27 Redemption of bearer securities at maturity, upon prior call, or for advance refunding.
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.

Subpart E—Interest

- 306.35 Computation of interest.
306.36 Termination of interest.
306.37 Interest on registered securities.
306.38 Interest on bearer securities.

Subpart F—Assignment of Registered Securities—General

- 306.40 Execution of assignments.
306.41 Form of assignment.
306.42 Alterations and erasures.
306.43 Voidance of assignments.
306.44 Discrepancies in names.

- 306.45 Officers authorized to witness assignments.
306.46 Duties and responsibilities of witnessing officers.
306.47 Evidence of witnessing officer's authority.
306.48 Interested person not to act as witness or witnessing officer.
306.49 Nontransferable securities.

Subpart G—Assignments by or in Behalf of Individuals

- 306.55 Signatures, minor errors and change of name.
306.56 Assignment of securities registered in the names of or assigned to two or more persons.
306.57 Minors and incompetents.
306.58 Nontransferable securities.

Subpart H—Assignments in Behalf of Estates of Deceased Owners

- 306.65 In course of administration.
306.66 Temporary or special administrators.
306.67 After settlement through court proceedings.
306.68 Without administration.
306.69 Special provisions applicable to small amounts of securities, interest checks or redemption checks.
306.70 Nontransferable securities.

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

- Sec.
306.75 Individual fiduciaries.
306.76 Fiduciaries acting as a unit.
306.77 Corepresentatives and fiduciaries.
306.78 Nontransferable securities.

Subject J—Assignments in Behalf of Private or Public Organizations

- 306.85 Private corporations and unincorporated associations.
306.86 Change of name and succession of private organizations.
306.87 Partnerships.
306.88 Political entities and public corporations.
306.89 Public officers.
306.90 Nontransferable securities.

Subpart K—Attorneys in Fact

- 306.91 Attorneys in fact.
306.92 Nontransferable securities.

Subpart L—Transfer Through Judicial Proceedings

- 306.95 Transferable securities.
306.96 Evidence required.
306.97 Nontransferable securities.

Subpart M—Requests for Suspension of Transactions

- 306.100 Requests for suspension of transactions in securities.

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

- 306.105 Statutory authority and requirement.
- 306.106 Reports of loss, theft, destruction, mutilation, or defacement of securities.
- 306.107 Relief authorized for lost, stolen, destroyed, mutilated or defaced securities.
- 306.108 Type of relief granted.
- 306.109 Nontransferable securities.

Subpart O—Miscellaneous Provisions

- 306.115 Additional requirements.
- 306.116 Waiver of regulations.
- 306.117 Preservation of existing rights.
- 306.118 Supplements, amendments or revisions.

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

AUTHORITY: §§ 306.0 to 306.118 issued under R.S. 3706, 40 Stat. 288, 290, 1309, 48 Stat. 343, 50 Stat. 481; 31 U.S.C. 738a, 739, 752, 752a, 753, 754, 754a, 754b.

SOURCE: §§ 306.0 to 306.118 contained in 1963 Dept. Circ. 300, 2d Rev., 28 F.R. 4184, Apr. 27, 1963.

Subpart A—General Information

§ 306.0 Applicability of regulations.

The regulations of this part apply to all United States transferable and non-transferable securities,¹ other than United States Savings Bonds, to the extent specified in the regulations of this part, the offering circulars or special regulations governing such securities.

§ 306.1 Official agencies.

(a) *Subscriptions—tenders—bids.* Securities subject to the regulations in this part are issued from time to time pursuant to public offerings by the Secre-

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 25, D.C., upon request.

tary of the Treasury, through the Federal Reserve Banks, fiscal agents of the United States, and the Treasurer of the United States. 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.* Transactions in securities after original issue are largely conducted by the Bureau of the Public Debt, Division of Loans and Currency, Washington 25, D.C., and inquiries concerning such transactions should be directed to it. The Federal Reserve Banks and Branches are also official agencies for the receipt of securities for transactions after issue. The Federal Reserve Banks and Branches are located in the cities indicated by their names, as follows:

- Federal Reserve Bank of Boston.
- Federal Reserve Bank of New York, Buffalo Branch.
- Federal Reserve Bank of Philadelphia.
- Federal Reserve Bank of Cleveland: Cincinnati Branch, Pittsburgh Branch.
- Federal Reserve Bank of Richmond: Baltimore Branch, Charlotte Branch.
- Federal Reserve Bank of Atlanta: Birmingham Branch, Jacksonville Branch, Nashville Branch, New Orleans Branch.
- Federal Reserve Bank of Chicago, Detroit Branch.
- Federal Reserve Bank of St. Louis: Little Rock Branch, Louisville Branch, Memphis Branch.
- Federal Reserve Bank of Minneapolis: Helena (Montana) Branch.
- Federal Reserve Bank of Kansas City: Denver Branch, Oklahoma City Branch, Omaha Branch.
- Federal Reserve Bank of Dallas: El Paso Branch, Houston Branch, San Antonio Branch.
- Federal Reserve Bank of San Francisco: Los Angeles Branch, Portland (Oregon) Branch, Salt Lake City Branch, Seattle Branch.

§ 306.2 Definitions.

Certain words and terms, as used in the regulations of this part, are defined as follows:

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

(b) "Bureau" refers to the Bureau of the Public Debt, Division of Loans and Currency, Washington 25, D.C.

(c) "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.

(d) "Transferable securities" are securities title to which may be transferred by delivery, or by assignment and delivery, and which may be sold on the market.

(e) "Registered securities" are either transferable or nontransferable, payable on their face at maturity or call for redemption before maturity in accordance with their terms to certain persons whose names and addresses are recorded. Non-transferable securities, issued only in registered form, are payable according to their terms to the registered owners or recognized successors in title to the extent and in the manner provided in the offering circulars or applicable regulations.

(f) "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.

(g) "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.

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

(i) "Call date" is the date on which the obligor may make payment before maturity pursuant to a call for redemption in accordance with the terms of the security.

(j) "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.

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

(l) "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.

(m) "Coownership" and "coowner" are used for convenience only to describe any permitted form of joint ownership.

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

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

(p) "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. (NOTE: The social security account number is composed of nine digits separated by two hyphens, for example, 000-00-0000; the employer identification number is composed of nine digits separated by one hyphen, for example, 00-0000000. The hyphens are an essential part of the numbers and must be included.)

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

The following rules of this section 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 de-

livered 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 Registration.

(a) *General.* The registration used must express the actual ownership of the 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 the regulations in this part. The Treasury Department reserves the right to treat the registration as conclusive of ownership. Requests for registration should be clear, accurate and complete and conform substantially with one of the forms set forth in this subpart. The registration of all securities owned by the same person, organization or fiduciary estate should be uniform. The address must include the street and number, postal zone, rural route or any other local feature. 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 used when necessary to distinguish the owner from any other person. 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."

(b) *Identifying numbers.* Requests for registration and assignments for transfer must include identifying numbers. (See § 306.2(p).) 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 within the United States and not having an office or place of business or a financial or paying agent in the United States.

§ 306.11 Forms of registration for transferable securities.

The forms of registration described in this section 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, for example:

John A. Doe (000-00-0000)
Mrs. Mary C. Doe (000-00-0000)
Miss Mary Ann Doe (000-00-0000)

An individual who is sole proprietor of a business conducted under a trade name may include a reference to the trade name, for example:

John A. Doe, doing business as Doe's Home Appliance Store (00-0000000)

OR

John A. Doe (000-00-0000), doing business as 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 as owners (or all the survivors).² Securities registered in the names of husband and wife should show the husband's identifying number. Securities registered in the names of a minor (whether under legal or natural guardianship) and an adult should show the latter's identifying number.

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

John A. Doe (000-00-0000) or Mrs. Mary C. Doe or the survivor

Mrs. Mary C. Doe and John A. Doe (000-00-0000) or the survivor

John A. Doe (000-00-0000) or Mrs. Mary C. Doe or Miss Mary Ann Doe or the survivors or survivor

John A. Doe (000-00-0000) or Mrs. Mary C. Doe

John A. Doe (000-00-0000) 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, for example:

John A. Doe (000-00-0000) and William B. Roe as tenants in common

John A. Jones as natural guardian of Henry B. Jones, a minor, or Robert C. Jones (000-00-0000), without right of survivorship.

(b) *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, for example:

John Jones as natural guardian of Henry Jones, a minor (000-00-0000)

² **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 transferable Treasury securities 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.

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 and title of the natural guardian.

(c) *Incompetents not under guardianship.* Registration in the name of an incompetent is not authorized, except to the extent provided in § 306.57(c)(2).

(d) *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 in this paragraph.

(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 a National bank or a Federal savings and loan association, for example:

Smith Manufacturing Company, a corporation (00-0000000)

The Standard Manufacturing Corp. (00-0000000)

Jones & Brown, Inc. (00-0000000) (Depreciation Act.)

First National Bank of ----- (00-0000000)

(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," for example:

American Legion Post No. -----, Department of the D.C., an unincorporated association (00-0000000)

Local Union No. 100, Brotherhood of Locomotive Engineers, an unincorporated association (00-0000000)

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 (h) 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," for example:

Smith & Brown, a partnership (00-0000000)
Acme Novelty Co., a limited partnership (00-0000000)

(e) *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, for example:

State of Maine (00-0000000)
Town of Rye, N.Y. (00-0000000)
Maryland State Highway Commission (00-0000000)
Treasurer, City of Springfield, Ill. (00-0000000)
Treasurer of Rhode Island as Custodian of the State Forestry Fund (00-0000000)

(f) *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, for example:

State Sinking Fund Commission, trustee of State Highway Certificates of Indebtedness Sinking Fund under Sec. ---, Code of S.C. (00-0000000)

Insurance Commissioner of Pennsylvania, trustee for the benefit of the policyholders

of the Blank Insurance Co. (00-0000000), under sec. -----, Penna. Stats.

(g) *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 of all the representatives or fiduciaries, in the form shown in their letters of appointment, must be included in the registration and must be followed by an adequate identifying reference to the estate, for example:

John Smith, executor of the will (or administrator of the estate) of Henry J. Jones, deceased (00-0000000)

William C. Jones, guardian (or conservator, etc.) of the estate of James D. Brown, a minor (or an incompetent) (000-00-0000)

William C. Jones, as custodian for John Smith, a minor (000-00-0000), under the California Gifts of Securities to Minors Act

(h) *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, for example:

John Jones and Blank Trust Company, Albany, N.Y., trustees under the will of Sarah Jones, deceased (00-0000000)

John Doe and Richard Roe, trustees under agreement with Henry Jones dated 2/8/50 (00-0000000)

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," for example:

Board of Trustees of Blank Company Retirement Fund under collective bargaining agreement dated 6/30/50 (00-0000000)

(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, for example:

John Smith, Henry Jones, et al., trustees under the will of Henry J. Smith, deceased (00-0000000)

Trustees under the will of Henry J. Smith, deceased (00-000000)
Trustees of Retirement Fund of Industrial Manufacturing Co., under directors' resolution of 6/30/50 (00-0000000)

§ 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 or a Federal Reserve Bank or Branch should be promptly furnished full particulars concerning the error and requested 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. 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 the 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. If the date set for the 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 forwarded for transfer, for reissue, or for exchange for

coupon securities, or coupon securities forwarded for exchange for registered securities are received by the Bureau during the time the books are closed, the transaction will not be completed until the first business day following the date on which interest falls due, when the books are reopened for all purposes. 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 payment date next preceding the date or 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 co-owner or coowners 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, or the words "or either of them," (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. No evidence will 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 substantially the same form. The appropriate identifying number must be furnished if the registration of the security submitted does not include such number for the person or organization to be named on the reissued or new bonds.

§ 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 due course at maturity unless called for redemption before maturity, in which case they will be payable on the redemption date fixed in the call. The Secretary of the Treasury may provide for the exchange of maturing or called secu-

rities, or pursuant to an advance refunding offer, may afford owners the opportunity of exchanging a security, in advance of call or maturity, for another security. Registered securities should be presented and surrendered for redemption to a Federal Reserve Bank or Branch or to the Bureau, and bearer securities to a Federal Reserve Bank or Branch or to the Treasurer of the United States, Washington 25, D.C.²

(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. A security shall be considered overdue after the lapse of the following periods of time from its face maturity date:

- (1) One year for Treasury bonds.
- (2) Six months for Treasury notes and certificates of indebtedness.
- (3) Three months for Treasury bills.
- (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 the name, identifying number and address of the 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 se-

curities, unless included in the assignment. (Form PD 1705 may be used.) Payment 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. Interest payable on the maturity date, or call redemption date, unless otherwise provided in the notice of call, will be paid with the principal. Securities presented for advance refunding should be assigned as provided in the advance refunding offer. Adjustment of interest will be made as provided in the 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 Fed-

² See § 306.28 for presentation and surrender of securities eligible for use in payment of Federal estate taxes.

eral estate taxes on a decedent's estate 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 rules of this paragraph in the case of coownership, partnership and trust holdings:

(1) *Coownership holdings.* Bonds held by the decedent at the time of his death in coownership with another person or persons will be deemed to have met the above conditions either (i) to the extent to which the bonds actually became the property of the decedent's estate, or (ii) in an amount not to exceed the amount of the Federal estate taxes which the surviving coowner or coowners

are required to pay on account of such bonds and other jointly held property.⁴

(2) *Partnership holdings.* 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.

(3) *Trust holdings.* 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

⁴ 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 or the Bureau of the Public Debt.

⁵ 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 bond.

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.⁶

§ 306.36 Termination of interest.

Securities will cease to bear interest on the date of their maturity unless they have been called for redemption prior to maturity in accordance with their terms, in which case they will cease to bear interest on the date fixed for redemption in the 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 in this section. 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. 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 instalment of interest will be paid with the principal at maturity, or upon call, unless otherwise provided in the notice of call.⁷

(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 co-owner or an authorized representative, and should show the old and new addresses, the serial number and denomination of each security, the title 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 or by legal representatives of the estates of deceased, incompetent or minor owners should be supported by proof of their appointment unless, in the case of legal representatives, they are named in the registration.

(c) *Collection of interest checks*—(1) *General.* Interest checks may be collected 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.

(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.)

⁶ Copies of the Appendix to these regulations containing a complete explanation as to the method of computing interest on Treasury bonds, notes and certificates of indebtedness in any given situation may be obtained from the Bureau. The Appendix also outlines the method of computing the discount rate on Treasury bills.

⁷ See § 306.15(b) for presentation of securities during periods transfer books are closed.

⁸ Banking institutions will usually cash the coupons without charge as an accommodation to their customers.

(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, or if a check is lost, stolen or destroyed after receipt, the Bureau should be notified. The 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 Treasurer of the United States, Washington 25, D.C., should be advised.

§ 306.38 Interest on bearer securities.

Unless the terms of the securities provide that final interest is payable with the principal at maturity, interest on coupon securities is payable upon presentation and surrender of the interest coupons as they mature. Interest coupons are payable at the Office of the Treasurer of the United States and at any Federal Reserve Bank or Branch.* The interest on some issues is payable with the principal at maturity, and no coupons are attached. The interest on Treasury bills, which are sold on a discount basis and 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.

The assignment of a registered security should be executed by the owner or his authorized representative in the presence of an officer authorized to witness the assignment. All assignments must be made on the backs of the securities, unless otherwise authorized by the Department or a Federal Reserve Bank or Branch. An assignment by mark (X) must be witnessed not only by a witnessing 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.

§ 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 re-

demption 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.

§ 306.42 Alterations and erasures.

If an alteration or erasure has been made in an assignment, an explanation satisfactory to the Treasury Department, usually in the form of an affidavit by the person responsible, will be required.

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 witness assignments of securities. Unless otherwise authorized by the Treasury Department or a Federal Reserve Bank or Branch 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 above disclaimer of interest.

(Place)

(SEAL)

(Signature and official designation of witnessing 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.

§ 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 witnessing officer.

§ 306.45 Officers authorized to witness assignments.

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

(1) Officers and employees of banks and trust 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 generally to bind their respective institutions by their acts.

(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 witness 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 witness 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 witnessing assignments.* The Commissioner of the Public Debt, the Chief of the Division of Loans and Currency, or any Federal Reserve Bank or Branch is authorized to make special provisions for any case or class of cases.

§ 306.46 Duties and responsibilities of witnessing officers.

The witnessing officer must require execution of the assignment in his presence after he has established the identity of the assignor. He must then complete the certification and impress or imprint the official seal or stamp, if any. The witnessing 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 may suffer as the result of his fault or negligence.

§ 306.47 Evidence of witnessing officer's authority.

The authority of a witnessing officer may be established by his affixing the seal of his organization to his certification of an assignment. If such officer does not have access to the seal, his signature and authority must be certified to the Department, under seal, by an officer having access to the records and will be recognized until notice is received that his authority has been terminated. (Form PD 835-B 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 witnessing 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 witness or witnessing officer.

Neither the assignor, the assignee, nor any person having an interest in a security may act as witnessing officer or as witness to an assignment by mark. However, a bank officer may witness 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, formerly John Jung (changed by court order)." 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 witnessed by an authorized officer, is written to show that fact, for example, "Mrs. Mary J. Brown, before marriage 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 coowners 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, or the words "or either of them." In such cases, 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 inscribed in their names in substantially the same 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 Smith or Mrs. Mary Smith" or "John Smith or Mrs. Mary Smith or the survivor," may be assigned by one co-owner at maturity or upon call, for redemption or redemption-exchange (as defined in § 306.2(k)), for his own account or otherwise, whether or not the other coowner or coowners are deceased. This provision also applies to securities registered in or assigned to the form "John Smith and Mrs. Mary Smith or either of them."

(2) *Joint registration or assignment.* Securities registered in the names of or assigned to two or more persons jointly, for example, "John Smith and Mrs. Mary Smith," "John Smith and Mrs. Mary Smith or the survivor," or "John Smith and Mrs. Mary Smith as tenants in common," may be assigned by one co-owner during the lives of all only (i) for redemption at maturity or upon call, and then only for redemption for the account of all, or (ii) for exchange for other securities to be registered in their names in substantially the same form as appears in the registration or assignment of the securities surrendered. Upon proof of the death of one coowner, 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 having the same effect 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 witnessing 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 (000-00-0000)", 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.

Subpart H—Assignments in Behalf of Estates of Deceased Owners

§ 306.65 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. If the security is not registered in the name and title 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 (a) it shows the appointment was made not more than one year before the date of the assignment, or (b) the representative or a corepresentative is a corporation, or (c) redemption is being made for application of the proceeds in payment of Federal estate taxes as provided by § 306.28.

§ 306.66 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:

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

(b) *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.

§ 306.67 After settlement through court proceedings.

Securities belonging to the estate of a decedent which has been settled 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 distribution, the representative's final account as approved by the court, or similar court records.

§ 306.68 Without administration.

When it appears that no legal representative of an estate to which securities belong has been or is to be appointed, the securities may be duly disposed of pursuant to an agreement and assignment by all persons entitled to share in the securities under the laws of the State of the decedent's domicile. (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 in the estate must be protected.

§ 306.69 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 public debt 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:

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 2458A.....	Former executor or administrator, attorney or other qualified person.

§ 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, assignments 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.

If the fiduciaries of any trust estate, public or private, constitute a board, committee or other body empowered to act as a unit, securities registered in its name, or assigned to it, may be assigned for any authorized transaction by anyone authorized to act in its behalf. 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 must 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 provides 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 or 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 1009 or 1010, or any substantially similar form, may be used for securities owned by an organization in its own right; Form PD 1011 or 1012, or any substantially similar form, may be used for securities held in a representative or fiduciary capacity.) If the officer or officers derive their authority from the charter, constitution or bylaws, 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 only the title of the 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 witnessing officer. The original power, or a photocopy certified by an authorized witnessing officer, must be filed with the Treasury Department. 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 or 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), 306.65, 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.*

§ 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

*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.

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 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 af-

fectured 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 § 306.25.¹⁰ However, if the

¹⁰ It has been the long-standing 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."

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 person claiming ownership thereof establishes his interest. 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 de-

scription 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 will be granted 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 will be granted in the same manner for bearer securities restrictively endorsed in accordance with the provisions of the current revision of Department Circular No. 853.

(b) *Bearer securities or registered securities so assigned as to become, in effect, payable to bearer.* Relief will be granted for bearer securities and registered securities so assigned as to become, 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 will be granted for interest coupons only when 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 authorized for a lost, stolen, destroyed, mutilated or defaced security, it will be granted by either (a) the issue of a substitute marked "Dupli-

cate," 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, 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 the regulations of this part 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 the regulations of this part 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 this part shall limit or restrict any 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 A SEMIANNUAL BASIS

ONE DAY'S INTEREST IS $\frac{1}{181}$, $\frac{1}{182}$, $\frac{1}{183}$ OR $\frac{1}{184}$ OF $\frac{1}{2}$ 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 may 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—	Regu- lar 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

Use of Interest Table

In the attached table 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 semiannual interest period, at all rates of interest, in steps of $\frac{1}{8}$ percent, from $\frac{1}{8}$ 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, 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 attached table 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 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

Apr. 1, 1954—due July 1, 1954:

Principal amount—maturity value.....	\$100.00
Price at issue—amount received..	99.50

Amount of discount..... .50

$\$0.50 \div 91 \times 360 \div \$100 = 1.978$ percent.

True Discount

The true discount rate on a Treasury bill 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 29th of a leap year 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

Apr. 1, 1954—due July 1, 1954:

Principal amount—maturity value.....	\$100.00
Price at issue—amount received..	99.50

Amount of discount..... .50

$\$0.50 \div 91 \times 365 \div \$99.50 = 2.016$ percent.

DECIMAL FOR 1 DAY'S INTEREST ON \$1.00 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	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
<i>Percent</i>				
1/8	\$0.003 396 739	\$0.003 415 301	\$0.003 434 066	\$0.003 453 009
1/8	.006 793 478	.006 830 601	.006 868 132	.006 906 077
1/8	.010 190 217	.010 245 902	.010 302 198	.010 359 115
1/8	.013 586 957	.013 661 202	.013 736 264	.013 812 115
1/8	.016 983 696	.017 076 503	.017 170 330	.017 265 194
1/8	.020 380 435	.020 491 803	.020 604 396	.020 718 232
1/8	.023 777 174	.023 907 104	.024 038 462	.024 171 271
1/8	.027 173 913	.027 322 404	.027 472 527	.027 624 300
1/8	.030 570 652	.030 737 705	.030 906 593	.031 077 348
1/8	.033 967 391	.034 153 005	.034 340 659	.034 530 387
1/8	.037 364 130	.037 568 306	.037 774 725	.037 983 435
1/8	.040 760 870	.040 983 607	.041 208 791	.041 436 464
1/8	.044 157 609	.044 398 907	.044 642 857	.044 889 301
1/8	.047 554 348	.047 814 208	.048 076 923	.048 342 541
1/8	.050 951 087	.051 229 508	.051 510 989	.051 795 389
1/8	.054 347 826	.054 644 809	.054 945 055	.055 248 619
1/8	.057 744 565	.058 060 109	.058 379 121	.058 701 637
1/8	.061 141 304	.061 475 410	.061 813 187	.062 154 696
1/8	.064 538 043	.064 890 710	.065 247 253	.065 607 735
1/8	.067 934 783	.068 306 011	.068 681 319	.069 060 773
1/8	.071 331 522	.071 721 311	.072 115 385	.072 513 812
1/8	.074 728 261	.075 136 612	.075 549 451	.075 966 831
1/8	.078 125 000	.078 551 913	.078 983 516	.079 419 806
1/8	.081 521 739	.081 962 514	.082 417 582	.082 872 025
1/8	.084 918 478	.085 382 514	.085 851 648	.086 325 927
1/8	.088 315 217	.088 797 814	.089 285 714	.089 779 005
1/8	.091 711 957	.092 213 115	.092 719 780	.093 232 044
1/8	.095 108 696	.095 628 415	.096 153 846	.096 685 033
1/8	.098 505 435	.099 043 716	.099 587 912	.100 138 122
1/8	.101 902 174	.102 459 016	.103 021 978	.103 591 110
1/8	.105 298 913	.105 874 317	.106 456 044	.107 044 110
1/8	.108 695 652	.109 289 617	.109 890 110	.110 497 238
1/8	.112 092 391	.112 704 918	.113 324 176	.113 950 276
1/8	.115 489 130	.116 120 219	.116 758 242	.117 403 315
1/8	.118 885 870	.119 535 519	.120 192 308	.120 856 354
1/8	.122 282 609	.122 959 820	.123 626 374	.124 309 362
1/8	.125 679 348	.126 366 120	.127 060 440	.127 762 431
1/8	.129 076 087	.129 781 421	.130 494 505	.131 215 470
1/8	.132 472 826	.133 196 721	.133 928 571	.134 668 567
1/8	.135 869 565	.136 612 022	.137 362 637	.138 121 547
1/8	.139 266 304	.140 027 322	.140 796 703	.141 574 586
1/8	.142 663 043	.143 442 623	.144 230 769	.145 027 634
1/8	.146 059 783	.146 857 923	.147 664 835	.148 480 623
1/8	.149 456 522	.150 273 224	.151 098 901	.151 933 702
1/8	.152 853 261	.153 688 525	.154 532 967	.155 386 740
1/8	.156 250 000	.157 103 825	.157 967 033	.158 839 779
1/8	.159 646 739	.160 519 126	.161 401 099	.162 292 816
1/8	.163 043 478	.163 934 426	.164 835 165	.165 745 816

SUBCHAPTER B—BUREAU OF THE PUBLIC DEBT

PART 309—ISSUE AND SALE OF TREASURY BILLS

- Sec.
309.3 Denominations and exchange. [Revised]
309.5 Acceptance as security for public deposits and in payment of taxes (when specifically provided for by the Secretary of the Treasury). [Revised]
309.8 Tenders; when cash deposit is required. [Revised]

§ 309.3 Denominations and exchange.

Treasury bills will be issued in denominations (maturity value) of \$1,000, \$5,000, \$10,000, \$50,000, \$100,000, \$500,000, and \$1,000,000. Exchanges from higher to lower and lower to higher denominations of the same series (bearing the same issue and maturity dates) will be permitted at Federal Reserve Banks and at the Office of the Treasurer of the United States, Washington. Insofar as applicable, the general regulations of the Treasury Department governing transactions in bonds and notes will govern transactions in Treasury bills.

[Amdt. 2, 26 F.R. 11215, Nov. 28, 1961]

Prior Amendments

1959: 24 F.R. 3533, May 2

§ 309.5 Acceptance as security for public deposits and in payment of taxes (when specifically provided for by the Secretary of the Treasury).

Treasury bills will be acceptable at maturity value to secure deposits of public moneys. The Secretary of the Treasury, in his discretion, when inviting tenders for Treasury bills, may provide that Treasury bills of any series will be acceptable at maturity value, whether at or before maturity, under such rules and regulations as he shall prescribe or approve, in payment of income and profits taxes payable under the provisions of the Internal Revenue Code. Any Treasury bills which by the terms of their issue may be accepted in payment of income and profits taxes may be surrendered to any Federal Reserve Bank or Branch, acting as fiscal agent of the United States, or to the Office of the Treasurer of the United States, Washington, fifteen days or less before the date on which the taxes become due.

The Federal Reserve Bank or Branch or the Office of the Treasurer of the United States will issue receipts to the owners showing the face amount of the bills so surrendered. These receipts may be submitted in lieu of the bills on or before the specified tax payment dates to the District Director, Internal Revenue Service, with the owners' tax returns. Notes secured by Treasury bills are eligible for discount or rediscount at Federal Reserve Banks by member banks, as are notes secured by bonds and notes of the United States, under the provisions of section 13 of the Federal Reserve Act. They will be acceptable at maturity, but not before, in payment of interest or of principal on account of obligations of foreign governments held by the United States.

[Amdt. 1, 24 F.R. 3533, May 2, 1959]

§ 309.8 Tenders; when cash deposit is required.

Tenders should be submitted on the printed forms and forwarded in the special envelopes which will be supplied on application to any Federal Reserve Bank, or Branch. If a special envelope is not available, the inscription "Tender for Treasury Bills" should be placed on the envelope used. The instructions of the Federal Reserve Banks with respect to the submission of tenders should be observed. Banking institutions generally may submit tenders for account of customers provided the names of the customers are set forth in such tenders. Others than banking institutions will not be permitted to submit tenders except for their own account. Tenders from incorporated banks and trust companies, and from responsible and recognized dealers in investment securities will be received without deposit. Tenders from all others must be accompanied by a payment of such percent of the face amount of the Treasury bills applied for as the Secretary of the Treasury may from time to time prescribe: *Provided, however,* That such deposit will not be required if the tender is accompanied by an express guaranty of payment in full by an incorporated bank or trust company. Forfeiture of the prescribed payment may be declared by the Secretary of the Treasury, if payment is not completed, in the case of accepted tenders, on the prescribed date.

[Amdt. 2, 26 F.R. 11215, Nov. 28, 1961]

PART 315—UNITED STATES SAVINGS BONDS

Subpart C—Limitations on Holdings

Sec.

315.10 Amount which may be held. [Amended]

315.11 Computation of amount. [Amended]

Subpart G—Interest

315.32 Current income bonds. [Amended]

Subpart H—General Provisions for Payment and Redemption

315.37 At or after maturity. [Revised]

Subpart C—Limitations on Holdings

§ 315.10 Amount which may be held.

(b) *Series H. \$20,000 (maturity value) for each calendar year up to and including the calendar year 1956; \$10,000 (maturity value) for the calendar years 1957⁶ to 1961, inclusive; \$20,000 (maturity value) for the calendar year 1962 and each calendar year thereafter.*

[Paragraph (b) amended by Amdt. 4, 26 F.R. 11215, Nov. 15, 1961]

§ 315.11 Computation of amount.

(c) *Bonds that may be excluded from computation.*

(9) Bonds of Series E or Series H purchased with the proceeds of bonds of Series J or Series K, at or after maturity, where such matured bonds are presented for that purpose in accordance with the provisions of Department Circular No. 653, Fifth Revision, as amended, offering bonds of Series E, and Department Circular No. 905, Second Revision, as amended, offering bonds of Series H.

[Subparagraph (9) added, 28 F.R. 11133, Oct. 17, 1963]

⁶ Effective May 1, 1957. Accordingly investors who purchased \$20,000 (maturity 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 (maturity 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 (maturity value).

Subpart G—Interest

§ 315.32 Current income bonds.

(b) *Method of interest payments.*

(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 the evidence required in § 315.70.

[Subparagraph (5) amended, Amdt. 3, 26 F.R. 8072, Aug. 29, 1961]

Subpart H—General Provisions for Payment and Redemption

§ 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.

[Amdt. 3, 26 F.R. 8073, Aug. 29, 1961]

PART 316—OFFERING OF UNITED STATES SAVINGS BONDS, SERIES E [REVISED]

Sec.

- 316.1 Principal scope of part—new Series E bonds with higher yield—future increased investment yields for all outstanding Series E bonds.
- 316.2 Authority for part.
- 316.3 New Series E bonds—investment yield 3.75 percent per annum compounded semiannually to maturity (7 years and 9 months)—effective date June 1, 1959.
- 316.4 Bonds purchased before new stock is available.
- 316.5 Description (registered form only—denominations—issue date, etc.).
- 316.6 Registration.
- 316.7 Limitation on holdings.
- 316.8 Nontransferability.
- 316.9 Issue prices of bonds.
- 316.10 Purchase of bonds.
- 316.11 Delivery of bonds by mail.
- 316.12 Increased future investment yields to original maturity for all outstanding unmatured bonds with issue dates of December 1, 1949 through May 1, 1959.
- 316.13 Further investment yield (interest) on Series E bonds after maturity—optional extension privileges.
- 316.14 Increased yields during the extended maturity period for all outstanding bonds reaching original maturity on or after June 1, 1959 with issue dates of June 1, 1949 through April 1, 1957.
- 316.15 Increased future investment yields to extended maturity for all outstanding bonds having reached original maturity prior to June 1, 1959 with issue dates of May 1, 1941 through May 1, 1949.
- 316.16 Taxation.
- 316.17 Lost, stolen, or destroyed bonds.
- 316.18 Payment or redemption (in general).
- 316.19 Payment or redemption in the case of disability or death.
- 316.20 General provisions.

Appendix

AUTHORITY: §§ 316.1 to 316.20 issued under sec. 22, 49 Stat. 21, as amended, sec. 25, Pub. Law 86-346; 31 U.S.C. 757c.

SOURCE: §§ 316.1 to 316.20 contained in 1959 Department Circular 653, 5th Revision, 24 F.R. 8019, Oct. 6, 1959, except as otherwise noted.

§ 316.1 Principal scope of part—new Series E bonds with higher yield—future increased investment yields for all outstanding Series E bonds.

This part offers for sale new United States Savings Bonds of Series E with a higher investment yield and provides for improved investment yields on all out-

standing unmatured and matured United States Savings Bonds of Series E. See § 316.3 and §§ 316.12 to 316.15. These improvements will accrue to owners without any special action on their part. The bonds are hereinafter generally referred to as Series E bonds.

§ 316.2 Authority for part.

This part is issued pursuant to the provisions of sections 22 and 25 of the Second Liberty Bond Act, as amended. Under the authority of section 25 of the Act, the President of the United States has found that with respect to United States Savings Bonds of Series E it is necessary in the national interest to exceed, as provided herein, the maximum interest rate and investment yield prescribed by section 22.¹

§ 316.3 New Series E bonds—investment yield 3.75 percent per annum compounded semiannually to maturity (7 years and 9 months)—effective date June 1, 1959.

(a) *New Series E bonds.* The Secretary of the Treasury offers for sale to the people of the United States new United States Savings Bonds of Series E with a higher investment yield to maturity (as well as higher intermediate yields) and a correspondingly shorter term of maturity, as provided in paragraph (b) of this section. Otherwise, these bonds will be substantially a continuation of the Series E bonds heretofore available. This offering of bonds will continue until terminated by the Secretary of the Treasury.

(b) *Investment yield (interest).* Series E bonds will be issued on a discount basis at 75 percent of their maturity value, and may be redeemed, at the owner's option, at any time after two months

¹ The maximum rate and yield prescribed by section 22 is 3.26 per centum per annum, compounded semiannually.

Section 25 of the Second Liberty Bond Act as added by the Act approved September 22, 1959 (Public Law 86-346), provides as follows:

"In the case of any offering of United States savings bonds issued or to be issued under section 22 of this Act, the maximum limits on the interest rate or the investment yield or both may be exceeded upon a finding by the President with respect to such offering that the national interest requires that such maximum limits be exceeded: *Provided, however,* That in no event may the interest rate or the investment yield exceed 4¼ per centum per annum."

from the issue date. No interest as such will be paid on the bonds, but they will increase in redemption value at the end of the first half-year period from the issue date and successive periods thereafter as shown in Table 1 of this part. The investment yield will be approximately 3.75 percent per annum compounded semiannually, if the bonds are held to maturity, which will be 7 years and 9 months from the issue date; but the yield will be less if they are redeemed prior to maturity. During the first six months from the issue date they will be redeemable only at the issue price.

(c) *Effective date.* For the purposes of this section all Series E bonds with issue dates of June 1, 1959 through September 1, 1959, as well as subsequent issue dates, shall be deemed to be new Series E bonds, and the investment yield and shorter term of maturity provided in paragraph (b) of this section shall apply to them.

§ 316.4 Bonds purchased before new stock is available.

Until bonds have been printed and supplied to issuing agents, Series E bonds in the form on sale prior to June 1, 1959, will be issued for purchases under this part. Series E bonds purchased in the interval until the new stocks are available will carry the new investment yield and redemption values and all other privileges as fully as if expressly set forth in the text of the bonds. If they desire to do so, owners of bonds with the issue date of June 1, 1959, or thereafter may exchange such bonds at any Federal Reserve Bank or Branch, or at the Office of the Treasurer of the United States, Washington 25, D.C., for bonds in the new form (with the same registration and issue dates) when the latter become available, but they need not do so because all paying agents will redeem all Series E bonds with the issue date of June 1, 1959, or thereafter, in accordance with the schedule of redemption values set forth in Table 1 of this part.

§ 316.5 Description (registered form only — denominations — issue date, etc.).

Series E bonds are issued only in registered form and in denominations of \$25, \$50, \$100, \$200, \$500, \$1,000, \$10,000 and \$100,000 (which is provided for trustees of employees' savings plans). Each bond will bear the facsimile signature of the

Secretary of the Treasury and an imprint of the Seal of the Treasury Department. At the time of issue, the issuing agent will inscribe on the face of each bond the name and address of the owner and the name of the coowner or beneficiary, if any; will enter in the upper right-hand portion of the bond the issue date (which shall be the first day of the month and year in which payment of the issue price is received by an authorized issuing agent); and will imprint the agent's dating stamp in the lower right-hand portion to show the date the bond is actually inscribed. As indicated in § 316.3(b), the issue date is important in determining the date on which the bond becomes redeemable, its maturity date and yield thereto as well as its intermediate yields. Accordingly, it should not be confused with the date on the agent's dating stamp. A Series E bond shall be valid only if an authorized issuing agent receives payment therefor, duly inscribes, dates, stamps, and delivers it. See § 316.6 for forms of registration and § 316.9 for issue prices of bonds.

§ 316.6 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 invest in Series E bonds. The bonds may be registered in the names of natural persons in their own right in the three conventional forms of registration, single ownership, coownership and beneficiary forms, heretofore available and in the names and titles of fiduciaries and organizations, as set forth below. Full information regarding eligibility to invest in savings bonds and authorized forms of registration and rights thereunder will be found in the regulations currently in force governing United States Savings Bonds. (Part 315 of this chapter, Department Circular No. 530).

(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 form.

(c) *Others (only in single ownership form).* The bonds may also be registered as follows:

(1) *Fiduciaries.* In the names and titles of any persons or organizations,

public or private, as fiduciaries (including legal guardians, custodians, conservators and trustees), except 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, which are defined for this purpose as those accepting demand deposits.

§ 316.7 Limitation on holdings.

The limits on the amount of any Series E bonds originally issued during any one calendar year that may be held by any one person at any one time (which will be computed in accordance with the regulations currently in force governing United States Savings Bonds (Part 315 of this chapter, Department Circular No. 530)) are:

(a) *General limitation.* \$10,000 (maturity value) for calendar year 1959 and each calendar year thereafter.

(b) *Special limitation for owners of maturing savings bonds of Series F, G, J and K.* Owners of outstanding bonds of Series F, Series G, Series J and Series K are hereby granted the privilege of applying the proceeds of the bonds, at or after maturity, to the purchase of Series E bonds without regard to the general limitation on holdings, under the following restrictions and conditions:

(1) This privilege extends to all owners of matured and maturing bonds of Series F, Series G, Series J and Series K, except bonds registered in the names of commercial banks in their own right (as distinguished from a representative or fiduciary capacity). For this purpose commercial banks are defined as those accepting demand deposits.

(2) It is subject to the restrictions prescribed in § 315.6 of the savings bond regulations.¹

(3) The matured bonds must be presented to a Federal Reserve Bank or Branch for the specified purpose of taking advantage of this privilege.

(4) Series E bonds may be purchased with the proceeds of the matured bonds

only up to the denominational amounts that the proceeds thereof will fully cover; any difference between such proceeds and the purchase price of Series E bonds will be paid to the owner.

(5) The Series E bonds will be registered in the name of the owner in any authorized form of registration.

(6) They will be dated as of the first day of the month in which the matured bonds are presented to a Federal Reserve Bank or Branch.

(7) This privilege will continue until terminated by the Secretary of the Treasury.

[Paragraph (b) amended, 28 F.R. 11133, Oct. 17, 1963]

(c) *Special limitation applicable to employees' savings plans.* \$2,000 (maturity value) multiplied by the highest number of participants in an employees' savings plan (as defined below) at any time during the year in which the bonds are issued.

(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 the denomination of \$10,000 (maturity value) is purchased in January 1960 and registered in the name and title of the trustee or trustees, the plan

¹Department Circular No. 530, current revision.

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 (maturity value) bearing the issue date of January 1, 1960.

(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 regulations 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 the 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.

§ 316.8 Nontransferability.

Series E bonds may not be used as collateral for a loan or as security for the performance of an obligation, or transferred inter vivos by voluntary sale or gift, discounted or disposed of in any manner other than as provided in the regulations governing United States Savings Bonds. Except as provided in said regulations, the Treasury Department will recognize only the inscribed owner, during his lifetime, and thereafter his estate or heirs.

§ 316.9 Issue prices of bonds.

The issue prices of the various denominations of Series E bonds follow:

Denomination (maturity value)	Issue (purchase) price
\$25.00-----	\$18.75
\$50.00-----	37.50
\$100.00-----	75.00
\$200.00-----	150.00
\$500.00-----	375.00
\$1,000.00-----	750.00
\$10,000.00-----	7,500.00
\$100,000.00 *-----	75,000.00

* The \$100,000.00 denomination is available for purchase only by trustees of employees' savings plans described in § 316.7(c).

§ 316.10 Purchase of bonds.

Series E bonds may be purchased while this offer is in effect, as follows:

(a) *Over-the-counter for cash.* (1) For natural persons in their own right only (i) at such incorporated banks, trust companies, and other agencies as have been duly qualified as issuing agents, and (ii) at selected United States post offices; and (2) for all eligible purchasers, at Federal Reserve Banks and Branches and at the Treasury Department, Washington 25, D.C.

(b) *On mail order.* By mail upon application to the Treasurer of the United States, Washington 25, D.C., or to any Federal Reserve Bank or Branch, 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 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 (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 agencies as may be designated from time to time. These 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, in the amount of the affixed stamps, on the purchase price of the bonds.

§ 316.11 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.

§ 316.12 Increased future investment yields to original maturity for all outstanding unmatured bonds with issue dates of December 1, 1949 through May 1, 1959.³

The investment yields on all outstanding unmatured Series E bonds with issue dates of December 1, 1949 through May 1, 1959 are hereby increased for the remaining period to original maturity by not less than six-tenths of one percent per annum on bonds with issue dates of December 1, 1949 through April 1, 1952 and five-tenths of one percent per annum on bonds with issue dates of May 1, 1952 through May 1, 1959, if the bonds are held to original maturity, and by lesser amounts if they are redeemed earlier.⁴ The resulting yields are in terms of rate percent per annum, compounded semiannually. No increase under this paragraph accrues until 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 section) no such increase accrues until one-half year from the next date (after June 1, 1959) on which, in accordance with its original terms, its redemption value increases. See Tables 21 through 42 of this part for the revised redemption values and investment yields.

§ 316.13 Further investment yield (interest) on Series E bonds after maturity—optional extension privileges.

(a) *General.* The term "optional extension privilege", when used in this

³ For bonds with issue dates of June 1, 1959 or thereafter, see § 316.3. For increased yields during the extended maturity period on all outstanding bonds reaching original maturity beginning June 1, 1959 with issue dates of June 1, 1949 through April 1, 1957, see § 316.14. For revision of future investment yields for remaining period to extended maturity on all outstanding bonds which reached original maturity prior to June 1, 1959 with issue dates of May 1, 1941 through May 1, 1949, see § 316.15.

⁴ The investment yields heretofore prescribed for the full original maturity period of the bonds referred to in § 316.12 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
percent per annum compounded semiannually.	

part means the privilege of retaining Series E bonds for a 10-year period after maturity, known as the "extended maturity period", and of earning interest upon the maturity values thereof, which are shown in the tables of redemption values and investment yields of this part. No special action is required of owners desiring to take advantage of an optional extension privilege. Merely by continuing to hold their bonds after maturity, they will earn further interest; but no interest accrues until the end of the first half-year period following maturity. The bonds will also increase in redemption value at the end of each successive half-year period thereafter. The term "owners" as used in this section includes registered owners, coowners, surviving beneficiaries, next of kin and legatees of deceased owners, and persons who have acquired bonds pursuant to judicial proceedings against the owners, except that judgment creditors, trustees in bankruptcy, and receivers of insolvents' estates will have the right only to payment in accordance with the regulations governing United States Savings Bonds.

(b) *Optional extension privilege on bonds with issue dates of May 1, 1941 through April 1, 1957.* Owners of bonds with the above issue dates have been granted an optional extension privilege under previous revisions of this part. Section 316.14 provides for improved investment yields during the extended maturity period for all outstanding bonds with issue dates of June 1, 1949 through April 1, 1957. Section 316.15 provides for improved investment yields during the remainder of the extended maturity period for all outstanding bonds with issue dates of May 1, 1941 through May 1, 1949.

(c) *Optional extension privilege on bonds with the issue date of May 1, 1957 or thereafter.* Owners of bonds with the issue date of May 1, 1957 or thereafter are hereby granted an optional extension privilege at rates of interest to be determined prior to the original maturity of such bonds.

(d) *Additional optional extension privilege on bonds with issue dates of May 1, 1941 through May 1, 1949.* Owners of bonds with issue dates of May 1, 1941 through May 1, 1949 (i.e., those which reach the end of their first extension period beginning May 1, 1961

through May 1, 1969) are hereby granted the option of retaining their bonds for a second 10-year optional extension period at the investment yield of approximately 3.75 percent per annum compounded semiannually for the second extension period. The redemption value of any bond at the end of the extended maturity period will be the base upon which interest will accrue during the second extension period. See Tables 2-A through 19-A for the schedules of redemption values and investment yields of the bonds.

[Paragraph (d) amended, 26 F.R. 3401, Apr. 21, 1961]

§ 316.14 Increased yields⁵ during the extended maturity period for all outstanding bonds reaching original maturity on or after June 1, 1959 with issue dates of June 1, 1949 through April 1, 1957.

The investment yield of three percent per annum compounded semiannually heretofore prescribed for the extended maturity period on all outstanding Series E bonds with issue dates of June 1, 1949 through April 1, 1957 is hereby increased by approximately three-fourths of one percent per annum compounded semiannually if the bonds are held to the end of that period and by lesser amounts if they are redeemed earlier. See Tables 20 through 37 of this part for the revised redemption values and investment yields.

§ 316.15 Increased future investment yields to extended maturity for all outstanding bonds having reached original maturity prior to June 1, 1959 with issue dates of May 1, 1941 through May 1, 1949.

The investment yields on all outstanding Series E bonds with issue dates of May 1, 1941 through May 1, 1949 are hereby 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 the bonds are held to the end of the extended matur-

⁵ The redemption value of any bond at original maturity is the base upon which interest will accrue during the extended maturity period.

ity period, and by lesser amounts if they are redeemed earlier.* The resulting yields are in terms of rate percent per annum, compounded semiannually. No increase under this section accrues until one-half year from 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 section) no such increase accrues until one-half year from the next date (after June 1, 1959) on which, in accordance with its original terms, its redemption value increases. See Tables 2 through 19 of this part for the revised redemption values and investment yields.

§ 316.16 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 as applied to matured Series E bonds.* A taxpayer who has been reporting the increase in redemption value of his Series E bonds, for Federal income tax purposes, each year as it accrues, must continue to do so if he retains the bonds under §§ 316.13 to 316.15, unless in accordance with income tax regulations the taxpayer obtains permission from the Commissioner of Internal Revenue to change to a different method of reporting income from such obligations. A taxpayer who has not been reporting the increase in redemption value of such bonds currently for tax purposes may in any year prior

to final maturity, and subject to the provisions of section 454 of the Internal Revenue Code of 1954 and of the regulations prescribed thereunder, elect for such year and subsequent years to report such income annually. Holders of Series E bonds who have not reported the increase in redemption value currently are required to include such amount in gross income for the taxable year of actual redemption or for the taxable year of final maturity, whichever is earlier. If further information concerning Federal taxes is desired, inquiry should be addressed to the District Director of Internal Revenue of the taxpayer's district or to the Internal Revenue Service, Washington 25, D.C.

§ 316.17 Lost, stolen, or destroyed bonds.

If a Series E bond is lost, stolen, or destroyed, a substitute may be issued or payment may be obtained upon identification of the bond and proof of its loss, theft, or destruction. The owner should keep a description of his bonds by series, denomination, serial number and name of coowner or beneficiary, if any, apart from the bonds, and in case of loss, theft, or destruction should immediately notify the Bureau of the Public Debt, Division of Loans and Currency Branch, 536 South Clark Street, Chicago 5, Illinois, briefly stating the facts and describing the bonds. Full instructions for obtaining substitute bonds or payment will then be given.

§ 316.18 Payment or redemption (in general).

A Series E bond may be redeemed at the option of the owner at any time after two months from the issue date at the appropriate redemption value as shown in the tables of this part, which apply to bonds bearing various issue dates back to May 1, 1941. The redemption values of bonds in the denomination of \$100,000¹ (which was authorized as of January 1, 1954) are not shown in those tables. However, the redemption values of bonds in that denomination will be equal to the total redemption values of ten \$106,000 bonds bearing the same issue dates. A Series E bond in a denomination higher than \$25 (maturity value) may be redeemed in part but only in the amount of an authorized denomination

* The investment yields heretofore prescribed for the full extended maturity period of the bonds referred to in § 316.15 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 semi-annually.	

¹ See footnote 2 to § 316.9

or multiple thereof. Payment of a Series E bond will be made upon presentation and surrender of the bond by the owner to authorized paying agencies as follows:

(a) *Federal Reserve Banks and Branches and Treasurer of the United States.* Owners of Series E bonds may obtain payment upon presentation of the bonds to a Federal Reserve Bank or Branch or to the Treasurer of the United States, Washington 25, D.C., with the requests for payment on the bonds duly executed and certified in accordance with the regulations governing United States Savings Bonds.

(b) *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 (unless marked "Duplicate") to any incorporated bank or trust company or other financial institution which is qualified as a paying agent under Department Circular No. 750 or any revision of or amendment thereto 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 paying agent and upon signing the request for payment and adding his home or business address, may receive immediate payment of the current redemption value.

§ 316.19 Payment or redemption in the case of disability or death.

In case of the disability of the registered owner, or the death of the registered owner not survived by a coowner or a designated beneficiary, instructions should be obtained from a Federal Reserve Bank or Branch, or the Bureau of the Public Debt, Division of Loans and Currency Branch, 536 South Clark Street, Chicago 5, Illinois, before the request for payment is executed.

§ 316.20 General provisions.

(a) *Regulations.* All Series E bonds issued pursuant to this part shall be subject to the regulations prescribed from time to time by the Secretary of the Treasury to govern United States Savings Bonds. Such regulations may require, among other things, reasonable notice in case of presentation of Series E bonds for redemption prior to maturity. The present regulations are set forth in Treasury Department Circular No. 530, current revision (Part 315 of this chapter), copies of which may be obtained on application to the Treasury Department or to any Federal Reserve Bank or Branch.

(b) *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.

(c) *Previous circulars—preservation of existing rights.* The provisions of previous Treasury Department circulars not in conformity herewith are hereby modified and amended accordingly: *Provided*, however, that nothing contained in this part shall limit or restrict any existing rights which owners of Series E bonds have acquired under the circulars previously in force.

(d) *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.

(e) *Reservation as to terms of part.* The Secretary of the Treasury may at any time or from time to time supplement or amend the terms of this part, or of any amendments or supplements thereto.

APPENDIX—TABLES OF REDEMPTION VALUES AND INVESTMENT YIELDS

TABLE 1

UNITED STATES SAVINGS BONDS—SERIES E

TABLE OF REDEMPTION VALUES AND INVESTMENT YIELDS

FOR BONDS BEARING ISSUE DATES BEGINNING JUNE 1, 1959

Table showing: (1) How bonds of Series E bearing issue dates beginning June 1, 1959, 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 percent per annum, compounded semiannually.

Maturity value..... Issue price.....	\$25. 00	\$50. 00	\$100. 00	\$200. 00	\$500. 00	\$1, 000. 00	\$10, 000	Approximate investment yield	
	18. 75	37. 50	75. 00	150. 00	375. 00	750. 00	7, 500		
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 ½ year.....	\$18. 75	\$37. 50	\$75. 00	\$150. 00	\$375. 00	\$750. 00	\$7, 500	0. 00	*3. 75
¼ to 1 year	18. 01	37. 82	75. 64	151. 28	378. 20	756. 40	7, 564	1. 71	3. 89
1 to 1½ years	19. 10	38. 38	76. 76	153. 52	383. 80	767. 60	7, 676	2. 33	3. 96
1½ to 2 years	19. 51	39. 02	78. 04	156. 08	390. 20	780. 40	7, 804	2. 67	4. 01
2 to 2½ years	19. 90	39. 80	79. 60	159. 20	398. 00	796. 00	7, 960	3. 00	4. 01
2½ to 3 years	20. 28	40. 56	81. 12	162. 24	405. 60	811. 20	8, 112	3. 16	4. 03
3 to 3½ years	20. 66	41. 32	82. 64	165. 28	413. 20	826. 40	8, 264	3. 26	4. 05
3½ to 4 years	21. 07	42. 14	84. 28	168. 56	421. 40	842. 80	8, 428	3. 36	4. 06
4 to 4½ years	21. 50	43. 00	86. 00	172. 00	430. 00	860. 00	8, 600	3. 45	4. 06
4½ to 5 years	21. 95	43. 90	87. 80	175. 60	439. 00	878. 00	8, 780	3. 53	4. 04
5 to 5½ years	22. 40	44. 80	89. 60	179. 20	448. 00	896. 00	8, 960	3. 59	4. 03
5½ to 6 years	22. 86	45. 72	91. 44	182. 88	457. 20	914. 40	9, 144	3. 64	4. 02
6 to 6½ years	23. 32	46. 64	93. 28	186. 56	466. 40	932. 80	9, 328	3. 67	4. 01
6½ to 7 years	23. 79	47. 58	95. 16	190. 32	475. 80	951. 60	9, 516	3. 70	4. 01
7 to 7½ years	24. 27	48. 54	97. 08	194. 16	485. 40	970. 80	9, 708	3. 72	3. 99
7½ years to 7 years & 9 months	24. 75	49. 50	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	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
UNITED STATES SAVINGS BONDS—SERIES E
TABLE OF REDEMPTION VALUES AND INVESTMENT YIELDS
FOR BONDS BEARING ISSUE DATE OF MAY 1, 1941

Table showing: (1) How bonds of Series E bearing issue date of May 1, 1941, by denominations, increase in redemption value during successive half-year periods following issue or date of original maturity; (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 (a) to maturity or (b) to extended maturity. Yields are expressed in terms of rate percent per annum, compounded semiannually.

Maturity value..... Issue price.....	\$25.00 18.75	\$50.00 37.50	\$100.00 75.00	\$500.00 375.00	\$1,000.00 750.00	Approximate investment yield ^a	
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	(3) On current redemption value from beginning of each half-year period (a) to maturity
First ½ year.....	\$18.75	\$37.50	\$75.00	\$375.00	\$750.00	Percent 0.00	Percent 2.90
½ to 1 year.....	18.75	37.50	75.00	375.00	750.00	.00	3.05
1 to 1½ years.....	18.87	37.75	75.50	377.50	755.00	.67	3.15
1½ to 2 years.....	19.00	38.00	76.00	380.00	760.00	.88	3.25
2 to 2½ years.....	19.12	38.25	76.50	382.50	765.00	.99	3.38
2½ to 3 years.....	19.25	38.50	77.00	385.00	770.00	1.06	3.52
3 to 3½ years.....	19.50	39.00	78.00	390.00	780.00	1.31	3.58
3½ to 4 years.....	19.75	39.50	79.00	395.00	790.00	1.49	3.66
4 to 4½ years.....	20.00	40.00	80.00	400.00	800.00	1.62	3.75
4½ to 5 years.....	20.25	40.50	81.00	405.00	810.00	1.72	3.87
5 to 5½ years.....	20.50	41.00	82.00	410.00	820.00	1.79	4.01
5½ to 6 years.....	20.75	41.50	83.00	415.00	830.00	1.85	4.15
6 to 6½ years.....	21.00	42.00	84.00	420.00	840.00	1.90	4.41
6½ to 7 years.....	21.50	43.00	86.00	430.00	860.00	2.12	4.36
7 to 7½ years.....	22.00	44.00	88.00	440.00	880.00	2.30	4.31
7½ to 8 years.....	22.50	45.00	90.00	450.00	900.00	2.45	4.26
8 to 8½ years.....	23.00	46.00	92.00	460.00	920.00	2.57	4.21
8½ to 9 years.....	23.50	47.00	94.00	470.00	940.00	2.67	4.17
9 to 9½ years.....	24.00	48.00	96.00	480.00	960.00	2.76	4.12
9½ to 10 years.....	24.50	49.00	98.00	490.00	980.00	2.84	4.08
Maturity value (10 years from issue date).....	25.00	50.00	100.00	500.00	1,000.00	2.90	
Period after maturity date	Extended maturity period					(b) to extended maturity	
First ½ year.....	\$25.00	\$50.00	\$100.00	\$500.00	\$1,000.00	2.90	**2.90
½ to 1 year.....	25.31	50.62	101.25	506.25	1,012.50	2.88	**2.92
1 to 1½ years.....	25.62	51.25	102.50	512.50	1,025.00	2.86	**2.94
1½ to 2 years.....	25.94	51.87	103.75	518.75	1,037.50	2.84	**2.97
2 to 2½ years.....	26.25	52.50	105.00	525.00	1,050.00	2.82	**3.01
2½ to 3 years.....	26.56	53.12	106.25	531.25	1,062.50	2.81	**3.05
3 to 3½ years.....	26.87	53.75	107.50	537.50	1,075.00	2.79	**3.10
3½ to 4 years.....	27.19	54.37	108.75	543.75	1,087.50	2.77	**3.16
4 to 4½ years.....	27.50	55.00	110.00	550.00	1,100.00	2.75	**3.23
4½ to 5 years.....	27.81	55.62	111.25	556.25	1,112.50	2.74	**3.32
5 to 5½ years.....	28.12	56.25	112.50	562.50	1,125.00	2.72	**3.43
5½ to 6 years.....	28.44	56.87	113.75	568.75	1,137.50	2.71	**3.56
6 to 6½ years.....	28.75	57.50	115.00	575.00	1,150.00	2.69	**3.73
6½ to 7 years.....	29.06	58.12	116.25	581.25	1,162.50	2.67	**3.96
7 to 7½ years.....	29.37	58.75	117.50	587.50	1,175.00	2.66	**4.26
7½ to 8 years.....	30.00	60.00	120.00	600.00	1,200.00	2.70	**4.26
8 to 8½ years.....	30.67	61.33	122.67	613.33	1,226.67	2.75	**4.21
8½ to 9 years.....	31.33	62.67	125.33	626.67	1,253.33	2.79	14.77
Revised redemption values and investment yields							
9 to 9½ years.....	\$32.03	\$64.06	\$128.12	\$640.60	\$1,281.20	2.84	4.93
9½ to 10 years.....	32.80	65.60	131.20	656.00	1,312.00	2.89	5.06
Extended maturity value (10 years from original maturity date) ¹	33.63	67.26	134.52	672.60	1,345.20	2.94	

^a Calculated on basis of \$1,000 bond (face value).

^b Approximate investment yield from beginning of each half-year period to extended maturity, at extended maturity value prior to June 1, 1959 revision.

¹ Revised approximate investment yield from effective date of revision to extended maturity.

² 20 years from issue date.

TABLE 2-A

UNITED STATES SAVINGS BONDS—SERIES E

TABLE OF REDEMPTION VALUES AND INVESTMENT YIELDS DURING EXTENDED MATURITY PERIODS¹ FOR BONDS BEARING ISSUE DATE OF MAY 1, 1941

Table showing: (1) How bonds of Series E bearing issue date of May 1, 1941, by denominations, increase in redemption value during successive half-year periods following date of original maturity; (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 (a) to first extended maturity or (b) to second extended maturity. Yields are expressed in terms of rate percent per annum compounded semiannually.

Original maturity value..... Issue price.....	\$25.00 18.75	\$50.00 37.50	\$100.00 75.00	\$500.00 375.00	\$1,000.00 750.00	Approximate investment yield*	
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						
						Percent	Percent
First ½ year.....	\$25.00	\$50.00	\$100.00	\$500.00	\$1,000.00	2.90	3.90
½ to 1 year.....	25.31	50.62	101.25	506.25	1,012.50	2.88	3.92
1 to 1½ years.....	25.62	51.25	102.50	512.50	1,025.00	2.86	3.94
1½ to 2 years.....	25.94	51.87	103.75	518.75	1,037.50	2.84	3.97
2 to 2½ years.....	26.25	52.50	105.00	525.00	1,050.00	2.82	3.01
2½ to 3 years.....	26.56	53.12	106.25	531.25	1,062.50	2.81	3.05
3 to 3½ years.....	26.87	53.75	107.50	537.50	1,075.00	2.79	3.10
3½ to 4 years.....	27.19	54.37	108.75	543.75	1,087.50	2.77	3.16
4 to 4½ years.....	27.50	55.00	110.00	550.00	1,100.00	2.75	3.23
4½ to 5 years.....	27.81	55.62	111.25	556.25	1,112.50	2.74	3.32
5 to 5½ years.....	28.12	56.25	112.50	562.50	1,125.00	2.72	3.43
5½ to 6 years.....	28.44	56.87	113.75	568.75	1,137.50	2.71	3.56
6 to 6½ years.....	28.75	57.50	115.00	575.00	1,150.00	2.69	3.73
6½ to 7 years.....	29.06	58.12	116.25	581.25	1,162.50	2.67	3.96
7 to 7½ years.....	29.37	58.75	117.50	587.50	1,175.00	2.66	4.26
7½ to 8 years.....	30.00	60.00	120.00	600.00	1,200.00	2.70	4.26
8 to 8½ years.....	30.07	61.33	122.67	613.33	1,226.67	2.75	4.21
8½ to 9 years.....	31.33	62.67	125.33	626.67	1,253.33	2.79	4.77

Table 2-A--Continued

Redemption values and investment yields to first extended maturity on basis of June 1, 1959 revision

9 to 9½ years.....	\$32.03	\$64.06	\$128.12	\$640.60	\$1,281.20	2.84	4.98
9½ to 10 years.....	32.80	65.60	131.20	656.00	1,312.00	2.89	5.06
First extended maturity value (10 years from original maturity date) ²	33.63	67.26	134.52	672.60	1,345.20	2.94	-----
Period after first extended ma- turity (beginning 20 years after issue date)	Second extended maturity period						(b) to second extended maturity
First ½ year.....	\$33.63	\$67.26	\$134.52	\$672.60	\$1,345.20	2.94	2.75
½ to 1 year.....	34.26	68.52	137.04	685.20	1,370.40	2.96	2.75
1 to 1½ years.....	34.90	69.80	139.60	698.00	1,396.00	2.98	2.75
1½ to 2 years.....	35.56	71.12	142.24	711.20	1,422.40	3.00	2.75
2 to 2½ years.....	36.22	72.44	144.96	724.40	1,448.80	3.02	2.75
2½ to 3 years.....	36.90	73.80	147.60	738.00	1,476.00	3.03	2.75
3 to 3½ years.....	37.60	75.20	150.40	752.00	1,504.00	3.05	2.75
3½ to 4 years.....	38.30	76.60	153.20	766.00	1,532.00	3.06	2.75
4 to 4½ years.....	39.02	78.04	156.08	780.40	1,560.80	3.08	2.75
4½ to 5 years.....	39.75	79.50	159.00	795.00	1,590.00	3.09	2.75
5 to 5½ years.....	40.50	81.00	162.00	810.00	1,620.00	3.10	2.75
5½ to 6 years.....	41.25	82.50	165.00	825.00	1,650.00	3.12	2.75
6 to 6½ years.....	42.03	84.06	168.12	840.60	1,681.20	3.13	2.75
6½ to 7 years.....	42.82	85.64	171.28	856.40	1,712.80	3.14	2.75
7 to 7½ years.....	43.62	87.24	174.48	872.40	1,744.80	3.15	2.75
7½ to 8 years.....	44.44	88.88	177.76	888.80	1,777.60	3.16	2.75
8 to 8½ years.....	45.27	90.54	181.08	905.40	1,810.80	3.17	2.75
8½ to 9 years.....	46.12	92.24	184.48	922.40	1,844.80	3.18	2.75
9 to 9½ years.....	46.98	93.96	187.92	939.60	1,879.20	3.19	2.75
9½ to 10 years.....	47.86	95.72	191.44	957.20	1,914.40	3.20	2.76
Second extended maturity value (20 years from original maturity date) ³	48.76	97.52	195.04	975.20	1,950.40	3.21	-----

*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 23, 1959.

² 20 years from issue date.³ 30 years from issue date.

[26 F.R. 3401, Apr. 21, 1961]

TABLE 3

UNITED STATES SAVINGS BONDS—SERIES E
TABLE OF REDEMPTION VALUES AND INVESTMENT YIELDS FOR BONDS BEARING ISSUE DATES FROM
JUNE 1 THROUGH NOVEMBER 1, 1941

Table showing: (1) How bonds of Series E bearing issue dates from June 1, through November 1, 1941, by denominations, increase in redemption value during successive half-year periods following issue or date of original maturity; (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 (a) to maturity or (b) to extended maturity. Yields are expressed in terms of rate percent per annum, compounded semiannually.

Maturity value.....	\$25.00	\$50.00	\$100.00	\$500.00	\$1,000.00	Approximate investment yield*	
Issue price.....	18.75	37.50	75.00	375.00	750.00		
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	(3) On current redemption value from beginning of each half-year period (a) to maturity
						<i>Percent</i>	<i>Percent</i>
First ½ year.....	\$18.75	\$37.50	\$75.00	\$375.00	\$750.00	0.00	2.90
½ to 1 year.....	18.75	37.50	75.00	375.00	750.00	.00	3.05
1 to 1½ years.....	18.87	37.75	75.50	377.50	755.00	.67	3.15
1½ to 2 years.....	19.00	38.00	76.00	380.00	760.00	.88	3.25
2 to 2½ years.....	19.12	38.25	76.50	382.50	765.00	.99	3.38
2½ to 3 years.....	19.25	38.50	77.00	385.00	770.00	1.06	3.52
3 to 3½ years.....	19.50	39.00	78.00	390.00	780.00	1.31	3.58
3½ to 4 years.....	19.75	39.50	79.00	395.00	790.00	1.49	3.66
4 to 4½ years.....	20.00	40.00	80.00	400.00	800.00	1.62	3.75
4½ to 5 years.....	20.25	40.50	81.00	405.00	810.00	1.72	3.87
5 to 5½ years.....	20.50	41.00	82.00	410.00	820.00	1.79	4.01
5½ to 6 years.....	20.75	41.50	83.00	415.00	830.00	1.85	4.18
6 to 6½ years.....	21.00	42.00	84.00	420.00	840.00	1.90	4.41
6½ to 7 years.....	21.50	43.00	86.00	430.00	860.00	2.12	4.36
7 to 7½ years.....	22.00	44.00	88.00	440.00	880.00	2.30	4.31
7½ to 8 years.....	22.50	45.00	90.00	450.00	900.00	2.45	4.26
8 to 8½ years.....	23.00	46.00	92.00	460.00	920.00	2.57	4.21
8½ to 9 years.....	23.50	47.00	94.00	470.00	940.00	2.67	4.17
9 to 9½ years.....	24.00	48.00	96.00	480.00	960.00	2.76	4.12
9½ to 10 years.....	24.50	49.00	98.00	490.00	980.00	2.84	4.08
Maturity value (10 years from issue date).	25.00	50.00	100.00	500.00	1,000.00	2.90	-----
Period after maturity date	Extended maturity period						(b) to extended maturity
	\$25.00	\$50.00	\$100.00	\$500.00	\$1,000.00		
First ½ year.....	25.31	50.62	101.25	506.25	1,012.50	2.90	**2.90
½ to 1 year.....	25.62	51.25	102.50	512.50	1,025.00	2.88	**2.92
1 to 1½ years.....	25.94	51.87	103.75	518.75	1,037.50	2.86	**2.94
1½ to 2 years.....	26.25	52.50	105.00	525.00	1,050.00	2.82	**2.97
2 to 2½ years.....	26.66	53.12	106.25	531.25	1,062.50	2.81	**3.01
2½ to 3 years.....	26.87	53.75	107.50	537.50	1,075.00	2.79	**3.05
3 to 3½ years.....	27.19	54.37	108.75	543.75	1,087.50	2.77	**3.10
3½ to 4 years.....	27.50	55.00	110.00	550.00	1,100.00	2.75	**3.16
4 to 4½ years.....	27.81	55.62	111.25	556.25	1,112.50	2.75	**3.23
4½ to 5 years.....	28.12	56.25	112.50	562.50	1,125.00	2.74	**3.32
5 to 5½ years.....	28.44	56.87	113.75	568.75	1,137.50	2.72	**3.43
5½ to 6 years.....	28.75	57.50	115.00	575.00	1,150.00	2.71	**3.56
6 to 6½ years.....	29.06	58.12	116.25	581.25	1,162.50	2.69	**3.73
6½ to 7 years.....	29.37	58.75	117.50	587.50	1,175.00	2.67	**3.96
7 to 7½ years.....	30.00	60.00	120.00	600.00	1,200.00	2.66	**4.26
7½ to 8 years.....	30.67	61.33	122.67	613.33	1,226.67	2.70	**4.26
8 to 8½ years.....						2.75	†4.82
Revised redemption values and investment yields							
8½ to 9 years.....	\$31.36	\$62.72	\$125.44	\$627.20	\$1,254.40	2.80	4.92
9 to 9½ years.....	32.10	64.20	128.40	642.00	1,284.00	2.85	5.02
9½ to 10 years.....	32.89	65.78	131.56	657.80	1,315.60	2.90	5.11
Extended maturity value (10 years from original maturity date) †.....	33.73	67.46	134.92	674.60	1,349.20	2.96	-----

*Calculated on basis of \$1,000 bond (face value).

**Approximate investment yield from beginning of each half-year period to extended maturity, at extended maturity value prior to June 1, 1959 revision.

†Revised approximate investment yield from effective date of revision to extended maturity.

‡30 years from issue date.

TABLE 3-A

UNITED STATES SAVINGS BONDS—SERIES E

TABLE OF REDEMPTION VALUES AND INVESTMENT YIELDS DURING EXTENDED MATURITY PERIODS¹ FOR BONDS BEARING ISSUE DATES FROM JUNE 1 THROUGH NOVEMBER 1, 1941

Table showing: (1) How bonds of Series E bearing issue dates from June 1 through November 1, 1941 by denominations, increase in redemption value during successive half-year periods following date of original maturity; (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 (a) to first extended maturity or (b) to second extended maturity. Yields are expressed in terms of rate percent per annum compounded semiannually.

Original maturity value..... Issue price.....	\$25.00 18.75	\$50.00 37.50	\$100.00 75.00	\$500.00 375.00	\$1,000.00 750.00	Approximate investment yield*	
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						
						Percent	Percent
First ½ year.....	\$25.00	\$50.00	\$100.00	\$500.00	\$1,000.00	2.90	**2.90
½ to 1 year.....	25.31	50.62	101.25	506.25	1,012.50	2.88	**2.92
1 to 1½ years.....	25.62	51.25	102.50	512.50	1,025.00	2.86	**2.94
1½ to 2 years.....	25.94	51.87	103.75	518.75	1,037.50	2.84	**2.97
2 to 2½ years.....	26.25	52.50	105.00	525.00	1,050.00	2.82	**3.01
2½ to 3 years.....	26.56	53.12	106.25	531.25	1,062.50	2.81	**3.05
3 to 3½ years.....	26.87	53.75	107.50	537.50	1,075.00	2.79	**3.10
3½ to 4 years.....	27.19	54.37	108.75	543.75	1,087.50	2.77	**3.16
4 to 4½ years.....	27.50	55.00	110.00	550.00	1,100.00	2.75	**3.23
4½ to 5 years.....	27.81	55.62	111.25	556.25	1,112.50	2.74	**3.32
5 to 5½ years.....	28.12	56.25	112.50	562.50	1,125.00	2.72	**3.43
5½ to 6 years.....	28.44	56.87	113.75	568.75	1,137.50	2.71	**3.56
6 to 6½ years.....	28.75	57.50	115.00	575.00	1,150.00	2.69	**3.73
6½ to 7 years.....	29.06	58.12	116.25	581.25	1,162.50	2.67	**3.96
7 to 7½ years.....	29.37	58.75	117.50	587.50	1,175.00	2.66	**4.26
7½ to 8 years.....	30.00	60.00	120.00	600.00	1,200.00	2.70	**4.26
8 to 8½ years.....	30.67	61.33	122.67	613.33	1,226.67	2.75	†4.82

Table 3-A--Continued

Redemption values and investment yields to first extended maturity on basis of June 1, 1959 revision

8½ to 9 years.....	\$31.36	\$62.72	\$125.44	\$627.20	\$1,254.40	2.80	4.92	
9 to 9½ years.....	32.10	64.20	128.40	642.00	1,284.00	2.85	5.02	
9½ to 10 years.....	32.89	65.78	131.56	657.80	1,315.60	2.90	5.11	
First extended maturity value (10 years from original maturity date) ²	33.73	67.46	134.92	674.80	1,349.20	2.96	.....
Period after first extended maturity (beginning 20 years after issue date)	Second extended maturity period						(b) to second extended maturity	
First ¼ year.....	\$33.73	\$67.46	\$134.92	\$674.80	\$1,349.20	2.96	3.75	
¼ 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	3.78	
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	3.76	
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) ²	48.91	97.82	195.64	978.20	1,956.40	3.22	.....

* 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 23, 1956.

¹ 20 years from issue date.² 30 years from issue date.

[26 F.R. 3402, Apr. 21, 1961]

TABLE 4
UNITED STATES SAVINGS BONDS—SERIES E
TABLE OF REDEMPTION VALUES AND INVESTMENT YIELDS
FOR BONDS BEARING ISSUE DATES FROM DECEMBER 1, 1941, THROUGH APRIL 1, 1942

Table showing: (1) How bonds of Series E bearing issue dates from December 1, 1941, through April 1, 1942, by denominations, increase in redemption value during successive half-year periods following issue or date of original maturity; (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 (a) to maturity or (b) to extended maturity. Yields are expressed in terms of rate percent per annum, compounded semiannually.

Maturity value.....	\$25 00	\$50. 00	100 00	\$500. 00	\$1,000. 00	Approximate investment yield*	
Issue price.....	18. 75	37. 50	75. 00	375. 00	750. 00		
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	(3) On current redemption value from beginning of each half-year period (a) to maturity
						Percent	Percent
First ½ year.....	\$18. 75	\$37. 50	\$75. 00	\$375. 00	\$750. 00	0. 00	2. 90
½ to 1 year.....	18. 75	37. 50	75. 00	375. 00	750. 00	. 00	2. 05
1 to 1½ years.....	18. 87	37. 75	75. 50	377. 50	755. 00	. 67	2. 15
1½ to 2 years.....	19. 00	38. 00	76. 00	380. 00	760. 00	. 88	2. 25
2 to 2½ years.....	19. 12	38. 25	76. 50	382. 50	765. 00	. 99	2. 35
2½ to 3 years.....	19. 25	38. 50	77. 00	385. 00	770. 00	1. 06	2. 52
3 to 3½ years.....	19. 50	39. 00	78. 00	390. 00	780. 00	1. 31	2. 58
3½ to 4 years.....	19. 75	39. 50	79. 00	395. 00	790. 00	1. 49	2. 66
4 to 4½ years.....	20. 00	40. 00	80. 00	400. 00	800. 00	1. 62	2. 75
4½ to 5 years.....	20. 25	40. 50	81. 00	405. 00	810. 00	1. 72	2. 87
5 to 5½ years.....	20. 50	41. 00	82. 00	410. 00	820. 00	1. 79	4. 01
5½ to 6 years.....	20. 75	41. 50	83. 00	415. 00	830. 00	1. 85	4. 18
6 to 6½ years.....	21. 00	42. 00	84. 00	420. 00	840. 00	1. 90	4. 41
6½ to 7 years.....	21. 50	43. 00	86. 00	430. 00	860. 00	2. 12	4. 36
7 to 7½ years.....	22. 00	44. 00	88. 00	440. 00	880. 00	2. 30	4. 31
7½ to 8 years.....	22. 50	45. 00	90. 00	450. 00	900. 00	2. 45	4. 26
8 to 8½ years.....	23. 00	46. 00	92. 00	460. 00	920. 00	2. 57	4. 21
8½ to 9 years.....	23. 50	47. 00	94. 00	470. 00	940. 00	2. 67	4. 17
9 to 9½ years.....	24. 00	48. 00	96. 00	480. 00	960. 00	2. 76	4. 12
9½ to 10 years.....	24. 50	49. 00	98. 00	490. 00	980. 00	2. 84	4. 08
Maturity value (10 years from issue date).....	25. 00	50. 00	100. 00	500. 00	1,000. 00	2. 90	-----
Period after maturity date	Extended maturity period					(b) to extended maturity	
First ½ year.....	\$25. 00	\$50. 00	\$100. 00	\$500. 00	\$1,000. 00	2. 90	**2. 90
½ to 1 year.....	25. 31	50. 62	101. 25	506. 25	1,012. 50	2. 88	**2. 92
1 to 1½ years.....	25. 62	51. 25	102. 50	512. 50	1,025. 00	2. 86	**2. 94
1½ to 2 years.....	25. 94	51. 87	103. 75	518. 75	1,037. 50	2. 84	**2. 97
2 to 2½ years.....	26. 25	52. 50	105. 00	525. 00	1,050. 00	2. 82	**3. 01
2½ to 3 years.....	26. 56	53. 12	106. 25	531. 25	1,062. 50	2. 81	**3. 05
3 to 3½ years.....	26. 87	53. 75	107. 50	537. 50	1,075. 00	2. 79	**3. 10
3½ to 4 years.....	27. 19	54. 37	108. 75	543. 75	1,087. 50	2. 77	**3. 16
4 to 4½ years.....	27. 50	55. 00	110. 00	550. 00	1,100. 00	2. 75	**3. 22
4½ to 5 years.....	27. 81	55. 62	111. 25	556. 25	1,112. 50	2. 74	**3. 28
5 to 5½ years.....	28. 12	56. 25	112. 50	562. 50	1,125. 00	2. 72	**3. 43
5½ to 6 years.....	28. 44	56. 87	113. 75	568. 75	1,137. 50	2. 71	**3. 56
6 to 6½ years.....	28. 75	57. 50	115. 00	575. 00	1,150. 00	2. 69	**3. 73
6½ to 7 years.....	29. 06	58. 12	116. 25	581. 25	1,162. 50	2. 67	**3. 96
7 to 7½ years.....	29. 37	58. 75	117. 50	587. 50	1,175. 00	2. 66	**4. 26
7½ to 8 years.....	30. 00	60. 00	120. 00	600. 00	1,200. 00	2. 70	14. 86
Revised redemption values and investment yields							
8 to 8½ years.....	\$30. 69	\$61. 38	\$122. 76	\$613. 80	\$1,227. 60	2. 76	4. 98
8½ to 9 years.....	31. 41	62. 82	125. 64	628. 20	1,256. 40	2. 81	5. 01
9 to 9½ years.....	32. 17	64. 34	128. 68	643. 40	1,286. 80	2. 86	5. 10
9½ to 10 years.....	32. 98	65. 96	131. 92	659. 60	1,319. 20	2. 92	5. 15
Extended maturity Value (10 years from original maturity date) 1.....	33. 83	67. 66	135. 32	676. 60	1,353. 20	2. 97	-----

*Calculated on basis of \$1,000 bond (face value).

**Approximate investment yield from beginning of each half-year period to extended maturity, at extended maturity value prior to June 1, 1959 revision.

†Revised approximate investment yield from effective date of revision to extended maturity.

1 20 years from issue date.

TABLE 4-A

UNITED STATES SAVINGS BONDS--SERIES E

TABLE OF REDEMPTION VALUES AND INVESTMENT YIELDS DURING EXTENDED MATURITY PERIODS¹ FOR BONDS BEARING ISSUE DATES FROM DECEMBER 1, 1941 THROUGH APRIL 1, 1942

Table showing: (1) How bonds of Series E bearing issue dates from December 1, 1941 through April 1, 1942 by denominations, increase in redemption value during successive half-year periods following date of original maturity; (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 (a) to first extended maturity or (b) to second extended maturity. Yields are expressed in terms of rate percent per annum compounded semiannually

Original maturity value..... Issue price.....	\$25 00 18. 75	\$50. 00 37. 50	\$100 00 75. 00	\$500. 00 375. 00	\$1,000 00 750. 00	Approximate investment yield*		
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							
						Percent	Percent	
First ½ year.....	\$25 00	\$50 00	\$100 00	\$500 00	\$1,000 00	2.90	**2.90	
½ to 1 year.....	25 31	50 62	101 25	506 25	1,012 50	2.88	**2.92	
1 to 1½ years.....	25 62	51 25	102 50	512 50	1,025 00	2.86	**2.94	
1½ to 2 years.....	25 94	51 87	103 75	518 75	1,037 50	2.84	**2.97	
2 to 2½ years.....	26 25	52 50	105 00	525 00	1,050 00	2.82	**3.01	
2½ to 3 years.....	26 56	53 12	106 25	531 25	1,062 50	2.81	**3.05	
3 to 3½ years.....	26 87	53 75	107 50	537 50	1,075 00	2.79	**3.10	
3½ to 4 years.....	27 19	54 37	108 75	543 75	1,087 50	2.77	**3.16	
4 to 4½ years.....	27 50	55 00	110 00	550 00	1,100 00	2.75	**3.23	
4½ to 5 years.....	27 81	55 62	111 25	556 25	1,112 50	2.74	**3.32	
5 to 5½ years.....	28 12	56 25	112 50	562 50	1,125 00	2.72	**3.43	
5½ to 6 years.....	28 44	56 87	113 75	568 75	1,137 50	2.71	**3.56	
6 to 6½ years.....	28 75	57 50	115 00	575 00	1,150 00	2.69	**3.73	
6½ to 7 years.....	29 06	58 12	116 25	581 25	1,162 50	2.67	**3.96	
7 to 7½ years.....	29 37	58 75	117 50	587 50	1,175 00	2.66	**4.26	
7½ to 8 years.....	30. 00	60. 00	120. 00	600. 00	1,200. 00	2.70	14.86	

Table 4-A--Continued

Redemption values and investment yields to first extended maturity on basis of June 1, 1959 revision

8 to 8½ years.....	\$30.69	\$61.38	\$122.76	\$613.80	\$1,227.60	2.76	4.68
8½ to 9 years.....	31.41	62.82	125.64	628.20	1,256.40	2.81	5.01
9 to 9½ years.....	32.17	64.34	128.68	643.40	1,286.80	2.86	5.10
9½ to 10 years.....	32.98	65.96	131.92	659.60	1,319.20	2.92	5.15
First extended maturity value (10 years from original ma- turity date) ¹	33.88	67.66	135.32	676.60	1,353.20	2.97	-----
Period after first extended ma- turity (beginning 20 years after issue date)	Second extended maturity period						(b) to second extended maturity
First ½ year.....	\$33.88	\$67.66	\$135.32	\$676.60	\$1,353.20	2.97	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) ²	49.05	98.10	196.20	981.00	1,962.00	3.23	-----

^{*}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 23, 1959.

¹ 20 years from issue date.

² 30 years from issue date.

[26 F.R. 3403, Apr. 21, 1961]

TABLE 5
UNITED STATES SAVINGS BONDS—SERIES E
TABLE OF REDEMPTION VALUES AND INVESTMENT YIELDS
FOR BONDS BEARING ISSUE DATE OF MAY 1, 1942

Table showing: (1) How bonds of Series E bearing issue date of May 1, 1942, by denominations, increase in redemption value during successive half-year periods following issue or date of original maturity; (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 (a) to maturity or (b) to extended maturity. Yields are expressed in terms of rate percent per annum, compounded semiannually.

Maturity value..... Issue price.....	\$25.00 18.75	\$50.00 37.50	\$100.00 75.00	\$500.00 375.00	\$1,000.00 750.00	Approximate investment yield*	
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	(3) On current redemption value from beginning of each half-year period (a) to maturity
						Percent	Percent
First ½ year.....	\$18.75	\$37.50	\$75.00	\$375.00	\$750.00	0.00	2.90
¼ to 1 year.....	18.75	37.50	75.00	375.00	750.00	.00	3.05
1 to 1½ years.....	18.87	37.75	75.50	377.50	755.00	.67	3.15
1½ to 2 years.....	19.00	38.00	76.00	380.00	760.00	.88	3.25
2 to 2½ years.....	19.12	38.25	76.50	382.50	765.00	.99	3.38
2½ to 3 years.....	19.25	38.50	77.00	385.00	770.00	1.06	3.52
3 to 3½ years.....	19.50	39.00	78.00	390.00	780.00	1.31	3.58
3½ to 4 years.....	19.75	39.50	79.00	395.00	790.00	1.49	3.66
4 to 4½ years.....	20.00	40.00	80.00	400.00	800.00	1.62	3.75
4½ to 5 years.....	20.25	40.50	81.00	405.00	810.00	1.72	3.87
5 to 5½ years.....	20.50	41.00	82.00	410.00	820.00	1.79	4.01
5½ to 6 years.....	20.75	41.50	83.00	415.00	830.00	1.85	4.18
6 to 6½ years.....	21.00	42.00	84.00	420.00	840.00	1.90	4.41
6½ to 7 years.....	21.50	43.00	86.00	430.00	860.00	2.12	4.36
7 to 7½ years.....	22.00	44.00	88.00	440.00	880.00	2.30	4.31
7½ to 8 years.....	22.50	45.00	90.00	450.00	900.00	2.45	4.26
8 to 8½ years.....	23.00	46.00	92.00	460.00	920.00	2.57	4.21
8½ to 9 years.....	23.50	47.00	94.00	470.00	940.00	2.67	4.17
9 to 9½ years.....	24.00	48.00	96.00	480.00	960.00	2.76	4.12
9½ to 10 years.....	24.50	49.00	98.00	490.00	980.00	2.84	4.08
Maturity value (10 years from issue date).....	25.00	50.00	100.00	500.00	1,000.00	2.90	-----
Period after maturity date	Extended maturity period					(b) to extended maturity	
First ½ year.....	\$25.00	\$50.00	\$100.00	\$500.00	\$1,000.00	2.90	**3.00
¼ to 1 year.....	25.37	50.75	101.50	507.50	1,015.00	2.90	**3.00
1 to 1½ years.....	25.75	51.50	103.00	515.00	1,030.00	2.90	**3.00
1½ to 2 years.....	26.12	52.25	104.50	522.50	1,045.00	2.91	**3.01
2 to 2½ years.....	26.50	53.00	106.00	530.00	1,060.00	2.90	**3.02
2½ to 3 years.....	26.90	53.80	107.60	538.00	1,076.00	2.91	**3.02
3 to 3½ years.....	27.30	54.60	109.20	546.00	1,092.00	2.91	**3.02
3½ to 4 years.....	27.70	55.40	110.80	554.00	1,108.00	2.91	**3.03
4 to 4½ years.....	28.10	56.20	112.40	562.00	1,124.00	2.91	**3.04
4½ to 5 years.....	28.50	57.00	114.00	570.00	1,140.00	2.91	**3.05
5 to 5½ years.....	28.95	57.90	115.80	579.00	1,158.00	2.92	**3.04
5½ to 6 years.....	29.40	58.80	117.60	588.00	1,176.00	2.92	**3.04
6 to 6½ years.....	29.85	59.70	119.40	597.00	1,194.00	2.93	**3.03
6½ to 7 years.....	30.30	60.60	121.20	606.00	1,212.00	2.93	**3.04
7 to 7½ years.....	30.75	61.50	123.00	615.00	1,230.00	2.93	**3.05
7½ to 8 years.....	31.20	62.40	124.80	624.00	1,248.00	2.93	†3.58
Revised redemption values and investment yields							
8 to 8½ years.....	\$31.67	\$63.34	\$126.68	\$633.40	\$1,266.80	2.93	3.72
8½ to 9 years.....	32.21	64.42	128.84	644.20	1,288.40	2.95	3.82
9 to 9½ years.....	32.80	65.60	131.20	656.00	1,312.00	2.97	3.89
9½ to 10 years.....	33.42	66.84	133.68	668.40	1,336.80	2.99	4.01
Extended maturity value (10 years from original maturity date) †	34.09	68.18	136.36	681.80	1,363.60	3.01	-----

*Calculated on basis of \$1,000 bond (face value).

**Approximate investment yield from beginning of each half-year period to extended maturity, at extended maturity value prior to June 1, 1959 revision.

†Revised approximate investment yield from effective date of revision to extended maturity.

‡20 years from issue date.

TABLE 5-A

UNITED STATES SAVINGS BONDS—SERIES E

TABLE OF REDEMPTION VALUES AND INVESTMENT YIELDS DURING EXTENDED MATURITY PERIODS¹ FOR BONDS BEARING ISSUE DATE OF MAY 1, 1942

Table showing: (1) How bonds of Series E bearing issue date of May 1, 1942 by denominations, increase in redemption value during successive half-year periods following date of original maturity; (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 (a) to first extended maturity or (b) to second maturity. Yields are expressed in terms of rate percent per annum compounded semi-annually.

Original maturity value..... Issue price.....	\$25.00 18.75	\$50.00 37.50	\$100.00 75.00	\$500.00 375.00	\$1,000.00 750.00	Approximate investment yield*	
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						
						<i>Percent</i>	<i>Percent</i>
First ½ year.....	\$25.00	\$50.00	\$100.00	\$500.00	\$1,000.00	2.90	**3.00
½ to 1 year.....	25.37	50.75	101.50	507.50	1,015.00	2.90	**3.00
1 to 1½ years.....	25.75	51.50	103.00	515.00	1,030.00	2.90	**3.00
1½ to 2 years.....	26.12	52.25	104.50	522.50	1,045.00	2.91	**3.01
2 to 2½ years.....	26.50	53.00	106.00	530.00	1,060.00	2.90	**3.02
2½ to 3 years.....	26.90	53.80	107.60	538.00	1,076.00	2.91	**3.02
3 to 3½ years.....	27.30	54.60	109.20	546.00	1,092.00	2.91	**3.02
3½ to 4 years.....	27.70	55.40	110.80	554.00	1,108.00	2.91	**3.03
4 to 4½ years.....	28.10	56.20	112.40	562.00	1,124.00	2.91	**3.04
4½ to 5 years.....	28.50	57.00	114.00	570.00	1,140.00	2.91	**3.05
5 to 5½ years.....	28.95	57.90	115.80	579.00	1,158.00	2.92	**3.04
5½ to 6 years.....	29.40	58.80	117.60	588.00	1,176.00	2.92	**3.04
6 to 6½ years.....	29.85	59.70	119.40	597.00	1,194.00	2.93	**3.03
6½ to 7 years.....	30.30	60.60	121.20	606.00	1,212.00	2.93	**3.04
7 to 7½ years.....	30.75	61.50	123.00	615.00	1,230.00	2.93	**3.05
7½ to 8 years.....	31.20	62.40	124.80	624.00	1,248.00	2.93	†3.58

Table 5-A--Continued

Redemption values and investment yields to first extended maturity on basis of June 1, 1959 revision

8 to 8½ years.....	\$31.67	\$63.34	\$126.68	\$633.40	\$1,266.80	2.03	3.73
8½ to 9 years.....	32.21	64.42	128.84	644.20	1,288.40	2.05	3.83
9 to 9½ years.....	32.80	65.60	131.20	656.00	1,312.00	2.07	3.89
9½ to 10 years.....	33.42	66.84	133.68	668.40	1,336.80	2.09	4.01
First extended maturity value (10 years from original maturity date) ¹.....	34.09	68.18	136.36	681.80	1,363.60	3.01	.....
Period after first extended ma- turity (beginning 20 years after issue date)	Second extended maturity period					(b) to second extended maturity	
First ¼ year.....	\$34.09	\$68.18	\$136.36	\$681.80	\$1,363.60	3.01	3.75
¼ 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	3.76
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) ².....	49.43	98.86	197.72	988.60	1,977.20	3.26	.....

¹ Calculated on basis of \$1,000 bond (face value).

² 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.

³ Approximate investment yield from effective date of June 1, 1959 revision to first extended maturity.

⁴ For redemption values and investment yields during original maturity period see Department Circular No. 653, Fifth Revision, dated September 23, 1959.

⁵ 20 years from issue date.

⁶ 20 years from issue date.

[26 F.R. 3404, Apr. 21, 1961]

TABLE 6
UNITED STATES SAVINGS BONDS—SERIES E
TABLE OF REDEMPTION VALUES AND INVESTMENT YIELDS
FOR BONDS BEARING ISSUE DATES FROM JUNE 1 THROUGH NOVEMBER 1, 1942

Table showing: (1) How bonds of Series E bearing issue dates from June 1 through November 1, 1942, by denominations, increase in redemption value during successive half-year periods following issue or date of original maturity; (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 (a) to maturity or (b) to extended maturity. Yields are expressed in terms of rate percent per annum, compounded semi-annually.

Maturity value..... Issue price.....	\$25.00 18.75	\$50.00 37.50	\$100.00 75.00	\$500.00 375.00	\$1,000.00 750.00	Approximate investment yield*	
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	(3) On current redemption value from beginning of each half-year period (a) to maturity
						Percent	Percent
First ½ year.....	\$18.75	\$37.50	\$75.00	\$375.00	\$750.00	0.00	2.90
½ to 1 year.....	18.75	37.50	75.00	375.00	750.00	.00	3.05
1 to 1½ years.....	18.87	37.75	75.50	377.50	755.00	.67	3.15
1½ to 2 years.....	19.00	38.00	76.00	380.00	760.00	.88	3.25
2 to 2½ years.....	19.12	38.25	76.50	382.50	765.00	.99	3.36
2½ to 3 years.....	19.25	38.50	77.00	385.00	770.00	1.06	3.52
3 to 3½ years.....	19.50	39.00	78.00	390.00	780.00	1.31	3.58
3½ to 4 years.....	19.75	39.50	79.00	395.00	790.00	1.49	3.66
4 to 4½ years.....	20.00	40.00	80.00	400.00	800.00	1.62	3.75
4½ to 5 years.....	20.25	40.50	81.00	405.00	810.00	1.72	3.87
5 to 5½ years.....	20.50	41.00	82.00	410.00	820.00	1.79	4.01
5½ to 6 years.....	20.75	41.50	83.00	415.00	830.00	1.85	4.18
6 to 6½ years.....	21.00	42.00	84.00	420.00	840.00	1.90	4.41
6½ to 7 years.....	21.50	43.00	86.00	430.00	860.00	2.12	4.36
7 to 7½ years.....	22.00	44.00	88.00	440.00	880.00	2.30	4.31
7½ to 8 years.....	22.50	45.00	90.00	450.00	900.00	2.45	4.26
8 to 8½ years.....	23.00	46.00	92.00	460.00	920.00	2.57	4.21
8½ to 9 years.....	23.50	47.00	94.00	470.00	940.00	2.67	4.17
9 to 9½ years.....	24.00	48.00	96.00	480.00	960.00	2.76	4.13
9½ to 10 years.....	24.50	49.00	98.00	490.00	980.00	2.84	4.08
Maturity value (10 years from issue date).....	25.00	50.00	100.00	500.00	1,000.00	2.90	-----
Period after maturity date	Extended maturity period						(b) to extended maturity
First ½ year.....	\$25.00	\$50.00	\$100.00	\$500.00	\$1,000.00	2.90	**3.00
½ to 1 year.....	25.37	50.75	101.50	507.50	1,015.00	2.90	**3.00
1 to 1½ years.....	25.75	51.50	103.00	515.00	1,030.00	2.90	**3.00
1½ to 2 years.....	26.12	52.25	104.50	522.50	1,045.00	2.91	**3.01
2 to 2½ years.....	26.50	53.00	106.00	530.00	1,060.00	2.90	**3.02
2½ to 3 years.....	26.90	53.80	107.60	538.00	1,076.00	2.91	**3.02
3 to 3½ years.....	27.30	54.60	109.20	546.00	1,092.00	2.91	**3.02
3½ to 4 years.....	27.70	55.40	110.80	554.00	1,108.00	2.91	**3.03
4 to 4½ years.....	28.10	56.20	112.40	562.00	1,124.00	2.91	**3.03
4½ to 5 years.....	28.50	57.00	114.00	570.00	1,140.00	2.91	**3.05
5 to 5½ years.....	28.95	57.90	115.80	579.00	1,158.00	2.92	**3.04
5½ to 6 years.....	29.40	58.80	117.60	588.00	1,176.00	2.92	**3.04
6 to 6½ years.....	29.85	59.70	119.40	597.00	1,194.00	2.93	**3.03
6½ to 7 years.....	30.30	60.60	121.20	606.00	1,212.00	2.93	**3.04
7 to 7½ years.....	30.75	61.50	123.00	615.00	1,230.00	2.93	†3.55
Revised redemption values and investment yields							
7½ to 8 years.....	\$31.21	\$62.42	\$124.84	\$624.20	\$1,248.40	2.93	3.66
8 to 8½ years.....	31.70	63.40	126.80	634.00	1,268.00	2.94	3.79
8½ to 9 years.....	32.27	64.54	129.08	645.40	1,290.80	2.96	3.85
9 to 9½ years.....	32.87	65.74	131.48	657.40	1,314.80	2.98	3.92
9½ to 10 years.....	33.50	67.00	134.00	670.00	1,340.00	3.00	4.00
Extended maturity value (10 years from original maturity date) †.....	34.17	68.34	136.68	683.40	1,366.80	3.02	-----

*Calculated on basis of \$1,000 bond (face value).

**Approximate investment yield from beginning of each half-year period to extended maturity, at extended maturity value prior to June 1, 1959 revision.

†Revised approximate investment yield from effective date of revision to extended maturity.

‡ 20 years from issue date.

TABLE 6-A

UNITED STATES SAVINGS BONDS—SERIES E

TABLE OF REDEMPTION VALUES AND INVESTMENT YIELDS DURING EXTENDED MATURITY PERIODS¹ FOR BONDS BEARING ISSUE DATES FROM JUNE 1 THROUGH NOVEMBER 1, 1942

Table showing: (1) How bonds of Series E bearing issue dates from June 1 through November 1, 1942 by denominations, increase in redemption value during successive half-year periods following date of original maturity; (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 (a) to first extended maturity or (b) to second extended maturity. Yields are expressed in terms of rate percent per annum compounded semiannually.

Original maturity value..... Issue price.....	\$25.00 18.75	\$50.00 37.50	\$100.00 75.00	\$500.00 375.00	\$1,000.00 750.00	Approximate investment yield*	
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 pur- chase 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						
						<i>Percent</i>	<i>Percent</i>
First ½ year.....	\$25.00	\$50.00	\$100.00	\$500.00	\$1,000.00	2.90	**3.00
½ to 1 year.....	25.37	50.75	101.50	507.50	1,015.00	2.90	**3.00
1 to 1½ years.....	25.75	51.50	103.00	515.00	1,030.00	2.90	**3.00
1½ to 2 years.....	26.12	52.25	104.50	522.50	1,045.00	2.91	**3.01
2 to 2½ years.....	26.50	53.00	106.00	530.00	1,060.00	2.90	**3.02
2½ to 3 years.....	26.90	53.80	107.60	538.00	1,076.00	2.91	**3.02
3 to 3½ years.....	27.30	54.60	109.20	546.00	1,092.00	2.91	**3.02
3½ to 4 years.....	27.70	55.40	110.80	554.00	1,108.00	2.91	**3.03
4 to 4½ years.....	28.10	56.20	112.40	562.00	1,124.00	2.91	**3.04
4½ to 5 years.....	28.50	57.00	114.00	570.00	1,140.00	2.91	**3.05
5 to 5½ years.....	28.95	57.90	115.80	579.00	1,158.00	2.92	**3.04
5½ to 6 years.....	29.40	58.80	117.60	588.00	1,176.00	2.92	**3.04
6 to 6½ years.....	29.85	59.70	119.40	597.00	1,194.00	2.93	**3.03
6½ to 7 years.....	30.30	60.60	121.20	606.00	1,212.00	2.93	**3.04
7 to 7½ years.....	30.75	61.50	123.00	615.00	1,230.00	2.93	**3.55

Table 6-A--Continued

Redemption values and investment yields to first extended maturity on basis of June 1, 1959 revision

7½ to 8 years.....	\$31.21	\$62.42	\$124.84	\$624.20	\$1,248.40	2.93	1.96
8 to 8½ years.....	31.70	63.40	126.80	634.00	1,268.00	2.94	1.79
8½ to 9 years.....	32.27	64.54	129.08	645.40	1,290.80	2.96	1.96
9 to 9½ years.....	32.87	65.74	131.48	657.40	1,314.80	2.98	1.97
9½ to 10 years.....	33.50	67.00	134.00	670.00	1,340.00	3.00	4.00
First extended maturity value (10 years from original maturity date) ²	34.17	68.34	136.68	683.40	1,366.80	3.02	-----
Period after first extended maturity (beginning 20 years after issue date)	Second extended maturity period						(b) to second extended maturity
First ½ year.....	\$34.17	\$68.34	\$136.68	\$683.40	\$1,366.80	3.02	1.75
½ to 1 year.....	34.81	69.62	139.24	696.20	1,392.40	3.04	1.75
1 to 1½ years.....	35.46	70.92	141.84	709.20	1,418.40	3.06	1.75
1½ to 2 years.....	36.13	72.26	144.52	722.60	1,445.20	3.07	1.75
2 to 2½ years.....	36.81	73.62	147.24	736.20	1,472.40	3.09	1.75
2½ to 3 years.....	37.50	75.00	150.00	750.00	1,500.00	3.10	1.75
3 to 3½ years.....	38.20	76.40	152.80	764.00	1,528.00	3.12	1.75
3½ to 4 years.....	38.92	77.84	155.68	778.40	1,556.80	3.13	1.75
4 to 4½ years.....	39.64	79.28	158.56	792.80	1,585.60	3.14	1.75
4½ to 5 years.....	40.39	80.78	161.56	807.80	1,615.60	3.16	1.75
5 to 5½ years.....	41.15	82.30	164.60	823.00	1,646.00	3.17	1.75
5½ to 6 years.....	41.92	83.84	167.68	838.40	1,676.80	3.18	1.75
6 to 6½ years.....	42.70	85.40	170.80	854.00	1,708.00	3.19	1.75
6½ to 7 years.....	43.50	87.00	174.00	870.00	1,740.00	3.20	1.75
7 to 7½ years.....	44.32	88.64	177.28	886.40	1,772.80	3.21	1.75
7½ to 8 years.....	45.15	90.30	180.60	903.00	1,806.00	3.22	1.75
8 to 8½ years.....	46.00	92.00	184.00	920.00	1,840.00	3.23	1.74
8½ to 9 years.....	46.86	93.72	187.44	937.20	1,874.40	3.24	1.74
9 to 9½ years.....	47.74	95.48	190.96	954.80	1,909.60	3.25	1.74
9½ to 10 years.....	48.63	97.26	194.52	972.60	1,945.20	3.26	1.74
Second extended maturity value (20 years from original maturity date) ³	49.54	99.08	198.16	990.80	1,981.60	3.26	-----

* 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.

[26 F.R. 3405, Apr. 21, 1961]

TABLE 7
UNITED STATES SAVINGS BONDS—SERIES E
TABLE OF REDEMPTION VALUES AND INVESTMENT YIELDS
FOR BONDS BEARING ISSUE DATES FROM DECEMBER 1, 1942, THROUGH MAY 1, 1943

Table showing: (1) How bonds of Series E bearing issue dates from December 1, 1942, through May 1, 1943, by denominations, increase in redemption value during successive half-year periods following issue or date of original maturity; (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 (a) to maturity or (b) to extended maturity. Yields are expressed in terms of rate percent per annum, compounded semiannually.

Maturity value.....	\$25.00	\$50.00	\$100.00	\$500.00	\$1,000.00	Approximate investment yield*	
Issue price.....	18.75	37.50	75.00	375.00	750.00		
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	(3) On current redemption value from beginning of each half-year period (a) to maturity
						Percent	Percent
First ½ year.....	\$18.75	\$37.50	\$75.00	\$375.00	\$750.00	0.00	2.90
½ to 1 year.....	18.75	37.50	75.00	375.00	750.00	.00	3.05
1 to 1½ years.....	18.87	37.75	75.50	377.50	755.00	.67	3.15
1½ to 2 years.....	19.00	38.00	76.00	380.00	760.00	.88	3.25
2 to 2½ years.....	19.12	38.25	76.50	382.50	765.00	.99	3.38
2½ to 3 years.....	19.25	38.50	77.00	385.00	770.00	1.06	3.52
3 to 3½ years.....	19.50	39.00	78.00	390.00	780.00	1.21	3.58
3½ to 4 years.....	19.75	39.50	79.00	395.00	790.00	1.49	3.66
4 to 4½ years.....	20.00	40.00	80.00	400.00	800.00	1.62	3.75
4½ to 5 years.....	20.25	40.50	81.00	405.00	810.00	1.72	3.87
5 to 5½ years.....	20.50	41.00	82.00	410.00	820.00	1.79	4.01
5½ to 6 years.....	20.75	41.50	83.00	415.00	830.00	1.85	4.18
6 to 6½ years.....	21.00	42.00	84.00	420.00	840.00	1.90	4.41
6½ to 7 years.....	21.50	43.00	86.00	430.00	860.00	2.12	4.36
7 to 7½ years.....	22.00	44.00	88.00	440.00	880.00	2.30	4.31
7½ to 8 years.....	22.50	45.00	90.00	450.00	900.00	2.45	4.26
8 to 8½ years.....	23.00	46.00	92.00	460.00	920.00	2.57	4.21
8½ to 9 years.....	23.50	47.00	94.00	470.00	940.00	2.67	4.17
9 to 9½ years.....	24.00	48.00	96.00	480.00	960.00	2.76	4.12
9½ to 10 years.....	24.50	49.00	98.00	490.00	980.00	2.84	4.08
Maturity value (10 years from issue date).....	25.00	50.00	100.00	500.00	1,000.00	2.90	-----
Period after maturity date	Extended maturity period					(b) to extended maturity †	
First ½ year.....	\$25.00	\$50.00	\$100.00	\$500.00	\$1,000.00	2.90	**2.00
½ to 1 year.....	25.37	50.75	101.50	507.50	1,015.00	2.90	**2.00
1 to 1½ years.....	25.75	51.50	103.00	515.00	1,030.00	2.90	**2.00
1½ to 2 years.....	26.12	52.25	104.50	522.50	1,045.00	2.91	**2.01
2 to 2½ years.....	26.50	53.00	106.00	530.00	1,060.00	2.90	**2.02
2½ to 3 years.....	26.90	53.80	107.60	538.00	1,076.00	2.91	**2.02
3 to 3½ years.....	27.30	54.60	109.20	546.00	1,092.00	2.91	**2.02
3½ to 4 years.....	27.70	55.40	110.80	554.00	1,108.00	2.91	**2.03
4 to 4½ years.....	28.10	56.20	112.40	562.00	1,124.00	2.91	**2.04
4½ to 5 years.....	28.50	57.00	114.00	570.00	1,140.00	2.91	**2.05
5 to 5½ years.....	28.95	57.90	115.80	579.00	1,158.00	2.92	**2.04
5½ to 6 years.....	29.40	58.80	117.60	588.00	1,176.00	2.92	**2.04
6 to 6½ years.....	29.85	59.70	119.40	597.00	1,194.00	2.93	**2.03
6½ to 7 years.....	30.30	60.60	121.20	606.00	1,212.00	2.93	†2.54
Revised redemption values and investment yields							
7 to 7½ years.....	\$30.76	\$61.52	\$123.04	\$615.20	\$1,230.40	2.93	3.62
7½ to 8 years.....	31.24	62.48	124.96	624.80	1,249.60	2.94	3.73
8 to 8½ years.....	31.75	63.50	127.00	635.00	1,270.00	2.95	3.84
8½ to 9 years.....	32.33	64.66	129.32	646.60	1,293.20	2.97	3.90
9 to 9½ years.....	32.94	65.88	131.76	658.80	1,317.60	2.99	3.97
9½ to 10 years.....	33.58	67.16	134.32	671.60	1,343.20	3.01	4.05
Extended maturity value (10 years from original maturity date)†	34.26	68.52	137.04	685.20	1,370.40	3.04	-----

* Calculated on basis of \$1,000 bond (face value).

** Approximate investment yield from beginning of each half-year period to extended maturity, at extended maturity value prior to June 1, 1959 revision.

† Revised approximate investment yield from effective date of revision to extended maturity.

‡ 20 years from issue date.

TABLE 7-A

UNITED STATES SAVINGS BONDS—SERIES E

TABLE OF REDEMPTION VALUES AND INVESTMENT YIELDS DURING EXTENDED MATURITY PERIODS¹ FOR BONDS BEARING ISSUE DATES FROM DECEMBER 1, 1942 THROUGH MAY 1, 1943

Table showing: (1) How bonds of Series E bearing issue dates from December 1, 1942 through May 1, 1943 by denominations, increase in redemption value during successive half-year periods following date of original maturity; (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 (a) to first extended maturity or (b) to second extended maturity. Yields are expressed in terms of rate per cent per annum compounded semiannually.

Original maturity value..... Issue price.....	\$25. 00 18. 75	\$50. 00 37. 50	\$100. 00 75. 00	\$500. 00 375. 00	\$1, 000. 00 750. 00	Approximate investment yield*		
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							
						<i>Percent</i>	<i>Percent</i>	
First ½ year.....	\$25. 00	\$50. 00	\$100. 00	\$500. 00	\$1, 000. 00	2. 90	**3. 00	
½ to 1 year.....	25. 37	50. 75	101. 50	507. 50	1, 015. 00	2. 90	**3. 00	
1 to 1½ years.....	25. 75	51. 50	103. 00	515. 00	1, 030. 00	2. 90	**3. 00	
1½ to 2 years.....	26. 12	52. 25	104. 50	522. 50	1, 045. 00	2. 91	**3. 01	
2 to 2½ years.....	26. 50	53. 00	106. 00	530. 00	1, 060. 00	2. 90	**3. 02	
2½ to 3 years.....	26. 90	53. 80	107. 60	538. 00	1, 075. 00	2. 91	**3. 02	
3 to 3½ years.....	27. 30	54. 60	109. 20	546. 00	1, 092. 00	2. 91	**3. 02	
3½ to 4 years.....	27. 70	55. 40	110. 80	554. 00	1, 108. 00	2. 91	**3. 03	
4 to 4½ years.....	28. 10	56. 20	112. 40	562. 00	1, 124. 00	2. 91	**3. 04	
4½ to 5 years.....	28. 50	57. 00	114. 00	570. 00	1, 140. 00	2. 91	**3. 05	
5 to 5½ years.....	28. 95	57. 90	115. 80	579. 00	1, 158. 00	2. 92	**3. 04	
5½ to 6 years.....	29. 40	58. 80	117. 60	588. 00	1, 176. 00	2. 92	**3. 04	
6 to 6½ years.....	29. 85	59. 70	119. 40	597. 00	1, 194. 00	2. 93	**3. 05	
6½ to 7 years.....	30. 30	60. 60	121. 20	606. 00	1, 212. 00	2. 93	**3. 54	

Table 7-A--Continued

Redemption values and investment yields to first extended maturity on basis of June 1, 1959 revision

7 to 7½ years.....	\$30.76	\$61.52	\$123.04	\$615.20	\$1,230.40	2.93	3.62
7½ to 8 years.....	31.24	62.48	124.96	624.80	1,249.60	2.94	3.73
8 to 8½ years.....	31.75	63.50	127.00	635.00	1,270.00	2.95	3.84
8½ to 9 years.....	32.33	64.66	129.32	646.60	1,293.20	2.97	3.90
9 to 9½ years.....	32.94	65.88	131.76	658.80	1,317.60	2.99	3.97
9½ to 10 years.....	33.58	67.16	134.32	671.60	1,343.20	3.01	4.05
First extended maturity value (10 years from original maturity date) ²	34.26	68.52	137.04	685.20	1,370.40	3.04	.....
Period after first extended maturity (beginning 20 years after issue date)	Second extended maturity period						(b) to second extended maturity
First ½ year.....	\$34.26	\$68.52	\$137.04	\$685.20	\$1,370.40	3.04	3.75
½ to 1 year.....	34.90	69.80	139.60	698.00	1,396.00	3.05	3.75
1 to 1½ years.....	35.56	71.12	142.24	711.20	1,422.40	3.07	3.75
1½ to 2 years.....	36.22	72.44	144.88	724.40	1,448.80	3.09	3.75
2 to 2½ years.....	36.90	73.80	147.60	738.00	1,476.00	3.10	3.75
2½ to 3 years.....	37.59	75.18	150.36	751.80	1,503.60	3.12	3.75
3 to 3½ years.....	38.30	76.60	153.20	766.00	1,532.00	3.13	3.75
3½ to 4 years.....	39.02	78.04	156.08	780.40	1,560.80	3.14	3.75
4 to 4½ years.....	39.75	79.50	159.00	795.00	1,590.00	3.16	3.75
4½ to 5 years.....	40.49	80.98	161.96	809.80	1,619.60	3.17	3.75
5 to 5½ years.....	41.25	82.50	165.00	825.00	1,650.00	3.18	3.75
5½ to 6 years.....	42.03	84.06	168.12	840.60	1,681.20	3.19	3.75
6 to 6½ years.....	42.82	85.64	171.28	856.40	1,712.80	3.20	3.75
6½ to 7 years.....	43.62	87.24	174.48	872.40	1,744.80	3.21	3.75
7 to 7½ years.....	44.44	88.88	177.76	888.80	1,777.60	3.22	3.75
7½ to 8 years.....	45.27	90.54	181.08	905.40	1,810.80	3.23	3.75
8 to 8½ years.....	46.12	92.24	184.48	922.40	1,844.80	3.24	3.75
8½ to 9 years.....	46.98	93.96	187.92	939.60	1,879.20	3.25	3.75
9 to 9½ years.....	47.86	95.72	191.44	957.20	1,914.40	3.26	3.77
9½ 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) ²	49.68	99.36	198.72	993.60	1,987.20	3.27	.....

*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 23, 1959.

¹ 20 years from issue date.

² 20 years from issue date.

[26 F.R. 3406, Apr. 21, 1961]

TABLE 8
UNITED STATES SAVINGS BONDS—SERIES E
TABLE OF REDEMPTION VALUES AND INVESTMENT YIELDS
FOR BONDS BEARING ISSUE DATES FROM JUNE 1 THROUGH NOVEMBER 1, 1943

Table showing: (1) How bonds of Series E bearing issue dates from June 1 through November 1, 1943, by denominations, increase in redemption value during successive half-year periods following issue or date of original maturity; (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 (a) to maturity or (b) to extended maturity. Yields are expressed in terms of rate percent per annum, compounded semi-annually.

Maturity value..... Issue price.....	\$25.00 18.75	\$50.00 37.50	\$100.00 75.00	\$500.00 375.00	\$1,000.00 750.00	Approximate investment yield*	
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	(3) On current redemption value from beginning of each half-year period (a) to maturity
						Percent	Percent
First ½ year.....	\$18.75	\$37.50	\$75.00	\$375.00	\$750.00	0.00	2.90
½ to 1 year.....	18.75	37.50	75.00	375.00	750.00	.00	3.05
1 to 1½ years.....	18.87	37.75	75.50	377.50	755.00	.67	3.15
1½ to 2 years.....	19.00	38.00	76.00	380.00	760.00	.88	3.25
2 to 2½ years.....	19.12	38.25	76.50	382.50	765.00	.99	3.38
2½ to 3 years.....	19.25	38.50	77.00	385.00	770.00	1.06	3.52
3 to 3½ years.....	19.50	39.00	78.00	390.00	780.00	1.31	3.58
3½ to 4 years.....	19.75	39.50	79.00	395.00	790.00	1.49	3.66
4 to 4½ years.....	20.00	40.00	80.00	400.00	800.00	1.62	3.75
4½ to 5 years.....	20.25	40.50	81.00	405.00	810.00	1.72	3.87
5 to 5½ years.....	20.50	41.00	82.00	410.00	820.00	1.79	4.01
5½ to 6 years.....	20.75	41.50	83.00	415.00	830.00	1.85	4.18
6 to 6½ years.....	21.00	42.00	84.00	420.00	840.00	1.90	4.41
6½ to 7 years.....	21.50	43.00	86.00	430.00	860.00	2.12	4.36
7 to 7½ years.....	22.00	44.00	88.00	440.00	880.00	2.30	4.31
7½ to 8 years.....	22.50	45.00	90.00	450.00	900.00	2.45	4.26
8 to 8½ years.....	23.00	46.00	92.00	460.00	920.00	2.57	4.21
8½ to 9 years.....	23.50	47.00	94.00	470.00	940.00	2.67	4.17
9 to 9½ years.....	24.00	48.00	96.00	480.00	960.00	2.76	4.13
9½ to 10 years.....	24.50	49.00	98.00	490.00	980.00	2.84	4.06
Maturity value (10 years from issue date).....	25.00	50.00	100.00	500.00	1,000.00	2.90	-----
Period after maturity date	Extended maturity period					(b) to extended maturity	
First ½ year.....	\$25.00	\$50.00	\$100.00	\$500.00	\$1,000.00	2.90	**3.00
½ to 1 year.....	25.37	50.75	101.50	507.50	1,015.00	2.90	**3.00
1 to 1½ years.....	25.75	51.50	103.00	515.00	1,030.00	2.90	**3.00
1½ to 2 years.....	26.12	52.25	104.50	522.50	1,045.00	2.91	**3.01
2 to 2½ years.....	26.50	53.00	106.00	530.00	1,060.00	2.90	**3.02
2½ to 3 years.....	26.90	53.80	107.60	538.00	1,076.00	2.91	**3.02
3 to 3½ years.....	27.30	54.60	109.20	546.00	1,092.00	2.91	**3.02
3½ to 4 years.....	27.70	55.40	110.80	554.00	1,108.00	2.91	**3.03
4 to 4½ years.....	28.10	56.20	112.40	562.00	1,124.00	2.91	**3.04
4½ to 5 years.....	28.50	57.00	114.00	570.00	1,140.00	2.91	**3.05
5 to 5½ years.....	28.95	57.90	115.80	579.00	1,158.00	2.92	**3.04
5½ to 6 years.....	29.40	58.80	117.60	588.00	1,176.00	2.92	**3.04
6 to 6½ years.....	29.85	59.70	119.40	597.00	1,194.00	2.93	**3.04
Revised redemption values and investment yields							
6½ to 7 years.....	\$30.31	\$60.62	\$121.24	\$606.20	\$1,212.40	2.93	3.60
7 to 7½ years.....	30.79	61.58	123.16	615.80	1,231.60	2.94	3.67
7½ to 8 years.....	31.29	62.58	125.16	625.80	1,251.60	2.95	3.76
8 to 8½ years.....	31.81	63.62	127.24	636.20	1,272.40	2.96	3.86
8½ to 9 years.....	32.40	64.80	129.60	648.00	1,296.00	2.98	3.91
9 to 9½ years.....	33.02	66.04	132.08	660.40	1,320.80	3.00	3.96
9½ to 10 years.....	33.66	67.32	134.64	673.20	1,346.40	3.02	4.04
Extended maturity value (10 years from original maturity date) 1.....	34.34	68.68	137.36	686.80	1,373.60	3.05	-----

* Calculated on basis of \$1,000 bond (face value).

** Approximate investment yield from beginning of each half-year period to extended maturity, at extended maturity value prior to June 1, 1959 revision.

1 Revised approximate investment yield from effective date of revision to extended maturity.

1 20 years from issue date.

TABLE 8-A

UNITED STATES SAVINGS BONDS--SERIES E

TABLE OF REDEMPTION VALUES AND INVESTMENT YIELDS DURING EXTENDED MATURITY PERIODS¹ FOR BONDS BEARING ISSUE DATES FROM JUNE 1 THROUGH NOVEMBER 1, 1943

Table showing: (1) How bonds of Series E bearing issue dates from June 1 through November 1, 1943 by denominations, increase in redemption value during successive half-year periods following date of original maturity; (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 (a) to first extended maturity or (b) to second extended maturity. Yields are expressed in terms of rate percent per annum compounded semiannually.

Original maturity value..... Issue price.....	\$25.00 18.75	\$50.00 37.50	\$100.00 75.00	\$500.00 375.00	\$1,000.00 750.00	Approximate investment yield*	
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						
						Percent	Percent
First ½ year	\$25.00	\$50.00	\$100.00	\$500.00	\$1,000.00	2.90	**3.00
½ to 1 year.....	25.37	50.75	101.50	507.50	1,015.00	2.90	**3.00
1 to 1½ year.....	25.75	51.50	103.00	515.00	1,030.00	2.90	**3.00
1½ to 2 years.....	26.12	52.25	104.50	522.50	1,045.00	2.91	**3.01
2 to 2½ years.....	26.50	53.00	106.00	530.00	1,060.00	2.90	**3.02
2½ to 3 years.....	26.90	53.80	107.60	538.00	1,075.00	2.91	**3.02
3 to 3½ years.....	27.30	54.60	109.20	546.00	1,090.00	2.91	**3.02
3½ to 4 years.....	27.70	55.40	110.80	554.00	1,105.00	2.91	**3.03
4 to 4½ years.....	28.10	56.20	112.40	562.00	1,120.00	2.91	**3.04
4½ to 5 years.....	28.50	57.00	114.00	570.00	1,140.00	2.91	**3.05
5 to 5½ years.....	28.95	57.90	115.80	579.00	1,155.00	2.92	**3.04
5½ to 6 years.....	29.40	58.80	117.60	588.00	1,175.00	2.92	**3.04
6 to 6½ years.....	29.85	59.70	119.40	597.00	1,194.00	2.93	13.53

Table 8-A--Continued

Redemption values and investment yields to first extended maturity on basis of June 1, 1950 revision

6½ to 7 years.....	\$30.31	\$60.62	\$121.24	\$606.20	\$1,212.40	2.93	3.60
7 to 7½ years.....	30.79	61.58	123.16	615.80	1,231.60	2.94	3.67
7½ to 8 years.....	31.29	62.58	125.16	625.80	1,251.60	2.95	3.76
8 to 8½ years.....	31.81	63.62	127.24	636.20	1,272.40	2.96	3.86
8½ to 9 years.....	32.40	64.80	129.60	648.00	1,296.00	2.98	3.91
9 to 9½ years.....	33.02	66.04	132.08	660.40	1,320.80	3.00	3.96
9½ to 10 years.....	33.66	67.32	134.64	673.20	1,346.40	3.02	4.04
First extended maturity value (10 years from original ma- turity date) ²	34.34	68.68	137.36	686.80	1,373.60	3.05	-----
Period after first extended ma- turity (beginning 20 years after issue date)	Second extended maturity period						(b) to second extended maturity
First ½ year.....	\$31.34	\$68.68	\$137.36	\$686.80	\$1,373.60	3.05	3.75
½ to 1 year.....	34.98	69.96	139.92	699.60	1,399.20	3.07	3.75
1 to 1½ years.....	35.64	71.28	142.56	712.80	1,425.60	3.08	3.75
1½ to 2 years.....	36.31	72.62	145.24	726.20	1,452.40	3.10	3.75
2 to 2½ years.....	36.99	73.98	147.96	739.80	1,479.60	3.11	3.75
2½ to 3 years.....	37.68	75.36	150.72	753.60	1,507.20	3.13	3.75
3 to 3½ years.....	38.39	76.78	153.56	767.80	1,535.60	3.14	3.75
3½ to 4 years.....	39.11	78.22	156.44	782.20	1,564.40	3.15	3.75
4 to 4½ years.....	39.84	79.68	159.36	796.80	1,593.60	3.17	3.75
4½ to 5 years.....	40.59	81.18	162.36	811.80	1,623.60	3.18	3.75
5 to 5½ years.....	41.35	82.70	165.40	827.00	1,654.00	3.19	3.75
5½ to 6 years.....	42.13	84.26	168.52	842.60	1,685.20	3.20	3.75
6 to 6½ years.....	42.92	85.84	171.68	858.40	1,716.80	3.21	3.75
6½ to 7 years.....	43.72	87.44	174.88	874.40	1,748.80	3.22	3.75
7 to 7½ years.....	44.54	89.08	178.16	890.80	1,781.60	3.23	3.75
7½ to 8 years.....	45.37	90.74	181.48	907.40	1,814.80	3.24	3.75
8 to 8½ years.....	46.23	92.46	184.92	924.60	1,849.20	3.25	3.74
8½ to 9 years.....	47.09	94.18	188.36	941.80	1,883.60	3.26	3.75
9 to 9½ years.....	47.98	95.96	191.92	959.60	1,919.20	3.27	3.74
9½ 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) ³	49.79	99.58	199.16	995.80	1,991.60	3.28	-----

* 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.

[26 F.R. 3407, Apr. 21, 1961]

TABLE 9
UNITED STATES SAVINGS BONDS—SERIES E
TABLE OF REDEMPTION VALUES AND INVESTMENT YIELDS
FOR BONDS BEARING ISSUE DATES FROM DECEMBER 1, 1942, THROUGH MAY 1, 1944

Table showing: (1) How bonds of Series E bearing issue dates from December 1, 1943, through May 1, 1944, by denominations, increase in redemption value during successive half-year periods following issue or date of original maturity; (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 (a) to maturity or (b) to extend maturity. Yields are expressed in terms of rate percent per annum, compounded semiannually.

Maturity value..... Issue price.....	\$25.00 18.75	\$50.00 37.50	\$100.00 75.00	\$500.00 375.00	\$1,000.00 750.00	Approximate investment yield*	
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	(3) On current redemption value from beginning of each half-year period (a) to maturity
						Percent	Percent
First ½ year.....	\$18.75	\$37.50	\$75.00	\$375.00	\$750.00	0.00	2.90
½ to 1 year.....	18.75	37.50	75.00	375.00	750.00	.00	3.05
1 to 1½ years.....	18.87	37.75	75.50	377.50	755.00	.67	3.15
1½ to 2 years.....	19.00	38.00	76.00	380.00	760.00	.68	3.28
2 to 2½ years.....	19.12	38.25	76.50	382.50	765.00	.99	3.28
2½ to 3 years.....	19.25	38.50	77.00	385.00	770.00	1.06	3.52
3 to 3½ years.....	19.50	39.00	78.00	390.00	780.00	1.31	3.58
3½ to 4 years.....	19.75	39.50	79.00	395.00	790.00	1.49	3.66
4 to 4½ years.....	20.00	40.00	80.00	400.00	800.00	1.62	3.75
4½ to 5 years.....	20.25	40.50	81.00	405.00	810.00	1.72	3.87
5 to 5½ years.....	20.50	41.00	82.00	410.00	820.00	1.79	4.01
5½ to 6 years.....	20.75	41.50	83.00	415.00	830.00	1.85	4.18
6 to 6½ years.....	21.00	42.00	84.00	420.00	840.00	1.90	4.41
6½ to 7 years.....	21.50	43.00	86.00	430.00	860.00	2.12	4.36
7 to 7½ years.....	22.00	44.00	88.00	440.00	880.00	2.30	4.31
7½ to 8 years.....	22.50	45.00	90.00	450.00	900.00	2.45	4.36
8 to 8½ years.....	23.00	46.00	92.00	460.00	920.00	2.57	4.21
8½ to 9 years.....	23.50	47.00	94.00	470.00	940.00	2.67	4.17
9 to 9½ years.....	24.00	48.00	96.00	480.00	960.00	2.76	4.12
9½ to 10 years.....	24.50	49.00	98.00	490.00	980.00	2.84	4.08
Maturity value (10 years from issue date)	25.00	50.00	100.00	500.00	1,000.00	2.90	.....
Period after maturity date	Extended maturity period						(b) to extended maturity
First ½ year.....	\$25.00	\$50.00	\$100.00	\$500.00	\$1,000.00	2.90	**2.00
½ to 1 year.....	25.37	50.75	101.50	507.50	1,015.00	2.90	**2.00
1 to 1½ years.....	25.75	51.50	103.00	515.00	1,030.00	2.90	**2.00
1½ to 2 years.....	26.12	52.25	104.50	522.50	1,045.00	2.91	**2.01
2 to 2½ years.....	26.50	53.00	106.00	530.00	1,060.00	2.90	**2.02
2½ to 3 years.....	26.90	53.80	107.60	538.00	1,076.00	2.91	**2.02
3 to 3½ years.....	27.30	54.60	109.20	546.00	1,092.00	2.91	**2.02
3½ to 4 years.....	27.70	55.40	110.80	554.00	1,108.00	2.91	**2.02
4 to 4½ years.....	28.10	56.20	112.40	562.00	1,124.00	2.91	**2.04
4½ to 5 years.....	28.50	57.00	114.00	570.00	1,140.00	2.91	**2.05
5 to 5½ years.....	28.95	57.90	115.80	579.00	1,158.00	2.92	**2.04
5½ to 6 years.....	29.40	58.80	117.60	588.00	1,176.00	2.92	**2.54
Revised redemption values and investment yields							
6 to 6½ years.....	\$29.86	\$59.72	\$119.44	\$597.20	\$1,194.40	2.93	3.59
6½ to 7 years.....	30.33	60.66	121.32	606.60	1,213.20	2.94	3.66
7 to 7½ years.....	30.83	61.66	123.32	616.60	1,233.20	2.95	3.72
7½ to 8 years.....	31.34	62.68	125.36	626.80	1,253.60	2.96	3.80
8 to 8½ years.....	31.87	63.74	127.45	637.40	1,274.80	2.97	3.90
8½ to 9 years.....	32.42	64.94	129.58	649.40	1,295.80	2.99	3.95
9 to 9½ years.....	33.09	66.18	132.86	661.80	1,323.60	3.01	4.01
9½ to 10 years.....	33.74	67.48	134.96	674.80	1,349.60	3.04	4.09
Extended maturity value (10 years from original maturity date)†	34.43	68.86	137.72	688.60	1,377.20	3.06	.....

*Calculated on basis of \$1,000 bond (face value).

**Approximate investment yield from beginning of each half-year period to extended maturity, at extended maturity value prior to June 1, 1959 revision.

† Revised approximate investment yield from effective date of revision to extended maturity.

‡ 20 years from issue date.

TABLE 9-A

UNITED STATES SAVINGS BONDS—SERIES E

TABLE OF REDEMPTION VALUES AND INVESTMENT YIELDS DURING EXTENDED MATURITY PERIODS¹ FOR BONDS BEARING ISSUE DATES FROM DECEMBER 1, 1943 THROUGH MAY 1, 1944

Table showing: (1) How bonds of Series E bearing issue dates from December 1, 1943 through May 1, 1944 by denominations, increase in redemption value during successive half-year periods following date of original maturity; (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: (a) to first extended maturity or (b) to second extended maturity. Yields are expressed in terms of rate per cent per annum compounded semiannually.

Original maturity value..... Issue price.....	\$25. 00 18. 75	\$50. 00 37. 50	\$100. 00 75. 00	\$500. 00 375. 00	\$1, 000. 00 750. 00	Approximate investment yield*	
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						
						<i>Percent</i>	<i>Percent</i>
First ½ year.....	\$25. 00	\$50. 00	\$100. 00	\$500. 00	\$1, 000. 00	2. 90	**1. 00
½ to 1 year.....	25. 37	50. 75	101. 50	507. 50	1, 015. 00	2. 90	**1. 00
1 to 1½ years.....	25. 75	51. 50	103. 00	515. 00	1, 030. 00	2. 90	**1. 00
1½ to 2 years.....	26. 12	52. 25	104. 50	522. 50	1, 045. 00	2. 91	**1. 01
2 to 2½ years.....	26. 50	53. 00	106. 00	530. 00	1, 060. 00	2. 90	**1. 02
2½ to 3 years.....	26. 90	53. 80	107. 60	538. 00	1, 076. 00	2. 91	**1. 02
3 to 3½ years.....	27. 30	54. 60	109. 20	546. 00	1, 092. 00	2. 91	**1. 02
3½ to 4 years.....	27. 70	55. 40	110. 80	554. 00	1, 108. 00	2. 91	**1. 03
4 to 4½ years.....	28. 10	56. 20	112. 40	562. 00	1, 124. 00	2. 91	**1. 04
4½ to 5 years.....	28. 50	57. 00	114. 00	570. 00	1, 140. 00	2. 91	**1. 05
5 to 5½ years.....	28. 95	57. 90	115. 80	579. 00	1, 158. 00	2. 92	**1. 04
5½ to 6 years.....	29. 40	58. 80	117. 60	588. 00	1, 176. 00	2. 92	**1. 54

Table 9-A--Continued

Redemption values and investment yields to first extended maturity on basis of June 1, 1959 revision

6 to 6½ years.....	\$29.86	\$59.72	\$119.44	\$597.20	\$1,194.40	2.93	3.59	
6½ to 7 years.....	30.33	60.66	121.32	606.60	1,213.20	2.94	3.66	
7 to 7½ years.....	30.83	61.66	123.32	616.60	1,233.20	2.95	3.72	
7½ to 8 years.....	31.34	62.68	125.36	626.80	1,253.60	2.96	3.80	
8 to 8½ years.....	31.87	63.74	127.48	637.40	1,274.80	2.97	3.90	
8½ to 9 years.....	32.47	64.94	129.88	649.40	1,298.80	2.99	3.95	
9 to 9½ years.....	33.09	66.18	132.36	661.80	1,323.60	3.01	4.01	
9½ to 10 years.....	33.74	67.48	134.96	674.80	1,349.60	3.04	4.09	
First extended maturity value (10 years from original ma- turity date) ²	34.43	68.86	137.72	688.60	1,377.20	3.06	-----	
Period after first extended ma- turity (beginning 20 years after issue date)	Second extended maturity period						(b) to second extended maturity	
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) ³	49.92	99.84	199.68	998.40	1,996.80	3.29	-----	

^{*}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 23, 1960.¹20 years from issue date.²30 years from issue date.

[26 F.R. 3408, Apr. 21, 1961]

TABLE 10
UNITED STATES SAVINGS BONDS—SERIES E
TABLE OF REDEMPTION VALUES AND INVESTMENT YIELDS
FOR BONDS BEARING ISSUE DATES FROM JUNE 1 THROUGH NOVEMBER 1, 1944

Table showing: (1) How bonds of Series E bearing issue dates from June 1 through November 1, 1944, by denominations, increase in redemption value during successive half-year periods following issue or date of original maturity; (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 (a) to maturity or (b) to extended maturity. Yields are expressed in terms of rate percent per annum, compounded semiannually.

Maturity value..... Issue price.....	\$10.00 7.50	\$25.00 18.75	\$50.00 37.50	\$100.00 75.00	\$500.00 375.00	\$1,000.00 750.00	Approximate investment yield*	
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	(3) On current redemption value from beginning of each half-year period (a) to maturity
							Percent	Percent
First ½ year.....	\$7.50	\$18.75	\$37.50	\$75.00	\$375.00	\$750.00	0.00	2.90
½ to 1 year.....	7.50	18.75	37.50	75.00	375.00	750.00	.00	3.05
1 to 1½ years.....	7.55	18.87	37.75	75.50	377.50	755.00	.67	3.15
1½ to 2 years.....	7.60	19.00	38.00	76.00	380.00	760.00	.88	3.25
2 to 2½ years.....	7.65	19.12	38.25	76.50	382.50	765.00	.99	3.38
2½ to 3 years.....	7.70	19.25	38.50	77.00	385.00	770.00	1.06	3.52
3 to 3½ years.....	7.80	19.50	39.00	78.00	390.00	780.00	1.31	3.58
3½ to 4 years.....	7.90	19.75	39.50	79.00	395.00	790.00	1.49	3.66
4 to 4½ years.....	8.00	20.00	40.00	80.00	400.00	800.00	1.62	3.75
4½ to 5 years.....	8.10	20.25	40.50	81.00	405.00	810.00	1.72	3.87
5 to 5½ years.....	8.20	20.50	41.00	82.00	410.00	820.00	1.79	4.01
5½ to 6 years.....	8.30	20.75	41.50	83.00	415.00	830.00	1.85	4.18
6 to 6½ years.....	8.40	21.00	42.00	84.00	420.00	840.00	1.90	4.41
6½ to 7 years.....	8.60	21.50	43.00	86.00	430.00	860.00	2.12	4.36
7 to 7½ years.....	8.80	22.00	44.00	88.00	440.00	880.00	2.30	4.31
7½ to 8 years.....	9.00	22.50	45.00	90.00	450.00	900.00	2.45	4.26
8 to 8½ years.....	9.20	23.00	46.00	92.00	460.00	920.00	2.57	4.21
8½ to 9 years.....	9.40	23.50	47.00	94.00	470.00	940.00	2.67	4.17
9 to 9½ years.....	9.60	24.00	48.00	96.00	480.00	960.00	2.76	4.12
9½ to 10 years.....	9.80	24.50	49.00	98.00	490.00	980.00	2.84	4.08
Maturity value (10 years from issue date).....	10.00	25.00	50.00	100.00	500.00	1,000.00	2.90	-----
Period after maturity date	(b) to extended maturity period						(b) to extended maturity	
First ½ year.....	\$10.00	\$25.00	\$50.00	\$100.00	\$500.00	\$1,000.00	2.90	**3.00
½ to 1 year.....	10.15	25.37	50.75	101.50	507.50	1,015.00	2.90	**3.00
1 to 1½ years.....	10.30	25.75	51.50	103.00	515.00	1,030.00	2.90	**3.00
1½ to 2 years.....	10.45	26.12	52.25	104.50	522.50	1,045.00	2.91	**3.01
2 to 2½ years.....	10.60	26.50	53.00	106.00	530.00	1,060.00	2.90	**3.02
2½ to 3 years.....	10.76	26.90	53.80	107.60	538.00	1,076.00	2.91	**3.02
3 to 3½ years.....	10.92	27.30	54.60	109.20	546.00	1,092.00	2.91	**3.02
3½ to 4 years.....	11.08	27.70	55.40	110.80	554.00	1,108.00	2.91	**3.03
4 to 4½ years.....	11.24	28.10	56.20	112.40	562.00	1,124.00	2.91	**3.04
4½ to 5 years.....	11.40	28.50	57.00	114.00	570.00	1,140.00	2.91	**3.05
5 to 5½ years.....	11.58	28.95	57.90	115.80	579.00	1,158.00	2.92	†3.54
Revised redemption values and investment yields								
5½ to 6 years.....	\$11.76	\$29.41	\$58.82	\$117.64	\$588.20	\$1,176.40	2.93	3.59
6 to 6½ years.....	11.95	29.88	59.76	119.52	597.60	1,195.20	2.93	3.63
6½ to 7 years.....	12.15	30.37	60.74	121.48	607.40	1,214.80	2.94	3.68
7 to 7½ years.....	12.35	30.87	61.74	123.48	617.40	1,234.80	2.95	3.75
7½ to 8 years.....	12.56	31.39	62.78	125.56	627.80	1,255.60	2.97	3.83
8 to 8½ years.....	12.77	31.93	63.86	127.72	638.60	1,277.20	2.98	3.92
8½ to 9 years.....	13.02	32.54	65.08	130.16	650.80	1,301.60	3.00	3.96
9 to 9½ years.....	13.27	33.17	66.34	132.68	663.40	1,326.80	3.03	4.00
9½ to 10 years.....	13.53	33.82	67.64	135.28	676.40	1,352.80	3.05	4.08
Extended maturity value (10 years from original maturity date)¹.....	13.80	34.51	69.02	138.04	690.20	1,380.40	3.07	-----

*Calculated on basis of \$1,000 bond (face value).

**Approximate investment yield from beginning of each half-year period to extended maturity, at extended maturity value prior to June 1, 1959 revision.

†Revised approximate investment yield from effective date of revision to extended maturity.

¹ 20 years from issue date.

TABLE 10-A

UNITED STATES SAVINGS BONDS—SERIES E

TABLE OF REDEMPTION VALUES AND INVESTMENT YIELDS DURING EXTENDED MATURITY PERIODS¹ FOR BONDS BEARING ISSUE DATES FROM JUNE 1 THROUGH NOVEMBER 1, 1944

Table showing: (1) How bonds of Series E bearing issue dates June 1 through November 1, 1944 by denominations, increase in redemption value during successive half-year periods following date of original maturity; the approximate investment yield on the purchase price from issue date to the beginning of each half-year period; and (2) the approximate investment yield on the current redemption value from the beginning of each half-year period (a) to first extended maturity or (b) to second extended maturity. Yields are expressed in terms of rate percent per annum compounded semiannually.

Original maturity value.... Issue price.....	\$10.00 7.50	\$25.00 18.75	\$50.00 37.50	\$100.00 75.00	\$500.00 375.00	\$1,000.00 750.00	Approximate investment yield ^a	
Period after original ma- turity (beginning 10 years after issue date)	(1) Redemption values during each half-year period (values increase on first day of period shown)						(2) On pur- chase 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							
							Percent	Percent
First ½ year.....	\$10.00	\$25.00	\$50.00	\$100.00	\$500.00	\$1,000.00	2.80	*2.00
½ to 1 year.....	10.15	25.37	50.75	101.50	507.50	1,015.00	2.80	*2.00
1 to 1½ years.....	10.30	25.75	51.50	103.00	515.00	1,030.00	2.80	*2.00
1½ to 2 years.....	10.45	26.12	52.25	104.50	522.50	1,045.00	2.91	*2.01
2 to 2½ years.....	10.60	26.50	53.00	106.00	530.00	1,060.00	2.80	*2.02
2½ to 3 years.....	10.75	26.90	53.80	107.60	538.00	1,076.00	2.91	*2.02
3 to 3½ years.....	10.92	27.30	54.60	109.20	546.00	1,092.00	2.91	*2.02
3½ to 4 years.....	11.06	27.70	55.40	110.80	554.00	1,108.00	2.91	*2.03
4 to 4½ years.....	11.24	28.10	56.20	112.40	562.00	1,124.00	2.91	*2.04
4½ to 5 years.....	11.40	28.50	57.00	114.00	570.00	1,140.00	2.91	*2.05
5 to 5½ years.....	11.56	28.95	57.90	115.80	579.00	1,158.00	2.92	13.54

Table 10-A--Continued

Redemption values and investment yields to first extended maturity on basis of June 1, 1959 revision

5½ to 6 years.....	\$11.76	\$29.41	\$58.82	\$117.64	\$588.20	\$1,176.40	2.93	3.59
6 to 6½ years.....	11.95	29.89	59.76	119.52	597.60	1,195.20	2.93	3.63
6½ to 7 years.....	12.15	30.37	60.74	121.48	607.40	1,214.80	2.94	3.68
7 to 7½ years.....	12.35	30.87	61.74	123.48	617.40	1,234.80	2.95	3.75
7½ to 8 years.....	12.56	31.39	62.78	125.56	627.80	1,255.60	2.97	3.83
8 to 8½ years.....	12.77	31.93	63.86	127.72	638.60	1,277.20	2.98	3.92
8½ to 9 years.....	13.02	32.54	65.08	130.16	650.80	1,301.60	3.00	3.96
9 to 9½ years.....	13.27	33.17	66.34	132.68	663.40	1,326.80	3.03	4.00
9½ to 10 years.....	13.53	33.82	67.64	135.28	676.40	1,352.80	3.05	4.08
First extended maturity value (10 years from original maturity date) ¹ ..	13.90	34.51	69.02	138.04	690.20	1,380.40	3.07	.....
Period after first extended maturity (beginning 20 years after issue date)	Second extended maturity period						(b) to second extended maturity	
First ¼ year.....	\$13.80	\$34.51	\$69.02	\$138.04	\$690.20	\$1,380.40	3.07	3.75
¼ to 1 year.....	14.06	35.16	70.32	140.64	703.20	1,406.40	3.09	3.75
1 to 1½ years.....	14.33	35.82	71.64	143.28	716.40	1,432.80	3.11	3.75
1½ to 2 years.....	14.60	36.49	72.98	145.96	729.80	1,459.60	3.12	3.75
2 to 2½ years.....	14.87	37.17	74.34	148.68	743.40	1,486.80	3.13	3.75
2½ to 3 years.....	15.15	37.87	75.74	151.48	757.40	1,514.80	3.15	3.75
3 to 3½ years.....	15.43	38.58	77.16	154.32	771.60	1,543.20	3.16	3.75
3½ to 4 years.....	15.72	39.30	78.60	157.20	786.00	1,572.00	3.17	3.75
4 to 4½ years.....	16.02	40.04	80.08	160.16	800.80	1,601.60	3.19	3.75
4½ to 5 years.....	16.32	40.79	81.58	163.16	815.80	1,631.60	3.20	3.75
5 to 5½ years.....	16.62	41.55	83.10	166.20	831.00	1,662.00	3.21	3.75
5½ to 6 years.....	16.93	42.33	84.66	169.32	846.60	1,693.20	3.22	3.75
6 to 6½ years.....	17.25	43.13	86.26	172.52	862.60	1,725.20	3.23	3.75
6½ to 7 years.....	17.58	43.94	87.88	175.76	878.80	1,757.60	3.24	3.75
7 to 7½ years.....	17.90	44.76	89.52	179.04	895.20	1,790.40	3.25	3.75
7½ to 8 years.....	18.24	45.60	91.20	182.40	912.00	1,824.00	3.26	3.75
8 to 8½ years.....	18.58	46.45	92.90	185.80	929.00	1,858.00	3.27	3.76
8½ to 9 years.....	18.93	47.33	94.66	189.32	946.60	1,893.20	3.28	3.75
9 to 9½ years.....	19.28	48.21	96.42	192.84	964.20	1,928.40	3.28	3.76
9½ to 10 years.....	19.65	49.12	98.24	196.48	982.40	1,964.80	3.29	3.75
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).

**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.

[26 F.R. 3409, Apr. 21, 1961]

TABLE 11
UNITED STATES SAVINGS BONDS—SERIES E
TABLE OF REDEMPTION VALUES AND INVESTMENT YIELDS
FOR BONDS BEARING ISSUE DATES FROM DECEMBER 1, 1944, THROUGH MAY 1, 1945

Table showing: (1) How bonds of Series E bearing issue dates from December 1, 1944, through May 1, 1945, by accumulations, increase in redemption value during successive half-year periods following issue or date of original maturity; (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 (a) to maturity or (b) to extended maturity. Yields are expressed in terms of rate percent per annum, compounded semiannually.

Maturity value Issue price.....	\$10.00 7.50	\$25.00 18.75	\$50.00 37.50	\$100.00 75.00	\$500.00 375.00	\$1,000.00 750.00	Approximate investment yield*	
Period after issue date	(1) Redemption values during each half-year period (values increase on first day of period shown)						(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 maturity
							Percent	Percent
First ½ year.....	\$7.50	\$18.75	\$37.50	\$75.00	\$375.00	\$750.00	0.00	2.90
½ to 1 year.....	7.50	18.75	37.50	75.00	375.00	750.00	.00	3.05
1 to 1½ years.....	7.55	18.87	37.75	75.50	377.50	755.00	.67	3.15
1½ to 2 years.....	7.60	19.00	38.00	76.00	380.00	760.00	.88	3.25
2 to 2½ years.....	7.65	19.12	38.25	76.50	382.50	765.00	.99	3.38
2½ to 3 years.....	7.70	19.25	38.50	77.00	385.00	770.00	1.06	3.52
3 to 3½ years.....	7.70	19.50	39.00	78.00	390.00	780.00	1.31	3.58
3½ to 4 years.....	7.90	19.75	39.50	79.00	395.00	790.00	1.49	3.66
4 to 4½ years.....	8.00	20.00	40.00	80.00	400.00	800.00	1.62	3.75
4½ to 5 years.....	8.10	20.25	40.50	81.00	405.00	810.00	1.72	3.87
5 to 5½ years.....	8.20	20.50	41.00	82.00	410.00	820.00	1.79	4.01
5½ to 6 years.....	8.30	20.75	41.50	83.00	415.00	830.00	1.85	4.18
6 to 6½ years.....	8.40	21.00	42.00	84.00	420.00	840.00	1.90	4.41
6½ to 7 years.....	8.60	21.50	43.00	86.00	430.00	860.00	2.12	4.36
7 to 7½ years.....	8.90	22.00	44.00	88.00	440.00	880.00	2.30	4.31
7½ to 8 years.....	9.00	22.50	45.00	90.00	450.00	900.00	2.45	4.26
8 to 8½ years.....	9.20	23.00	46.00	92.00	460.00	920.00	2.57	4.21
8½ to 9 years.....	9.40	23.50	47.00	94.00	470.00	940.00	2.67	4.17
9 to 9½ years.....	9.60	24.00	48.00	96.00	480.00	960.00	2.76	4.12
9½ to 10 years.....	9.80	24.50	49.00	98.00	490.00	980.00	2.84	4.08
Maturity value (10 years from issue date).....	10.00	25.00	50.00	100.00	500.00	1,000.00	2.90	.....
Period after maturity date	Extended maturity period						(b) to extended maturity	
First ½ year.....	\$10.00	\$25.00	\$50.00	\$100.00	\$500.00	\$1,000.00	2.90	**3.00
½ to 1 year.....	10.15	25.37	50.75	101.50	507.50	1,015.00	2.90	**3.00
1 to 1½ years.....	10.30	25.75	51.50	103.00	515.00	1,030.00	2.90	**3.00
1½ to 2 years.....	10.45	26.12	52.25	104.50	522.50	1,045.00	2.91	**3.01
2 to 2½ years.....	10.60	26.50	53.00	106.00	530.00	1,060.00	2.90	**3.02
2½ to 3 years.....	10.76	26.90	53.80	107.60	538.00	1,076.00	2.91	**3.02
3 to 3½ years.....	10.92	27.30	54.60	109.20	546.00	1,092.00	2.91	**3.02
3½ to 4 years.....	11.08	27.70	55.40	110.80	554.00	1,108.00	2.91	**3.03
4 to 4½ years.....	11.24	28.10	56.20	112.40	562.00	1,124.00	2.91	**3.04
4½ to 5 years.....	11.40	28.50	57.00	114.00	570.00	1,140.00	2.91	13.55
Revised redemption values and investment yields								
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	3.88
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
Extended maturity value (10 years from original maturity date).....	13.84	34.59	69.18	138.36	691.80	1,383.60	3.09	.....

*Calculated on basis of \$1,000 bond (face value).

**Approximate investment yield from beginning of each half-year period to extended maturity, at extended maturity value prior to June 1, 1959 revision.

†Revised approximate investment yield from effective date of revision to extended maturity.

‡20 years from issue date.

TABLE 11-A

UNITED STATES SAVINGS BONDS—SERIES E

TABLE OF REDEMPTION VALUES AND INVESTMENT YIELDS DURING EXTENDED MATURITY PERIODS ¹ FOR BONDS BEARING ISSUE DATES FROM DECEMBER 1, 1944 THROUGH MAY 1, 1945

Table showing: (1) How bonds of Series E bearing issue dates December 1, 1944 through May 1, 1945 by denominations, increase in redemption value during successive half-year periods following date of original maturity; the approximate investment yield on the purchase price from issue date to the beginning of each half-year period; and (2) the approximate investment yield on the current redemption value from the beginning of each half-year period (a) to first extended maturity or (b) to second extended maturity. Yields are expressed in terms of rate percent per annum compounded semiannually.

Original maturity value.... Issue price.....	\$10.00 7.50	\$25.00 18.75	\$50.00 37.50	\$100.00 75.00	\$500.00 375.00	\$1,000.00 750.00	Approximate investment yield*	
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							
							Percent	Percent
First ½ year.....	\$10.00	\$25.00	\$50.00	\$100.00	\$500.00	\$1,000.00	2.90	**3.00
½ to 1 year.....	10.15	25.37	50.75	101.50	507.50	1,015.00	2.90	**3.00
1 to 1½ years.....	10.30	25.75	51.50	103.00	515.00	1,030.00	2.90	**3.00
1½ to 2 years.....	10.45	26.12	52.25	104.50	522.50	1,045.00	2.91	**3.01
2 to 2½ years.....	10.60	26.50	53.00	106.00	530.00	1,060.00	2.91	**3.02
2½ to 3 years.....	10.76	26.90	53.80	107.60	538.00	1,076.00	2.91	**3.02
3 to 3½ years.....	10.92	27.30	54.60	109.20	546.00	1,092.00	2.91	**3.02
3½ to 4 years.....	11.08	27.70	55.40	110.80	554.00	1,108.00	2.91	**3.03
4 to 4½ years.....	11.24	28.10	56.20	112.40	562.00	1,124.00	2.91	**3.04
4½ to 5 years.....	11.40	28.50	57.00	114.00	570.00	1,140.00	2.91	†(3.55)

Table 11-A--Continued

Redemption values and investment yields to first extended maturity on basis of June 1, 1959 revision

5½ 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
5½ 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 ¼ year.....	\$13.84	\$34.59	\$69.18	\$138.36	\$691.80	\$1,383.60	3.09	3.75
¼ 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.....	16.06	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	3.75
9½ to 10 years.....	19.69	49.23	98.46	196.92	984.60	1,969.20	3.30	3.74
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, 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 23, 1959.

1 20 years from issue date.

2 30 years from issue date.

[26 P.R. 3410, Apr. 21, 1961]

TABLE 12
UNITED STATES SAVINGS BONDS—SERIES E
TABLE OF REDEMPTION VALUES AND INVESTMENT YIELDS
FOR BONDS BEARING ISSUE DATES FROM JUNE 1 THROUGH NOVEMBER 1, 1945

Table showing: (1) How bonds of Series E bearing issue dates from June 1 through November 1, 1945, by denominations, increase in redemption value during successive half-year periods following issue or date of original maturity; (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 (a) to maturity or (b) to extended maturity. Yields are expressed in terms of rate percent per annum, compounded semiannually.

Maturity value..... Issue price.....	\$10.00 7.50	\$25.00 18.75	\$50.00 37.50	\$100.00 75.00	\$200.00 150.00	\$500.00 375.00	\$1,000.00 750.00	Approximate investment yield*	
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	(3) On current redemption value from beginning of each half-year period (a) to maturity
								Percent	Percent
First ½ year.....	\$7.50	\$18.75	\$37.50	\$75.00	\$150.00	\$375.00	\$750.00	0.00	2.90
½ to 1 year.....	7.50	18.75	37.50	75.00	150.00	375.00	750.00	.00	3.05
1 to 1½ years.....	7.55	18.87	37.75	75.50	151.00	377.50	755.00	.67	3.15
1½ to 2 years.....	7.60	19.00	38.00	76.00	152.00	380.00	760.00	.88	3.25
2 to 2½ years.....	7.65	19.12	38.25	76.50	153.00	382.50	765.00	.99	3.38
2½ to 3 years.....	7.70	19.25	38.50	77.00	154.00	385.00	770.00	1.06	3.52
3 to 3½ years.....	7.80	19.50	39.00	78.00	156.00	390.00	780.00	1.31	3.58
3½ to 4 years.....	7.90	19.75	39.50	79.00	158.00	395.00	790.00	1.49	3.66
4 to 4½ years.....	8.00	20.00	40.00	80.00	160.00	400.00	800.00	1.62	3.75
4½ to 5 years.....	8.10	20.25	40.50	81.00	162.00	405.00	810.00	1.72	3.87
5 to 5½ years.....	8.20	20.50	41.00	82.00	164.00	410.00	820.00	1.79	4.01
5½ to 6 years.....	8.30	20.75	41.50	83.00	166.00	415.00	830.00	1.85	4.18
6 to 6½ years.....	8.40	21.00	42.00	84.00	168.00	420.00	840.00	1.90	4.41
6½ to 7 years.....	8.60	21.50	43.00	86.00	172.00	430.00	860.00	2.12	4.36
7 to 7½ years.....	8.80	22.00	44.00	88.00	176.00	440.00	880.00	2.30	4.31
7½ to 8 years.....	9.00	22.50	45.00	90.00	180.00	450.00	900.00	2.45	4.26
8 to 8½ years.....	9.20	23.00	46.00	92.00	184.00	460.00	920.00	2.57	4.21
8½ to 9 years.....	9.40	23.50	47.00	94.00	188.00	470.00	940.00	2.67	4.17
9 to 9½ years.....	9.60	24.00	48.00	96.00	192.00	480.00	960.00	2.76	4.12
9½ to 10 years.....	9.80	24.50	49.00	98.00	196.00	490.00	980.00	2.84	4.08
Maturity value (10 years from issue date)	10.00	25.00	50.00	100.00	200.00	500.00	1,000.00	2.90	
Period after maturity date	Extended maturity period							(b) to extended maturity	
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	**3.02
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.....	11.06	27.70	55.40	110.80	221.60	554.00	1,108.00	2.91	**3.03
4 to 4½ years.....	11.24	28.10	56.20	112.40	224.80	562.00	1,124.00	2.91	†3.54

Revised redemption values and investment yields

4½ to 5 years.....	\$11.40	\$28.51	\$57.02	\$114.04	\$228.08	\$570.20	\$1,140.40	2.91	3.59
5 to 5½ years.....	11.59	28.97	57.94	115.88	231.76	579.40	1,158.80	2.92	3.63
5½ to 6 years.....	11.78	29.46	58.92	117.84	235.68	589.20	1,178.40	2.94	3.66
6 to 6½ years.....	11.96	29.95	59.90	119.80	239.60	599.00	1,198.00	2.95	3.70
6½ to 7 years.....	12.18	30.46	60.92	121.84	243.68	609.20	1,218.40	2.96	3.74
7 to 7½ years.....	12.39	30.98	61.96	123.92	247.84	619.60	1,239.20	2.98	3.80
7½ to 8 years.....	12.61	31.52	63.04	126.08	252.16	630.40	1,260.80	2.99	3.86
8 to 8½ years.....	12.83	32.07	64.14	128.28	256.56	641.40	1,282.80	3.00	3.95
8½ to 9 years.....	13.06	32.69	65.38	130.76	261.52	653.80	1,307.60	3.03	3.98
9 to 9½ years.....	13.33	33.33	66.66	133.32	266.64	666.60	1,333.20	3.05	4.01
9½ to 10 years.....	13.60	33.99	67.98	135.96	271.92	679.80	1,359.60	3.07	4.06
Extended maturity value (10 years from original maturity date) †	13.87	34.68	69.36	138.72	277.44	693.60	1,387.20	3.10	

*Calculated on basis of \$1,000 bond (face value).

**Approximate investment yield from beginning of each half-year period to extended maturity, at extended maturity value prior to June 1, 1959 revision.

†Revised approximate investment yield from effective date of revision to extended maturity.

‡20 years from issue date.

TABLE 12-A

UNITED STATES SAVINGS BONDS—SERIES E

TABLE OF REDEMPTION VALUES AND INVESTMENT YIELDS DURING EXTENDED MATURITY PERIODS FOR UNITED STATES SAVINGS BONDS—SERIES E FROM JUNE 1 THROUGH NOVEMBER 1, 1948

Table showing (1) How bonds of Series E bearing issue dates June 1 through November 1, 1948, by increasing their redemption value during successive half-year periods following date of original maturity by 1/2 per cent, and (2) investment yield on the purchase price from issue date to the beginning of each half-year period, based on the actual investment yield on the current redemption value from the beginning of each half-year period to the first extended maturity or (b) to second extended maturity. Yields are expressed in terms of percentages per annum compounded semiannually.

Original maturity date	\$10.00	\$25.00	\$50.00	\$100.00	\$200.00	\$500.00	\$1,000.00	Approximate investment yield
Issue price	7.50	18.75	37.50	75.00	150.00	375.00	750.00	
Period after original maturity beginning 1/2 years after issue date	(1) Redemption values during each half year period (values increase on first day of period shown)							(2) The percentage yield from issue date to beginning of each half-year period
	First extended maturity period							
First 1/2 year	\$10.00	\$25.00	\$50.00	\$100.00	\$200.00	\$500.00	\$1,000.00	0.00
1/2 to 1 year	10.15	25.37	50.75	101.50	203.00	507.50	1,015.00	0.00
1 1/2 to 1 1/2 years	10.30	25.75	51.50	103.00	206.00	515.00	1,030.00	0.00
1 1/2 to 2 years	10.45	26.12	52.25	104.50	209.00	522.50	1,045.00	0.00
2 to 2 1/2 years	10.60	26.50	53.00	106.00	212.00	530.00	1,060.00	0.00
2 1/2 to 3 years	10.76	26.90	53.80	107.60	215.20	538.00	1,076.00	0.00
3 to 3 1/2 years	10.92	27.30	54.60	109.20	218.40	546.00	1,092.00	0.00
3 1/2 to 4 years	11.08	27.70	55.40	110.80	221.60	554.00	1,108.00	0.00
4 to 4 1/2 years	11.24	28.10	56.20	112.40	224.80	562.00	1,124.00	0.00

Table 12-A--Continued

Redemption values and investment yields to first extended maturity on basis of June 1, 1959 revision

4½ to 5 years.....	\$11.40	\$28.51	\$57.02	\$114.04	\$228.08	\$570.20	\$1,140.40	2.91	3.59
5 to 5½ years.....	11.59	28.97	57.94	115.88	231.76	579.40	1,158.80	2.92	3.63
5½ to 6 years.....	11.78	29.46	58.92	117.84	235.68	589.20	1,178.40	2.94	3.66
6 to 6½ years.....	11.98	29.95	59.90	119.80	239.60	599.00	1,198.00	2.95	3.70
6½ to 7 years.....	12.18	30.46	60.92	121.84	243.68	609.20	1,218.40	2.96	3.74
7 to 7½ years.....	12.39	30.98	61.96	123.92	247.84	619.60	1,239.20	2.98	3.80
7½ to 8 years.....	12.61	31.52	63.04	126.08	252.16	630.40	1,260.80	2.99	3.86
8 to 8½ years.....	12.83	32.07	64.14	128.28	256.56	641.40	1,282.80	3.00	3.96
8½ to 9 years.....	13.08	32.69	65.38	130.76	261.52	653.80	1,307.60	3.03	3.98
9 to 9½ years.....	13.33	33.33	66.66	133.32	266.64	666.60	1,333.20	3.05	4.01
9½ 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 (10 years from original maturity date) ¹	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 ½ year.....	\$13.87	\$34.68	\$69.36	\$138.72	\$277.44	\$693.60	\$1,387.20	3.10	3.75
½ to 1 year.....	14.13	35.33	70.66	141.32	282.64	706.60	1,413.20	3.11	3.76
1 to 1½ years.....	14.40	35.99	71.98	143.96	287.92	719.80	1,439.60	3.13	3.75
1½ to 2 years.....	14.67	36.67	73.34	146.68	293.36	733.40	1,466.80	3.14	3.75
2 to 2½ years.....	14.94	37.36	74.72	149.44	298.88	747.20	1,494.40	3.16	3.75
2½ to 3 years.....	15.22	38.06	76.12	152.24	304.48	761.20	1,522.40	3.17	3.75
3 to 3½ years.....	15.51	38.77	77.54	155.08	310.16	775.40	1,550.80	3.18	3.75
3½ to 4 years.....	15.80	39.50	79.00	158.00	316.00	790.00	1,580.00	3.20	3.75
4 to 4½ years.....	16.10	40.24	80.48	160.96	321.92	804.80	1,609.60	3.21	3.75
4½ to 5 years.....	16.40	40.99	81.98	163.96	327.92	819.80	1,639.80	3.22	3.75
5 to 5½ years.....	16.70	41.76	83.52	167.04	334.08	835.20	1,670.40	3.23	3.75
5½ to 6 years.....	17.02	42.54	85.08	170.16	340.32	850.80	1,701.80	3.24	3.75
6 to 6½ years.....	17.34	43.34	86.68	173.36	346.72	866.80	1,733.80	3.25	3.75
6½ to 7 years.....	17.66	44.15	88.30	176.60	353.20	883.00	1,766.00	3.26	3.75
7 to 7½ years.....	17.99	44.98	89.96	179.92	359.84	899.60	1,799.20	3.27	3.75
7½ to 8 years.....	18.33	45.82	91.64	183.28	366.56	916.40	1,832.80	3.28	3.75
8 to 8½ years.....	18.67	46.68	93.36	186.72	373.44	933.60	1,867.20	3.28	3.75
8½ to 9 years.....	19.02	47.56	95.12	190.24	380.48	951.20	1,902.40	3.29	3.74
9 to 9½ years.....	19.38	48.45	96.90	193.80	387.60	969.00	1,938.00	3.30	3.74
9½ 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	1,006.60	2,011.20	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.

[26 F.R. 3411, Apr. 21, 1961]

TABLE 13
UNITED STATES SAVINGS BONDS—SERIES E
TABLE OF REDEMPTION VALUES AND INVESTMENT YIELDS
FOR BONDS BEARING ISSUE DATES FROM DECEMBER 1, 1945, THROUGH MAY 1, 1946

Table showing: (1) How bonds of Series E bearing issue dates from December 1, 1945, through May 1, 1946, by denominations, increase in redemption value during successive half-year periods following issue or date of original maturity; (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 (a) to maturity or (b) to extended maturity. Yields are expressed in terms of rate percent per annum, compounded semiannually.

Maturity value Issue price	\$10.00 7.50	\$25.00 18.75	\$50.00 37.50	\$100.00 75.00	\$200.00 150.00	\$500.00 375.00	\$1,000.00 750.00	Approximate investment yield*	
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	(3) On current redemption value from beginning of each half-year period (a) to maturity
								Percent	Percent
First ½ year	\$7.50	\$18.75	\$37.50	\$75.00	\$150.00	\$375.00	\$750.00	0.00	2.90
½ to 1 year	7.50	18.75	37.50	75.00	150.00	375.00	750.00	.00	3.05
1 to 1½ years	7.55	18.87	37.75	75.50	151.00	377.50	755.00	.67	3.15
1½ to 2 years	7.60	19.00	38.00	76.00	152.00	380.00	760.00	.88	3.25
2 to 2½ years	7.65	19.12	38.25	76.50	153.00	382.50	765.00	1.06	3.38
2½ to 3 years	7.70	19.25	38.50	77.00	154.00	385.00	770.00	1.31	3.52
3 to 3½ years	7.80	19.50	39.00	78.00	156.00	390.00	780.00	1.49	3.58
3½ to 4 years	7.90	19.75	39.50	79.00	158.00	395.00	790.00	1.49	3.66
4 to 4½ years	8.00	20.00	40.00	80.00	160.00	400.00	800.00	1.62	3.75
4½ to 5 years	8.10	20.25	40.50	81.00	162.00	405.00	810.00	1.72	3.87
5 to 5½ years	8.20	20.50	41.00	82.00	164.00	410.00	820.00	1.79	4.01
5½ to 6 years	8.30	20.75	41.50	83.00	166.00	415.00	830.00	1.85	4.18
6 to 6½ years	8.40	21.00	42.00	84.00	168.00	420.00	840.00	1.90	4.41
6½ to 7 years	8.60	21.50	43.00	86.00	172.00	430.00	860.00	2.12	4.36
7 to 7½ years	8.80	22.00	44.00	88.00	176.00	440.00	880.00	2.30	4.31
7½ to 8 years	9.00	22.50	45.00	90.00	180.00	450.00	900.00	2.45	4.26
8 to 8½ years	9.20	23.00	46.00	92.00	184.00	460.00	920.00	2.57	4.21
8½ to 9 years	9.40	23.50	47.00	94.00	188.00	470.00	940.00	2.67	4.17
9 to 9½ years	9.60	24.00	48.00	96.00	192.00	480.00	960.00	2.76	4.12
9½ to 10 years	9.80	24.50	49.00	98.00	196.00	490.00	980.00	2.84	4.08
Maturity value (10 years from issue date)	10.00	25.00	50.00	100.00	200.00	500.00	1,000.00	2.90	-----
Period after maturity date	Extended maturity period							(b) to extended maturity	
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	10.75	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
Revised redemption values and investment yields									
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	2.92	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
Extended maturity value (10 years from original maturity date) †	13.91	34.77	69.54	139.08	278.16	695.40	1,390.80	3.11	-----

*Calculated on basis of \$1,000 bond (face value).

**Approximate investment yield from beginning of each half-year period to extended maturity, at extended maturity value prior to June 1, 1959 revision.

†Revised approximate investment yield from effective date of revision to extended maturity.

‡20 years from issue date.

TABLE 13-A

UNITED STATES SAVINGS BONDS--SERIES E

TABLE OF REDEMPTION VALUES AND INVESTMENT YIELDS DURING EXTENDED MATURITY PERIODS¹ FOR BONDS BEARING ISSUE DATES FROM DECEMBER 1, 1945 THROUGH MAY 1, 1946

Table showing: (1) How bonds of Series E bearing issue dates December 1, 1945 through May 1, 1946 by denomination, increase in redemption value during successive half-year periods following date of original maturity; 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 (a) to first extended maturity or (b) to second extended maturity. Yields are expressed in terms of rate percent per annum compounded semiannually.

Original maturity value..... Issue price.....	\$10.00 7.50	\$25.00 19.75	\$50.00 37.50	\$100.00 75.00	\$200.00 150.00	\$500.00 375.00	\$1,000.00 750.00	Approximate investment yield ^a	
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								
								<i>Percent</i>	<i>Percent</i>
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	**2.00
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

Table 13-A--Continued

Redemption values and investment yields to first extended maturity on basis of June 1, 1959 revision

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.....	12.85	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.....	13.35	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 (10 years from original maturity date) ¹	12.91	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 ¼ year.....	\$12.91	\$34.77	\$69.54	\$139.08	\$278.16	\$695.40	\$1,390.80	3.11	3.75
¼ 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	36.00	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) ²	20.16	50.41	100.82	201.64	403.28	1,008.20	2,016.40	3.32	.....

¹Calculated on basis of \$1,000 bond (face value).²Approximate investment yield from beginning of each half-year period to first extended maturity, at first extended maturity value prior to June 1, 1959 revision.³Approximate investment yield from effective date of June 1, 1959 revision to first extended maturity.⁴For redemption values and investment yields during original maturity period see Department Circular No. 652, Fifth Revision, dated September 23, 1959.⁵20 years from issue date.⁶20 years from issue date.

[26 F.R. 3412, Apr. 21, 1961]

TABLE 14
UNITED STATES SAVINGS BONDS--SERIES E
TABLE OF REDEMPTION VALUES AND INVESTMENT YIELDS
FOR BONDS BEARING ISSUE DATES FROM JUNE 1 THROUGH NOVEMBER 1, 1946

Table showing: (1) How bonds of Series E bearing issue dates from June 1 through November 1, 1946 by denominations, increase in redemption value during successive half-year periods following issue or date of original maturity; (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 (a) to maturity or (b) to extended maturity. Yields are expressed in terms of rate percent per annum, compounded semiannually.

Maturity value.....	\$10.00	\$25.00	\$50.00	\$100.00	\$200.00	\$500.00	\$1,000.00	Approximate investment yield*		
Issue price.....	7.50	18.75	37.50	75.00	150.00	375.00	750.00			
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	(3) On current redemption value from beginning of each half-year period (a) to maturity	
								Percent	Percent	
First ½ year.....	\$7.50	\$18.75	\$37.50	\$75.00	\$150.00	\$375.00	\$750.00	0.00	2.90	
½ to 1 year.....	7.50	18.75	37.50	75.00	150.00	375.00	750.00	.00	3.06	
1 to 1½ years.....	7.55	18.87	37.75	75.50	151.00	377.50	755.00	.67	3.15	
1½ to 2 years.....	7.60	19.00	38.00	76.00	152.00	380.00	760.00	.88	3.25	
2 to 2½ years.....	7.65	19.12	38.25	76.50	153.00	382.50	765.00	.99	3.38	
2½ to 3 years.....	7.70	19.25	38.50	77.00	154.00	385.00	770.00	1.06	3.52	
3 to 3½ years.....	7.80	19.50	39.00	78.00	156.00	390.00	780.00	1.31	3.58	
3½ to 4 years.....	7.90	19.75	39.50	79.00	158.00	395.00	790.00	1.49	3.66	
4 to 4½ years.....	8.00	20.00	40.00	80.00	160.00	400.00	800.00	1.62	3.75	
4½ to 5 years.....	8.10	20.25	40.50	81.00	162.00	405.00	810.00	1.72	3.87	
5 to 5½ years.....	8.20	20.50	41.00	82.00	164.00	410.00	820.00	1.79	4.01	
5½ to 6 years.....	8.30	20.75	41.50	83.00	166.00	415.00	830.00	1.85	4.18	
6 to 6½ years.....	8.40	21.00	42.00	84.00	168.00	420.00	840.00	1.90	4.41	
6½ to 7 years.....	8.60	21.50	43.00	86.00	172.00	430.00	860.00	2.12	4.36	
7 to 7½ years.....	8.80	22.00	44.00	88.00	176.00	440.00	880.00	2.30	4.31	
7½ to 8 years.....	9.00	22.50	45.00	90.00	180.00	450.00	900.00	2.45	4.26	
8 to 8½ years.....	9.20	23.00	46.00	92.00	184.00	460.00	920.00	2.57	4.21	
8½ to 9 years.....	9.40	23.50	47.00	94.00	188.00	470.00	940.00	2.67	4.17	
9 to 9½ years.....	9.60	24.00	48.00	96.00	192.00	480.00	960.00	2.76	4.12	
9½ to 10 years.....	9.80	24.50	49.00	98.00	196.00	490.00	980.00	2.84	4.08	
Maturity value (10 years from issue date).....	10.00	25.00	50.00	100.00	200.00	500.00	1,000.00	2.90		
Period after maturity date	Extended maturity period							(b) to extended maturity		
	\$10.00	\$25.00	\$50.00	\$100.00	\$200.00	\$500.00	\$1,000.00			
First ½ year.....	10.15	25.37	50.75	101.50	203.00	507.50	1,015.00	2.90	**3.00	
½ to 1 year.....	10.30	25.75	51.50	103.00	206.00	515.00	1,030.00	2.90	**3.00	
1 to 1½ years.....	10.45	26.12	52.25	104.50	209.00	522.50	1,045.00	2.91	**3.01	
1½ to 2 years.....	10.60	26.50	53.00	106.00	212.00	530.00	1,060.00	2.90	**3.02	
2 to 2½ years.....	10.76	26.90	53.80	107.60	215.20	538.00	1,076.00	2.91	**3.02	
2½ to 3 years.....	10.92	27.30	54.60	109.20	218.40	546.00	1,092.00	2.91	†3.52	
Revised redemption values and investment yields										
3½ to 4 years.....	\$11.08	\$27.71	\$55.42	\$110.84	\$221.68	\$554.20	\$1,108.40	2.91	3.56	
4 to 4½ years.....	11.25	28.12	56.24	112.48	224.96	562.40	1,124.80	2.92	3.61	
4½ to 5 years.....	11.42	28.55	57.10	114.20	228.40	571.00	1,142.00	2.92	3.66	
5 to 5½ years.....	11.61	29.03	58.06	116.12	232.24	580.60	1,161.20	2.94	3.69	
5½ to 6 years.....	11.81	29.53	59.06	118.12	236.24	590.60	1,181.20	2.95	3.72	
6 to 6½ years.....	12.02	30.04	60.08	120.16	240.32	600.80	1,201.60	2.97	3.75	
6½ to 7 years.....	12.23	30.57	61.14	122.28	244.56	611.40	1,222.80	2.98	3.78	
7 to 7½ years.....	12.44	31.10	62.20	124.40	248.90	622.00	1,244.00	3.00	3.83	
7½ to 8 years.....	12.66	31.65	63.30	126.60	253.20	633.00	1,266.00	3.01	3.89	
8 to 8½ years.....	12.89	32.22	64.44	128.88	257.76	644.40	1,288.80	3.03	3.96	
8½ to 9 years.....	13.14	32.84	65.68	131.36	262.72	656.80	1,313.60	3.06	4.00	
9 to 9½ years.....	13.40	33.49	66.98	133.96	267.92	669.80	1,339.60	3.08	4.02	
9½ to 10 years.....	13.66	34.15	68.30	136.60	273.20	683.00	1,366.00	3.10	4.10	
Extended maturity value (10 years from original maturity date)†.....	13.94	34.85	69.70	139.40	278.80	697.00	1,394.00	3.12		

* Calculated on basis of \$1,000 bond (face value).
 ** Approximate investment yield from beginning of each half-year period to extended maturity, at extended maturity value prior to June 1, 1959 revision.
 † Revised approximate investment yield from effective date of revision to extended maturity.
 ‡ 20 years from issue date.

TABLE 14-A

UNITED STATES SAVINGS BONDS--SERIES E

TABLE OF REDEMPTION VALUES AND INVESTMENT YIELDS DURING EXTENDED MATURITY PERIODS¹ FOR BONDS BEARING ISSUE DATES FROM JUNE 1 THROUGH NOVEMBER 1, 1946

Table showing: (1) How bonds of Series E bearing issue dates June 1 through November 1, 1946 by denominations, increase in redemption value during successive half-year periods following date of original maturity; the approximate investment yield on the purchase price from issue date to the beginning of each half-year period; and (2) the approximate investment yield on the current redemption value from the beginning of each half-year period (a) to first extended maturity or (b) to second extended maturity. Yields are expressed in terms of rate percent per annum compounded semiannually.

Original maturity value Issue price.....	\$10.00 7.50	\$25.00 18.75	\$50.00 37.50	\$100.00 75.00	\$200.00 150.00	\$500.00 375.00	\$1,000.00 750.00	Approximate investment yield*	
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								
								Percent	Percent
First 1/4 year.....	\$10.00	\$25.00	\$50.00	\$100.00	\$200.00	\$500.00	\$1,000.00	2.90	**3.00
1/4 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 1/4 years.....	10.30	25.75	51.50	103.00	206.00	515.00	1,030.00	2.90	**3.00
1 1/4 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 1/4 years.....	10.60	26.50	53.00	106.00	212.00	530.00	1,060.00	2.90	**3.02
2 1/4 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 1/4 years.....	10.92	27.30	54.60	109.20	218.40	546.00	1,092.00	2.91	†3.52

Table 14-A--Continued

Redemption values and investment yields to first extended maturity on basis of June 1, 1959 revision

3½ to 4 years	\$11.06	\$27.71	\$55.42	\$110.94	\$221.68	\$554.20	\$1,106.40	2.91	3.56
4 to 4½ years	11.25	28.12	56.24	112.48	224.96	562.40	1,124.80	2.92	3.61
4½ to 5 years	11.42	28.55	57.10	114.20	228.40	571.00	1,142.00	2.92	3.66
5 to 5½ years	11.61	29.03	58.06	116.12	232.24	580.60	1,161.20	2.94	3.69
5½ to 6 years	11.81	29.53	59.06	118.12	236.24	590.60	1,181.20	2.95	3.72
6 to 6½ years	12.02	30.04	60.08	120.16	240.32	600.80	1,201.60	2.97	3.75
6½ to 7 years	12.23	30.57	61.14	122.28	244.56	611.40	1,222.80	2.98	3.78
7 to 7½ years	12.44	31.10	62.20	124.40	248.80	622.00	1,244.00	3.00	3.83
7½ to 8 years	12.66	31.65	63.30	126.60	253.20	633.00	1,266.00	3.01	3.89
8 to 8½ years	12.89	32.22	64.44	128.88	257.76	644.40	1,288.80	3.03	3.96
8½ to 9 years	13.14	32.84	65.68	131.36	262.72	656.80	1,313.60	3.05	4.00
9 to 9½ years	13.40	33.49	66.98	133.96	267.92	669.80	1,339.60	3.08	4.02
9½ 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 (10 years from original maturity date) ¹	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 ½ year	\$13.94	\$34.85	\$69.70	\$139.40	\$278.80	\$697.00	\$1,394.00	3.12	3.75
½ to 1 year	14.20	35.50	71.00	142.00	284.00	710.00	1,420.00	3.14	3.75
1 to 1½ years	14.47	36.17	72.34	144.68	289.36	723.40	1,446.80	3.15	3.75
1½ to 2 years	14.74	36.85	73.70	147.40	294.80	737.00	1,474.00	3.17	3.75
2 to 2½ years	15.02	37.54	75.08	150.16	300.32	750.80	1,501.60	3.18	3.75
2½ to 3 years	15.30	38.24	76.48	152.96	305.92	764.80	1,529.60	3.19	3.75
3 to 3½ years	15.58	38.96	77.92	155.84	311.68	779.20	1,558.40	3.21	3.75
3½ to 4 years	15.88	39.69	79.38	158.76	317.52	793.80	1,587.60	3.22	3.75
4 to 4½ years	16.17	40.43	80.86	161.72	323.44	808.60	1,617.20	3.23	3.75
4½ to 5 years	16.48	41.19	82.38	164.76	329.52	823.80	1,647.60	3.24	3.75
5 to 5½ years	16.78	41.96	83.92	167.84	335.68	839.20	1,678.40	3.25	3.75
5½ to 6 years	17.10	42.75	85.50	171.00	342.00	855.00	1,710.00	3.26	3.75
6 to 6½ years	17.42	43.55	87.10	174.20	348.40	871.00	1,742.00	3.27	3.75
6½ to 7 years	17.75	44.37	88.74	177.48	354.96	887.40	1,774.80	3.28	3.75
7 to 7½ years	18.08	45.20	90.40	180.80	361.60	904.00	1,808.00	3.29	3.75
7½ to 8 years	18.42	46.05	92.10	184.20	368.40	921.00	1,842.00	3.29	3.75
8 to 8½ years	18.76	46.91	93.82	187.64	375.28	938.20	1,876.40	3.30	3.75
8½ to 9 years	19.12	47.79	95.58	191.16	382.32	955.80	1,911.60	3.31	3.75
9 to 9½ years	19.48	48.69	97.38	194.76	389.52	973.80	1,947.60	3.32	3.74
9½ 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) ²	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.

[26 F.R. 3413, Apr. 21, 1961]

TABLE 18
UNITED STATES SAVING BONDS—SERIES E
TABLE OF REDEMPTION VALUES AND INVESTMENT YIELDS
FOR BONDS BEARING ISSUE DATES FROM DECEMBER 1, 1946, THROUGH MAY 1, 1947

Table showing: (1) How bonds of Series E bearing issue dates from December 1, 1946, through May 1, 1947, by denominations, increase in redemption value during successive half-year periods following issue or date of original maturity; (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 (a) to maturity or (b) to extended maturity. Yields are expressed in terms of rate percent per annum, compounded semiannually.

Maturity value..... Issue price.....	\$10.00 7.50	\$25.00 18.75	\$50.00 37.50	\$100.00 75.00	\$200.00 150.00	\$500.00 375.00	\$1,000.00 750.00	Approximate investment yield*	
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	(3) On current redemption value from beginning of each half-year period (a) to maturity
								Percent	Percent
First ½ year.....	\$7.50	\$18.75	\$37.50	\$75.00	\$150.00	\$375.00	\$750.00	0.00	2.90
½ to 1 year.....	7.50	18.75	37.50	75.00	150.00	375.00	750.00	.00	3.05
1 to 1½ years.....	7.55	18.87	37.75	75.50	151.00	377.50	755.00	.67	3.15
1½ to 2 years.....	7.60	19.00	38.00	76.00	152.00	380.00	760.00	.88	3.25
2 to 2½ years.....	7.65	19.12	38.25	76.50	153.00	382.50	765.00	.09	3.38
2½ to 3 years.....	7.70	19.25	38.50	77.00	154.00	385.00	770.00	1.06	3.52
3 to 3½ years.....	7.80	19.50	39.00	78.00	156.00	390.00	780.00	1.31	3.58
3½ to 4 years.....	7.90	19.75	39.50	79.00	158.00	395.00	790.00	1.49	3.66
4 to 4½ years.....	8.00	20.00	40.00	80.00	160.00	400.00	800.00	1.62	3.75
4½ to 5 years.....	8.10	20.25	40.50	81.00	162.00	405.00	810.00	1.72	3.87
5 to 5½ years.....	8.20	20.50	41.00	82.00	164.00	410.00	820.00	1.79	4.01
5½ to 6 years.....	8.30	20.75	41.50	83.00	166.00	415.00	830.00	1.85	4.18
6 to 6½ years.....	8.40	21.00	42.00	84.00	168.00	420.00	840.00	1.90	4.41
6½ to 7 years.....	8.60	21.50	43.00	86.00	172.00	430.00	860.00	2.12	4.36
7 to 7½ years.....	8.80	22.00	44.00	88.00	176.00	440.00	880.00	2.30	4.31
7½ to 8 years.....	9.00	22.50	45.00	90.00	180.00	450.00	900.00	2.45	4.26
8 to 8½ years.....	9.20	23.00	46.00	92.00	184.00	460.00	920.00	2.57	4.21
8½ to 9 years.....	9.40	23.50	47.00	94.00	188.00	470.00	940.00	2.67	4.17
9 to 9½ years.....	9.60	24.00	48.00	96.00	192.00	480.00	960.00	2.76	4.12
9½ to 10 years.....	9.80	24.50	49.00	98.00	196.00	490.00	980.00	2.84	4.06
Maturity value (10 years from issue date).....	10.00	25.00	50.00	100.00	200.00	500.00	1,000.00	2.90	-----
Period after maturity date	Extended maturity period							(b) to extended maturity	
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	60.75	101.50	203.00	507.50	1,015.00	2.90	**3.00
1 to 1½ years.....	10.30	25.75	61.50	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

Revised redemption values and investment yields

3 to 3½ years.....	\$10.92	\$27.31	\$54.62	\$109.24	\$218.48	\$546.20	\$1,092.40	2.91	3.56
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	3.96
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
Extended maturity value (10 years from original maturity date)¹.....	13.96	34.94	69.88	139.76	279.52	698.80	1,397.60	3.14	-----

* Calculated on basis of \$1,000 bond (face value).

** Approximate investment yield from beginning of each half-year period to extended maturity, at extended maturity value prior to June 1, 1959 revision.

† Revised approximate investment yield from effective date of revision to extended maturity.

¹ 20 years from issue date.

TABLE 15-A

UNITED STATES SAVINGS BONDS—SERIES E

TABLE OF REDEMPTION VALUES AND INVESTMENT YIELDS DURING EXTENDED MATURITY PERIODS¹ FOR BONDS BEARING ISSUE DATES FROM DECEMBER 1, 1946 THROUGH MAY 1, 1947

Table showing: (1) How bonds of Series E bearing issue dates December 1, 1946 through May 1, 1947 by denominations, increase in redemption value during successive half-year periods following date of original maturity; the approximate investment yield on the purchase price from issue date to the beginning of each half-year period; and (2) the approximate investment yield on the current redemption value from the beginning of each half-year period (a) to first extended maturity or (b) to second extended maturity. Yields are expressed in terms of rate percent per annum compounded semiannually.

Original maturity value..... Issue price.....	\$10.00 7.50	\$25.00 18.75	\$50.00 37.50	\$100.00 75.00	\$200.00 150.00	\$500.00 375.00	\$1,000.00 750.00	Approximate investment yield ^a	
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 ¼ year.....	\$10.00	\$25.00	\$50.00	\$100.00	\$200.00	\$500.00	\$1,000.00	Percent 2.90	Percent **3.00
¼ 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.....	10.75	26.90	53.80	107.60	215.20	538.00	1,075.00	2.91	**3.53

Table 15-A--Continued

Redemption values and investment yields to first extended maturity on basis of June 1, 1959 revision

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	12.60	31.72	63.44	126.96	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	645.40	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	13.60	34.23	68.46	136.92	273.84	684.60	1,369.20	3.11	4.15
First extended maturity value (10 years from original maturity date) ¹	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							(b) to second extended maturity	
First ½ year	\$13.98	\$34.94	\$69.88	\$139.76	\$279.52	\$698.80	\$1,397.60	3.14	3.75
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) ¹	20.26	50.66	101.32	202.64	405.28	1,013.20	2,026.40	3.34	.....

*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 23, 1959.

¹ 20 years from issue date.² 30 years from issue date.

[26 F.R. 3414, Apr. 21, 1961]

TABLE 16
UNITED STATES SAVINGS BONDS—SERIES E
TABLE OF REDEMPTION VALUES AND INVESTMENT YIELDS
FOR BONDS BEARING ISSUE DATES FROM JUNE 1 THROUGH NOVEMBER 1, 1947

Table showing: (1) How bonds of Series E bearing issue dates from June 1 through November 1, 1947, by denominations, increase in redemption value during successive half-year periods following issue or date of original maturity; (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 (a) to maturity or (b) to extended maturity. Yields are expressed in terms of rate percent per annum, compounded semi-annually.

Maturity value..... Issue price.....	\$10.00 7.50	\$25.00 18.75	\$50.00 37.50	\$100.00 75.00	\$200.00 150.00	\$500.00 375.00	\$1,000.00 750.00	Approximate investment yield*	
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	(3) On current redemption value from beginning of each half-year period (a) to maturity
								Percent	Percent
First ½ year.....	\$7.50	\$18.75	\$37.50	\$75.00	\$150.00	\$375.00	\$750.00	0.00	2.90
½ to 1 year.....	7.50	18.75	37.50	75.00	150.00	375.00	750.00	.00	3.05
1 to 1½ years.....	7.55	18.87	37.75	75.50	151.00	377.50	755.00	.67	3.15
1½ to 2 years.....	7.60	19.00	38.00	76.00	152.00	380.00	760.00	.88	3.25
2 to 2½ years.....	7.65	19.12	38.25	76.50	153.00	382.50	765.00	.99	3.38
2½ to 3 years.....	7.70	19.25	38.50	77.00	154.00	385.00	770.00	1.06	3.52
3 to 3½ years.....	7.80	19.50	39.00	78.00	156.00	390.00	780.00	1.31	3.58
3½ to 4 years.....	7.90	19.75	39.50	79.00	158.00	395.00	790.00	1.49	3.66
4 to 4½ years.....	8.00	20.00	40.00	80.00	160.00	400.00	800.00	1.62	3.75
4½ to 5 years.....	8.10	20.25	40.50	81.00	162.00	405.00	810.00	1.72	3.87
5 to 5½ years.....	8.20	20.50	41.00	82.00	164.00	410.00	820.00	1.79	4.01
5½ to 6 years.....	8.30	20.75	41.50	83.00	166.00	415.00	830.00	1.85	4.18
6 to 6½ years.....	8.40	21.00	42.00	84.00	168.00	420.00	840.00	1.90	4.41
6½ to 7 years.....	8.60	21.50	43.00	86.00	172.00	430.00	860.00	2.12	4.36
7 to 7½ years.....	8.80	22.00	44.00	88.00	176.00	440.00	880.00	2.30	4.31
7½ to 8 years.....	9.00	22.50	45.00	90.00	180.00	450.00	900.00	2.45	4.26
8 to 8½ years.....	9.20	23.00	46.00	92.00	184.00	460.00	920.00	2.57	4.21
8½ to 9 years.....	9.40	23.50	47.00	94.00	188.00	470.00	940.00	2.67	4.17
9 to 9½ years.....	9.60	24.00	48.00	96.00	192.00	480.00	960.00	2.76	4.13
9½ to 10 years.....	9.80	24.50	49.00	98.00	196.00	490.00	980.00	2.84	4.08
Maturity value (10 years from issue date).....	10.00	25.00	50.00	100.00	200.00	500.00	1,000.00	2.90	-----
Period after maturity date	Extended maturity period							(b) to extended maturity	
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	†3.52

Revised redemption values and investment yields

2½ to 3 years.....	\$10.76	\$26.91	\$53.82	\$107.64	\$215.28	\$538.20	\$1,076.40	2.91	3.54
3 to 3½ years.....	10.93	27.32	54.64	109.28	218.56	546.40	1,092.80	2.92	3.58
3½ to 4 years.....	11.10	27.74	55.48	110.96	221.92	554.80	1,109.60	2.92	3.62
4 to 4½ years.....	11.27	28.17	56.34	112.68	225.36	563.40	1,126.80	2.93	3.66
4½ to 5 years.....	11.44	28.61	57.22	114.44	228.88	572.20	1,144.40	2.94	3.71
5 to 5½ years.....	11.64	29.11	58.22	116.44	232.88	582.20	1,164.40	2.95	3.75
5½ to 6 years.....	11.85	29.63	59.26	118.52	237.04	592.60	1,185.20	2.97	3.73
6 to 6½ years.....	12.06	30.15	60.30	120.60	241.20	603.00	1,206.00	2.99	3.78
6½ to 7 years.....	12.27	30.68	61.36	122.72	245.44	613.60	1,227.20	3.01	3.82
7 to 7½ years.....	12.49	31.23	62.46	124.92	249.84	624.60	1,249.20	3.02	3.85
7½ to 8 years.....	12.72	31.79	63.58	127.16	254.32	635.80	1,271.60	3.04	3.91
8 to 8½ years.....	12.94	32.36	64.72	129.44	258.88	647.20	1,294.40	3.05	3.99
8½ to 9 years.....	13.20	33.00	66.00	132.00	264.00	660.00	1,320.00	3.08	4.00
9 to 9½ years.....	13.46	33.65	67.30	134.60	269.20	673.00	1,346.00	3.10	4.03
9½ to 10 years.....	13.73	34.32	68.64	137.28	274.56	686.40	1,372.80	3.12	4.08
Extended maturity value (10 years from original maturity date) 1	14.01	35.02	70.04	140.08	280.16	700.40	1,400.80	3.15	-----

* Calculated on basis of \$1,000 bond (face value).

** Approximate investment yield from beginning of each half-year period to extended maturity, at extended maturity value prior to June 1, 1959 revision.

† Revised approximate investment yield from effective date of revision to extended maturity.

1 20 years from issue date.

TABLE 16-A

UNITED STATES SAVINGS BONDS—SERIES E

TABLE OF REDEMPTION VALUES AND INVESTMENT YIELDS DURING EXTENDED MATURITY PERIODS¹ FOR BONDS BEARING ISSUE DATES FROM JUNE 1 THROUGH NOVEMBER 1, 1947

Table showing: (1) How bonds of Series E bearing issue dates June 1 through November 1, 1947 by denominations, increase in redemption value during successive half-year periods following date of original maturity; the approximate investment yield on the purchase price from issue date to the beginning of each half-year period; and (2) the approximate investment yield on the current redemption value from the beginning of each half-year period (a) to first extended maturity or (b) to second extended maturity. Yields are expressed in terms of rate percent per annum compounded semiannually.

Original maturity value..... Issue price.....	\$10.00 7.50	\$25.00 18.75	\$50.00 37.50	\$100.00 75.00	\$200.00 150.00	\$500.00 375.00	\$1,000.00 750.00	Approximate investment yield*	
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	13.52

Table 16-A--Continued

Redemption values and investment yields to first extended maturity on basis of June 1, 1959 revision

2½ to 3 years	\$10.76	\$26.91	\$53.82	\$107.64	\$215.28	\$538.20	\$1,076.40	2.91	3.54
3 to 3½ years	10.93	27.32	54.64	109.28	218.56	546.40	1,092.80	2.92	3.58
3½ to 4 years	11.10	27.74	55.48	110.96	221.92	554.80	1,109.60	2.92	3.62
4 to 4½ years	11.27	28.17	56.34	112.68	225.36	563.40	1,126.80	2.93	3.66
4½ to 5 years	11.44	28.61	57.22	114.44	228.88	572.20	1,144.40	2.94	3.71
5 to 5½ years	11.64	29.11	58.22	116.44	232.88	582.20	1,164.40	2.95	3.73
5½ to 6 years	11.85	29.63	59.26	118.52	237.04	592.60	1,185.20	2.97	3.75
6 to 6½ years	12.06	30.15	60.30	120.60	241.20	603.00	1,206.00	2.99	3.78
6½ to 7 years	12.27	30.68	61.36	122.72	245.44	613.60	1,227.20	3.01	3.82
7 to 7½ years	12.49	31.23	62.46	124.92	249.84	624.60	1,249.20	3.02	3.85
7½ to 8 years	12.72	31.79	63.58	127.16	254.32	635.80	1,271.60	3.04	3.91
8 to 8½ years	12.94	32.36	64.72	129.44	258.88	647.20	1,294.40	3.05	3.99
8½ to 9 years	13.20	33.00	66.00	132.00	264.00	660.00	1,320.00	3.06	4.00
9 to 9½ years	13.46	33.65	67.30	134.60	269.20	673.00	1,346.00	3.10	4.03
9½ to 10 years	13.73	34.32	68.64	137.28	274.56	686.40	1,372.80	3.12	4.06
First extended maturity value (10 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							(b) to second extended maturity	
First ¼ year	\$14.01	\$35.02	\$70.04	\$140.08	\$280.16	\$700.40	\$1,400.80	3.15	3.75
¼ to 1 year	14.27	35.68	71.36	142.72	285.44	713.60	1,427.20	3.16	3.75
1 to 1½ years	14.54	36.35	72.70	145.40	290.80	727.00	1,454.00	3.18	3.75
1½ to 2 years	14.81	37.03	74.06	148.12	296.24	740.60	1,481.20	3.19	3.75
2 to 2½ years	15.09	37.72	75.44	150.88	301.76	754.40	1,508.80	3.20	3.75
2½ to 3 years	15.37	38.43	76.86	153.72	307.44	768.60	1,537.20	3.22	3.75
3 to 3½ years	15.66	39.15	78.30	156.60	313.20	783.00	1,566.00	3.23	3.75
3½ to 4 years	15.95	39.88	79.76	159.52	319.04	797.60	1,595.20	3.24	3.75
4 to 4½ years	16.25	40.63	81.26	162.52	325.04	812.60	1,625.20	3.25	3.75
4½ to 5 years	16.56	41.39	82.78	165.56	331.12	827.80	1,655.60	3.26	3.75
5 to 5½ years	16.87	42.17	84.34	168.68	337.36	843.40	1,686.80	3.27	3.75
5½ to 6 years	17.18	42.96	85.92	171.84	343.68	859.20	1,718.40	3.28	3.75
6 to 6½ years	17.51	43.77	87.54	175.08	350.16	875.40	1,750.80	3.29	3.75
6½ to 7 years	17.84	44.59	89.18	178.36	356.72	891.80	1,783.60	3.30	3.75
7 to 7½ years	18.17	45.42	90.84	181.68	363.36	908.40	1,816.80	3.30	3.75
7½ to 8 years	18.51	46.27	92.54	185.08	370.16	925.40	1,850.80	3.31	3.76
8 to 8½ years	18.86	47.14	94.28	188.56	377.12	942.80	1,885.60	3.32	3.75
8½ to 9 years	19.21	48.02	96.04	192.08	384.16	960.40	1,920.80	3.33	3.76
9 to 9½ years	19.57	48.93	97.86	195.72	391.44	978.60	1,957.20	3.34	3.75
9½ 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.

[26 F.R. 8415, Apr. 21, 1961]

TABLE 17
UNITED STATES SAVINGS BONDS—SERIES E
TABLE OF REDEMPTION VALUES AND INVESTMENT YIELDS
FOR BONDS BEARING ISSUE DATES FROM DECEMBER 1, 1947, THROUGH MAY 1, 1948

Table showing: (1) How bonds of Series E bearing issue dates from December 1, 1947, through May 1, 1948, by denominations, increase in redemption value during successive half-year periods following issue or date of original maturity; (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 (a) to maturity or (b) to extended maturity. Yields are expressed in terms of rate percent per annum, compounded semiannually.

Maturity value..... Issue price.....	\$10.00	\$25.00	\$50.00	\$100.00	\$200.00	\$500.00	\$1,000.00	Approximate investment yield*	
	7.50	18.75	37.50	75.00	150.00	375.00	750.00		
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	(3) On current redemption value from beginning of each half-year period (a) to maturity
								Percent	Percent
First ½ year.....	\$7.50	\$18.75	\$37.50	\$75.00	\$150.00	\$375.00	\$750.00	0.00	2.90
½ to 1 year.....	7.50	18.75	37.50	75.00	150.00	375.00	750.00	.00	3.05
1 to 1½ years.....	7.55	18.87	37.75	75.50	151.00	377.50	755.00	.67	3.15
1½ to 2 years.....	7.60	19.00	38.00	76.00	152.00	380.00	760.00	.88	3.25
2 to 2½ years.....	7.65	19.12	38.25	76.50	153.00	382.50	765.00	.99	3.38
2½ to 3 years.....	7.70	19.25	38.50	77.00	154.00	385.00	770.00	1.06	3.52
3 to 3½ years.....	7.80	19.50	39.00	78.00	156.00	390.00	780.00	1.31	3.58
3½ to 4 years.....	7.90	19.75	39.50	79.00	158.00	395.00	790.00	1.49	3.66
4 to 4½ years.....	8.00	20.00	40.00	80.00	160.00	400.00	800.00	1.62	3.75
4½ to 5 years.....	8.10	20.25	40.50	81.00	162.00	405.00	810.00	1.72	3.87
5 to 5½ years.....	8.20	20.50	41.00	82.00	164.00	410.00	820.00	1.79	4.01
5½ to 6 years.....	8.30	20.75	41.50	83.00	166.00	415.00	830.00	1.85	4.18
6 to 6½ years.....	8.40	21.00	42.00	84.00	168.00	420.00	840.00	1.90	4.41
6½ to 7 years.....	8.60	21.50	43.00	86.00	172.00	430.00	860.00	2.12	4.36
7 to 7½ years.....	8.80	22.00	44.00	88.00	176.00	440.00	880.00	2.30	4.41
7½ to 8 years.....	9.00	22.50	45.00	90.00	180.00	450.00	900.00	2.45	4.26
8 to 8½ years.....	9.20	23.00	46.00	92.00	184.00	460.00	920.00	2.57	4.21
8½ to 9 years.....	9.40	23.50	47.00	94.00	188.00	470.00	940.00	2.67	4.17
9 to 9½ years.....	9.60	24.00	48.00	96.00	192.00	480.00	960.00	2.76	4.12
9½ to 10 years.....	9.80	24.50	49.00	98.00	196.00	490.00	980.00	2.84	4.08
Maturity value (10 years from issue date).....	10.00	25.00	50.00	100.00	200.00	500.00	1,000.00	2.90	
Period after maturity date	Extended maturity period							(b) to extended maturity	
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	†3.51

Revised redemption values and investment yields

2 to 2½ years.....	\$10.60	\$26.51	\$53.02	\$106.04	\$212.08	\$530.20	\$1,060.40	2.91	3.54
2½ to 3 years.....	10.77	26.92	53.84	107.68	215.36	538.40	1,076.80	2.91	3.57
3 to 3½ years.....	10.94	27.34	54.68	109.36	218.72	546.80	1,093.60	2.92	2.61
3½ to 4 years.....	11.11	27.77	55.54	111.08	222.16	555.40	1,110.80	2.93	3.64
4 to 4½ years.....	11.28	28.20	56.40	112.80	225.60	564.00	1,128.00	2.94	3.69
4½ to 5 years.....	11.46	28.65	57.30	114.60	229.20	573.00	1,146.00	2.95	3.73
5 to 5½ years.....	11.66	29.16	58.32	116.64	233.28	583.20	1,166.40	2.97	3.75
5½ to 6 years.....	11.87	29.68	59.36	118.72	237.44	593.60	1,187.20	2.99	3.77
6 to 6½ years.....	12.08	30.21	60.42	120.84	241.68	604.20	1,208.40	3.00	3.79
6½ to 7 years.....	12.30	30.75	61.50	123.00	246.00	615.00	1,230.00	3.02	3.82
7 to 7½ years.....	12.52	31.30	62.60	125.20	250.40	626.00	1,252.00	3.04	3.87
7½ to 8 years.....	12.74	31.86	63.72	127.44	254.88	637.20	1,274.40	3.05	3.92
8 to 8½ years.....	12.98	32.44	64.88	129.76	259.52	648.80	1,297.60	3.07	3.99
8½ to 9 years.....	13.23	33.06	66.16	132.32	264.64	661.60	1,323.20	3.09	4.01
9 to 9½ years.....	13.49	33.73	67.46	134.92	269.84	674.60	1,349.20	3.11	4.05
9½ to 10 years.....	13.76	34.40	68.80	137.60	275.20	688.00	1,376.00	3.14	4.13
Extended maturity value (10 years from original maturity date)¹.....	14.04	35.11	70.22	140.44	280.88	702.20	1,404.40	3.16	

*Calculated on basis of \$1,000 bond (face value).

**Approximate investment yield from beginning of each half-year period to extended maturity, at extended maturity value prior to June 1, 1959 revision.

†Revised approximate investment yield from effective date of revision to extended maturity.

¹ 20 years from issue date.

TABLE 17-A

UNITED STATES SAVINGS BONDS—SERIES E

TABLE OF REDEMPTION VALUES AND INVESTMENT YIELDS DURING EXTENDED MATURITY PERIODS¹ FOR BONDS BEARING ISSUE DATES FROM DECEMBER 1, 1947 THROUGH MAY 1, 1948

Table showing: (1) How bonds of Series E bearing issue dates December 1, 1947 through May 1, 1948 by denominations, increase in redemption value during successive half-year periods following date of original maturity; the approximate investment yield on the purchase price from issue date to the beginning of each half-year period; and (2) the approximate investment yield on the current redemption value from the beginning of each half-year period (a) to first extended maturity or (b) to second extended maturity. Yields are expressed in terms of rate percent per annum compounded semiannually.

Original maturity value.....	\$10.00	\$25.00	\$50.00	\$100.00	\$200.00	\$500.00	\$1,000.00	Approximate investment yield ^a	
Issue price.....	7.50	18.75	37.50	75.00	150.00	375.00	750.00		
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								
								Percent	Percent
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	†3.51

Table 17-A--Continued

Redemption values and investment yields to first extended maturity on basis of June 1, 1959 revision

2 to 2½ years.....	\$10.60	\$26.51	\$53.02	\$106.04	\$212.06	\$530.20	\$1,060.40	2.91	3.54
2½ to 3 years.....	10.77	26.92	53.84	107.68	215.36	538.40	1,076.80	2.91	3.57
3 to 3½ years.....	10.94	27.34	54.68	109.36	218.72	546.80	1,093.60	2.92	3.61
3½ to 4 years.....	11.11	27.77	55.54	111.08	222.16	555.40	1,110.80	2.93	3.64
4 to 4½ years.....	11.28	28.20	56.40	112.80	225.60	564.00	1,128.00	2.94	3.69
4½ to 5 years.....	11.46	28.65	57.30	114.60	229.20	573.00	1,146.00	2.95	3.73
5 to 5½ years.....	11.66	29.16	58.32	116.64	233.28	583.20	1,166.40	2.97	3.75
5½ to 6 years.....	11.87	29.68	59.36	118.72	237.44	593.60	1,187.20	2.99	3.77
6 to 6½ years.....	12.08	30.21	60.42	120.84	241.68	604.20	1,208.40	3.00	3.79
6½ to 7 years.....	12.30	30.75	61.50	123.00	246.00	615.00	1,230.00	3.02	3.82
7 to 7½ years.....	12.52	31.30	62.60	125.20	250.40	626.00	1,252.00	3.04	3.87
7½ to 8 years.....	12.74	31.86	63.72	127.44	254.88	637.20	1,274.40	3.05	3.92
8 to 8½ years.....	12.96	32.44	64.88	129.76	259.52	648.80	1,297.60	3.07	3.99
8½ to 9 years.....	13.23	33.08	66.16	132.32	264.64	661.60	1,323.20	3.09	4.01
9 to 9½ years.....	13.49	33.73	67.46	134.92	269.84	674.60	1,349.20	3.11	4.05
9½ to 10 years.....	13.76	34.40	68.80	137.60	275.20	688.00	1,376.00	3.14	4.13
First extended maturity value (10 years from original maturity date) ¹	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 ¼ year.....	\$14.04	\$35.11	\$70.22	\$140.44	\$280.88	\$702.20	\$1,404.40	3.16	3.75
¼ to ½ year.....	14.31	35.77	71.54	143.08	286.16	715.40	1,430.80	3.18	3.75
½ to ¾ year.....	14.58	36.44	72.88	145.76	291.52	728.80	1,457.60	3.19	3.75
¾ to 1 year.....	14.85	37.12	74.24	148.48	296.96	742.40	1,484.80	3.20	3.75
1 to 1½ years.....	15.13	37.82	75.64	151.28	302.56	756.40	1,512.80	3.21	3.75
1½ to 2 years.....	15.41	38.53	77.06	154.12	308.24	770.00	1,541.20	3.23	3.75
2 to 2½ years.....	15.70	39.25	78.50	157.00	314.00	785.00	1,570.00	3.24	3.75
2½ to 3 years.....	16.00	39.99	79.98	159.96	319.92	799.80	1,599.60	3.25	3.75
3 to 3½ years.....	16.30	40.74	81.48	162.96	325.92	814.80	1,629.60	3.26	3.75
3½ to 4 years.....	16.60	41.50	83.00	166.00	332.00	830.00	1,660.00	3.27	3.75
4 to 4½ years.....	16.91	42.28	84.56	169.12	338.24	845.60	1,691.20	3.28	3.75
4½ to 5 years.....	17.23	43.07	86.14	172.28	344.56	861.40	1,722.80	3.29	3.75
5 to 5½ years.....	17.55	43.88	87.76	175.52	351.04	877.60	1,755.20	3.30	3.75
5½ to 6 years.....	17.88	44.70	89.40	178.80	357.60	894.00	1,788.00	3.31	3.75
6 to 6½ years.....	18.22	45.54	91.08	182.16	364.32	910.80	1,821.60	3.31	3.75
6½ to 7 years.....	18.56	46.39	92.78	185.56	371.12	927.80	1,855.60	3.32	3.75
7 to 7½ years.....	18.90	47.26	94.52	189.04	378.08	945.20	1,890.40	3.33	3.75
7½ to 8 years.....	19.26	48.15	96.30	192.60	385.20	963.00	1,926.00	3.34	3.75
8 to 8½ years.....	19.62	49.05	98.10	196.20	392.40	981.00	1,962.00	3.34	3.76
8½ to 9 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	-----

¹ Calculated on basis of \$1,000 bond (face value).² 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.³ Approximate investment yield from effective date of June 1, 1959 revision to first extended maturity.⁴ For redemption values and investment yields during original maturity period see Department Circular No.

653, Fifth Revision, dated September 23, 1959.

⁵ 20 years from issue date.⁶ 30 years from issue date.

[26 F.R. 3416, Apr. 21, 1961]

TABLE 18

UNITED STATES SAVINGS BONDS—SERIES E

TABLE OF REDEMPTION VALUES AND INVESTMENT YIELDS

FOR BONDS BEARING ISSUE DATES FROM JUNE 1 THROUGH NOVEMBER 1, 1948

Table showing: (1) How bonds of Series E bearing issue dates from June 1 through November 1, 1948, by denominations, increase in redemption value during successive half-year periods following issue or date of original maturity; (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 (a) to maturity or (b) to extended maturity. Yields are expressed in terms of rate percent per annum, compounded semiannually.

Maturity value..... Issue price.....	\$10.00 7.50	\$25.00 18.75	\$50.00 37.50	\$100.00 75.00	\$200.00 150.00	\$500.00 375.00	\$1,000.00 750.00	Approximate investment yield*	
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	(3) On current redemption value from beginning of each half-year period (a) to maturity
								Percent	Percent
First ½ year.....	\$7.50	\$18.75	\$37.50	\$75.00	\$150.00	\$375.00	\$750.00	0.00	2.90
½ to 1 year.....	7.50	18.75	37.50	75.00	150.00	375.00	750.00	0.00	3.05
1 to 1½ years.....	7.55	18.87	37.75	75.50	151.00	377.50	755.00	.87	3.15
1½ to 2 years.....	7.60	19.00	38.00	76.00	152.00	380.00	760.00	.88	3.25
2 to 2½ years.....	7.65	19.12	38.25	76.50	153.00	382.50	765.00	.99	3.38
2½ to 3 years.....	7.70	19.25	38.50	77.00	154.00	385.00	770.00	1.06	3.52
3 to 3½ years.....	7.80	19.50	39.00	78.00	156.00	390.00	780.00	1.31	3.58
3½ to 4 years.....	7.90	19.75	39.50	79.00	158.00	395.00	790.00	1.49	3.66
4 to 4½ years.....	8.00	20.00	40.00	80.00	160.00	400.00	800.00	1.62	3.75
4½ to 5 years.....	8.10	20.25	40.50	81.00	162.00	405.00	810.00	1.72	3.87
5 to 5½ years.....	8.20	20.50	41.00	82.00	164.00	410.00	820.00	1.79	4.01
5½ to 6 years.....	8.30	20.75	41.50	83.00	166.00	415.00	830.00	1.85	4.18
6 to 6½ years.....	8.40	21.00	42.00	84.00	168.00	420.00	840.00	1.90	4.41
6½ to 7 years.....	8.60	21.50	43.00	86.00	172.00	430.00	860.00	2.12	4.36
7 to 7½ years.....	8.80	22.00	44.00	88.00	176.00	440.00	880.00	2.30	4.31
7½ to 8 years.....	9.00	22.50	45.00	90.00	180.00	450.00	900.00	2.45	4.26
8 to 8½ years.....	9.20	23.00	46.00	92.00	184.00	460.00	920.00	2.57	4.21
8½ to 9 years.....	9.40	23.50	47.00	94.00	188.00	470.00	940.00	2.67	4.17
9 to 9½ years.....	9.60	24.00	48.00	96.00	192.00	480.00	960.00	2.76	4.12
9½ to 10 years.....	9.80	24.50	49.00	98.00	196.00	490.00	980.00	2.84	4.08
Maturity value (10 years from issue date)	10.00	25.00	50.00	100.00	200.00	500.00	1,000.00	2.90	-----
Period after maturity date	Extended maturity period							2.90	(b) to extended maturity
First ½ year.....	\$10.00	\$25.00	\$50.00	\$100.00	\$200.00	\$500.00	\$1,000.00		**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	13.50

Revised redemption values and investment yields									
1½ to 2 years.....	\$10.46	\$26.14	\$52.28	\$104.56	\$209.12	\$522.80	\$1,045.60	2.91	3.53
2 to 2½ years.....	10.61	26.52	53.04	106.08	212.16	530.40	1,060.80	2.91	3.57
2½ to 3 years.....	10.77	26.93	53.86	107.72	215.44	538.60	1,077.20	2.92	3.60
3 to 3½ years.....	10.94	27.36	54.72	109.44	218.88	547.20	1,094.40	2.93	3.63
3½ to 4 years.....	11.12	27.80	55.60	111.20	222.40	556.00	1,112.00	2.94	3.66
4 to 4½ years.....	11.30	28.24	56.48	112.96	225.92	564.80	1,129.60	2.95	3.70
4½ to 5 years.....	11.48	28.69	57.38	114.76	229.52	573.80	1,147.60	2.96	3.75
5 to 5½ years.....	11.68	29.21	58.42	116.84	233.68	584.20	1,168.40	2.98	3.76
5½ to 6 years.....	11.89	29.73	59.46	118.92	237.84	594.60	1,189.20	3.00	3.79
6 to 6½ years.....	12.10	30.26	60.52	121.04	242.08	605.20	1,210.40	3.01	3.81
6½ to 7 years.....	12.32	30.81	61.62	123.24	246.48	616.20	1,232.40	3.03	3.84
7 to 7½ years.....	12.55	31.37	62.74	125.48	250.96	627.40	1,254.80	3.05	3.87
7½ to 8 years.....	12.77	31.93	63.86	127.72	255.44	638.60	1,277.20	3.07	3.93
8 to 8½ years.....	13.00	32.51	65.02	130.04	260.08	650.20	1,300.40	3.08	4.01
8½ to 9 years.....	13.26	33.15	66.30	132.60	265.20	663.00	1,326.00	3.10	4.03
9 to 9½ years.....	13.52	33.81	67.62	135.24	270.48	676.20	1,352.40	3.13	4.06
9½ to 10 years.....	13.79	34.48	68.96	137.92	275.84	689.60	1,379.20	3.15	4.15
Extended maturity value (10 years from original maturity date) 1.....	14.08	35.20	70.39	140.78	281.56	703.90	1,407.80	3.17	-----

*Calculated on basis of \$1,000 bond (face value).

**Approximate investment yield from beginning of each half-year period to extended maturity, at extended maturity value prior to June 1, 1959 revision.

† Revised approximate investment yield from effective date of revision to extended maturity.

1 20 years from issue date.

TABLE 18-A

UNITED STATES SAVINGS BONDS—SERIES E

TABLE OF REDEMPTION VALUES AND INVESTMENT YIELDS DURING EXTENDED MATURITY PERIODS¹ FOR BONDS BEARING ISSUE DATES FROM JUNE 1 THROUGH NOVEMBER 1, 1948

Table showing: (1) How bonds of Series E bearing issue dates June 1 through November 1, 1948 by denominations, increase in redemption value during successive half-year periods following date of original maturity; the approximate investment yield on the purchase price from issue date to the beginning of each half-year period; and (2) the approximate investment yield on the current redemption value from the beginning of each half-year period (a) to first extended maturity or (b) to second extended maturity. Yields are expressed in terms of rate percent per annum compounded semiannually.

Original maturity value Issue price.....	\$10.00	\$25.00	\$50.00	\$100.00	\$200.00	\$500.00	\$1,000.00	Approximate investment yield ^a	
	7.50	18.75	37.50	75.00	150.00	375.00	750.00		
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 †2.50

Table 18-A--Continued

Redemption values and investment yields to first extended maturity on basis of June 1, 1959 revision

1½ to 2 years.....	\$10.46	\$26.14	\$52.28	\$104.56	\$209.12	\$522.80	\$1,045.60	2.91	3.53
2 to 2½ years.....	10.61	26.52	53.04	106.08	212.16	530.40	1,060.80	2.91	3.57
2½ to 3 years.....	10.77	26.93	53.86	107.72	215.44	538.60	1,077.20	2.92	3.60
3 to 3½ years.....	10.94	27.36	54.72	109.44	218.88	547.20	1,094.40	2.93	3.63
3½ to 4 years.....	11.12	27.80	55.60	111.20	222.40	556.00	1,112.00	2.94	3.66
4 to 4½ years.....	11.30	28.24	56.48	112.96	225.92	564.80	1,129.60	2.95	3.70
4½ to 5 years.....	11.48	28.69	57.38	114.76	229.52	573.80	1,147.60	2.96	3.75
5 to 5½ years.....	11.68	29.21	58.42	116.84	233.68	584.20	1,168.40	2.98	3.76
5½ to 6 years.....	11.89	29.73	59.46	118.92	237.84	594.60	1,189.20	3.00	3.79
6 to 6½ years.....	12.10	30.26	60.52	121.04	242.08	605.20	1,210.40	3.01	3.81
6½ to 7 years.....	12.32	30.81	61.62	123.24	246.48	616.20	1,232.40	3.03	3.84
7 to 7½ years.....	12.55	31.37	62.74	125.48	250.96	627.40	1,254.80	3.05	3.87
7½ to 8 years.....	12.77	31.93	63.86	127.72	255.44	638.60	1,277.20	3.07	3.98
8 to 8½ years.....	13.00	32.51	65.02	130.04	260.98	650.20	1,300.40	3.08	4.01
8½ to 9 years.....	13.26	33.15	66.30	132.60	265.20	663.00	1,326.00	3.10	4.03
9 to 9½ years.....	13.52	33.81	67.62	135.24	270.48	676.20	1,352.40	3.13	4.06
9½ to 10 years.....	13.79	34.48	68.96	137.92	275.84	689.60	1,379.20	3.15	4.15
First extended maturity value (10 years from original maturity date) ¹	14.08	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 ½ year.....	\$14.08	\$35.20	\$70.39	\$140.78	\$281.56	\$703.90	\$1,407.80	3.17	3.75
½ to 1 year.....	14.34	35.85	71.70	143.40	286.80	717.00	1,434.00	3.19	3.75
1 to 1½ years.....	14.61	36.53	73.06	146.12	292.24	730.60	1,461.20	3.20	3.75
1½ to 2 years.....	14.88	37.21	74.42	148.84	297.68	744.20	1,488.40	3.21	3.75
2 to 2½ years.....	15.16	37.91	75.82	151.64	303.28	758.20	1,516.40	3.23	3.75
2½ to 3 years.....	15.45	38.62	77.24	154.48	308.96	772.40	1,544.80	3.24	3.75
3 to 3½ years.....	15.74	39.34	78.68	157.36	314.72	786.80	1,573.60	3.25	3.75
3½ to 4 years.....	16.03	40.08	80.16	160.32	320.64	801.60	1,603.20	3.26	3.75
4 to 4½ years.....	16.33	40.83	81.66	163.32	326.64	816.60	1,633.20	3.27	3.75
4½ to 5 years.....	16.64	41.60	83.20	166.40	332.80	832.00	1,664.00	3.28	3.75
5 to 5½ years.....	16.95	42.38	84.76	169.52	339.04	847.60	1,695.20	3.29	3.75
5½ to 6 years.....	17.27	43.17	86.34	172.68	345.36	863.40	1,726.80	3.30	3.75
6 to 6½ years.....	17.59	43.98	87.96	175.92	351.84	879.60	1,759.20	3.31	3.75
6½ to 7 years.....	17.92	44.81	89.62	179.24	358.48	896.20	1,792.40	3.31	3.75
7 to 7½ years.....	18.26	45.65	91.30	182.60	365.20	913.00	1,826.00	3.32	3.75
7½ to 8 years.....	18.60	46.50	93.00	186.00	372.00	930.00	1,860.00	3.33	3.75
8 to 8½ years.....	18.95	47.38	94.76	189.52	379.04	947.60	1,895.20	3.34	3.75
8½ to 9 years.....	19.30	48.26	96.52	193.04	386.08	965.20	1,930.40	3.34	3.76
9 to 9½ years.....	19.67	49.17	98.34	196.68	393.36	983.40	1,966.80	3.35	3.75
9½ 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 maturity value (20 years from original maturity date) ¹	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.

[26 F.R. 3417, Apr. 21, 1961]

TABLE 19

UNITED STATES SAVINGS BONDS—SERIES E
TABLE OF REDEMPTION VALUES AND INVESTMENT YIELDS

FOR BONDS BEARING ISSUE DATES FROM DECEMBER 1, 1948, THROUGH MAY 1, 1949

Table showing: (1) How bonds of Series E bearing issue dates from December 1, 1948, through May 1, 1949, by denominations, increase in redemption value during successive half-year periods following issue or date of original maturity; (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 (a) to maturity or (b) to extended maturity. Yields are expressed in terms of rate percent per annum, compounded semiannually.

Maturity value..... Issue price.....	\$10.00 7.50	\$25.00 18.75	\$50.00 37.50	\$100.00 75.00	\$200.00 150.00	\$500.00 375.00	\$1,000.00 750.00	Approximate investment yield*	
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	(3) On current redemption value from beginning of each half-year period (a) to maturity
								Percent	Percent
First 1/4 year.....	\$7.50	\$18.75	\$37.50	\$75.00	\$150.00	\$375.00	\$750.00	0.00	2.90
1/4 to 1 1/2 years.....	7.50	18.75	37.50	75.00	150.00	375.00	750.00	.00	3.05
1 1/2 to 2 years.....	7.55	18.87	37.75	75.50	151.00	377.50	755.00	.67	3.15
2 to 2 1/2 years.....	7.60	19.00	38.00	76.00	152.00	380.00	760.00	.88	3.25
2 1/2 to 3 years.....	7.65	19.12	38.25	76.50	153.00	382.50	765.00	.99	3.38
3 to 3 1/2 years.....	7.70	19.25	38.50	77.00	154.00	385.00	770.00	1.06	3.52
3 1/2 to 4 years.....	7.80	19.50	39.00	78.00	156.00	390.00	780.00	1.31	3.58
4 to 4 1/2 years.....	7.90	19.75	39.50	79.00	158.00	395.00	790.00	1.49	3.66
4 1/2 to 5 years.....	8.00	20.00	40.00	80.00	160.00	400.00	800.00	1.62	3.75
5 to 5 1/2 years.....	8.10	20.25	40.50	81.00	162.00	405.00	810.00	1.72	3.87
5 1/2 to 6 years.....	8.20	20.50	41.00	82.00	164.00	410.00	820.00	1.79	4.01
6 to 6 1/2 years.....	8.30	20.75	41.50	83.00	166.00	415.00	830.00	1.85	4.18
6 1/2 to 7 years.....	8.40	21.00	42.00	84.00	168.00	420.00	840.00	1.90	4.41
7 to 7 1/2 years.....	8.60	21.50	43.00	86.00	172.00	430.00	860.00	2.12	4.36
7 1/2 to 8 years.....	8.80	22.00	44.00	88.00	176.00	440.00	880.00	2.30	4.31
8 to 8 1/2 years.....	9.00	22.50	45.00	90.00	180.00	450.00	900.00	2.45	4.26
8 1/2 to 9 years.....	9.20	23.00	46.00	92.00	184.00	460.00	920.00	2.57	4.21
9 to 9 1/2 years.....	9.40	23.50	47.00	94.00	188.00	470.00	940.00	2.67	4.17
9 1/2 to 10 years.....	9.60	24.00	48.00	96.00	192.00	480.00	960.00	2.76	4.12
Maturity value (10 years from issue date).....	9.80	24.50	49.00	98.00	196.00	490.00	980.00	2.84	4.08
Period after maturity date	Extended maturity period							2.90	(b) to extended maturity
First 1/4 year.....	\$10.00	\$25.00	\$50.00	\$100.00	\$200.00	\$500.00	\$1,000.00	2.90	**3.00
1/4 to 1 year.....	10.15	25.37	50.75	101.50	203.00	507.50	1,015.00	2.90	13.50

Revised redemption values and investment yields									
1 to 1 1/2 years.....	\$10.30	\$25.76	\$51.52	\$103.04	\$206.08	\$515.20	\$1,030.40	2.91	3.53
1 1/2 to 2 years.....	10.46	26.14	52.28	104.56	209.12	522.80	1,045.60	2.91	3.56
2 to 2 1/2 years.....	10.61	26.53	53.06	106.12	212.24	530.60	1,061.20	2.91	3.59
2 1/2 to 3 years.....	10.78	26.96	53.92	107.84	215.68	539.20	1,078.40	2.93	3.62
3 to 3 1/2 years.....	10.96	27.39	54.78	109.56	219.12	547.80	1,095.60	2.94	3.65
3 1/2 to 4 years.....	11.13	27.83	55.66	111.32	222.64	556.60	1,113.20	2.95	3.68
4 to 4 1/2 years.....	11.31	28.28	56.56	113.12	226.24	565.60	1,131.20	2.96	3.72
4 1/2 to 5 years.....	11.50	28.74	57.48	114.96	229.92	574.80	1,149.60	2.97	3.76
5 to 5 1/2 years.....	11.70	29.26	58.52	117.04	234.08	585.20	1,170.40	2.99	3.79
5 1/2 to 6 years.....	11.92	29.79	59.58	119.16	238.32	595.80	1,191.60	3.01	3.82
6 to 6 1/2 years.....	12.13	30.33	60.66	121.32	242.64	606.60	1,213.20	3.03	3.85
6 1/2 to 7 years.....	12.35	30.87	61.74	123.48	246.96	617.40	1,234.80	3.04	3.89
7 to 7 1/2 years.....	12.57	31.43	62.86	125.72	251.44	628.60	1,257.20	3.06	3.94
7 1/2 to 8 years.....	12.80	32.00	64.00	128.00	256.00	640.00	1,280.00	3.08	4.01
8 to 8 1/2 years.....	13.04	32.59	65.18	130.36	260.72	651.80	1,303.60	3.09	4.03
8 1/2 to 9 years.....	13.29	33.23	66.46	132.92	265.84	664.60	1,329.20	3.12	4.01
9 to 9 1/2 years.....	13.56	33.89	67.78	135.56	271.12	677.80	1,355.60	3.14	4.06
9 1/2 to 10 years.....	13.82	34.56	69.12	138.24	276.48	691.20	1,382.40	3.16	4.17
Extended maturity value (10 years from original maturity date).....	14.11	35.28	70.56	141.12	282.24	705.60	1,411.20	3.19	.....

*Calculated on basis of \$1,000 bond (face value).

**Approximate investment yield from beginning of each half-year period to extended maturity, at extended maturity value prior to June 1, 1959 revision.

†Revised approximate investment yield from effective date of revision to extended maturity.

‡20 years from issue date.

TABLE 19-A

UNITED STATES SAVINGS BONDS—SERIES E

TABLE OF REDEMPTION VALUES AND INVESTMENT YIELDS DURING EXTENDED MATURITY PERIODS ¹ FOR BONDS BEARING ISSUE DATES FROM DECEMBER 1, 1948 THROUGH MAY 1, 1949

Table showing: (1) How bonds of Series E bearing issued aies December 1, 1948 through May 1, 1949 by denominations, increase in redemption value during successive half-year periods following date of original maturity; 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 (a) to first extended maturity or (b) to second extended maturity. Yields are expressed in terms of rate percent per annum compounded semiannually.

Original maturity value..... Issue price.....	\$10.00 7.50	\$25.00 18.75	\$50.00 37.50	\$100.00 75.00	\$200.00 150.00	\$500.00 375.00	\$1,000.00 750.00	Approximate investment yield*	
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 2.90	Percent *3.00
½ to 1 year.....	10.15	25.37	50.75	101.50	203.00	507.50	1,015.00	2.90	†3.50

Table 19-A--Continued

Redemption values and investment yields to first extended maturity on basis of June 1, 1959 revision

1 to 1½ years.....	\$10.30	\$25.76	\$51.52	\$103.04	\$206.08	\$515.20	\$1,030.40	2.91	3.53
1½ to 2 years.....	10.46	26.14	52.28	104.56	209.12	522.80	1,045.60	2.91	3.56
2 to 2½ years.....	10.61	26.53	53.06	106.12	212.24	530.60	1,061.20	2.91	3.56
2½ to 3 years.....	10.78	26.96	53.92	107.84	215.68	539.20	1,078.40	2.93	3.62
3 to 3½ years.....	10.96	27.39	54.78	109.56	219.12	547.80	1,095.60	2.94	3.65
3½ to 4 years.....	11.13	27.83	55.66	111.32	222.64	556.60	1,113.20	2.95	3.68
4 to 4½ years.....	11.31	28.28	56.56	113.12	226.24	565.60	1,131.20	2.96	3.71
4½ to 5 years.....	11.50	28.74	57.48	114.96	229.92	574.80	1,149.60	2.97	3.74
5 to 5½ years.....	11.70	29.26	58.52	117.04	234.08	585.20	1,170.40	2.99	3.77
5½ to 6 years.....	11.92	29.79	59.58	119.16	238.32	595.80	1,191.60	3.01	3.80
6 to 6½ years.....	12.13	30.33	60.66	121.32	242.64	606.60	1,213.20	3.03	3.82
6½ to 7 years.....	12.35	30.87	61.74	123.48	246.96	617.60	1,234.80	3.04	3.85
7 to 7½ years.....	12.57	31.43	62.86	125.72	251.44	628.60	1,257.20	3.06	3.86
7½ to 8 years.....	12.80	32.00	64.00	128.00	256.00	640.00	1,280.00	3.08	3.89
8 to 8½ years.....	13.04	32.59	65.18	130.36	260.72	651.80	1,303.60	3.09	3.90
8½ to 9 years.....	13.29	33.23	66.48	132.92	265.84	664.00	1,329.20	3.12	3.95
9 to 9½ years.....	13.56	33.89	67.78	135.56	271.12	677.80	1,355.60	3.14	3.97
9½ to 10 years.....	13.82	34.56	69.12	138.24	276.48	691.20	1,382.40	3.16	4.00
First extended maturity value (10 years from original maturity date) ¹	14.11	35.28	70.56	141.12	282.24	705.60	1,411.20	3.19	
Period after first extended maturity (beginning 20 years after issue date)	Second extended maturity period							(b) to second extended maturity	
First ¼ year.....	\$14.11	\$35.28	\$70.56	\$141.12	\$282.24	\$705.60	\$1,411.20	3.19	5.71
¼ to 1 year.....	14.38	35.94	71.88	143.76	287.52	718.80	1,437.60	3.20	5.71
1 to 1½ years.....	14.65	36.62	73.24	146.48	292.96	732.40	1,464.80	3.21	5.71
1½ to 2 years.....	14.92	37.30	74.60	149.20	298.40	746.00	1,492.00	3.22	5.71
2 to 2½ years.....	15.20	38.00	76.00	152.00	304.00	760.00	1,520.00	3.24	5.71
2½ to 3 years.....	15.48	38.71	77.42	154.84	309.68	774.20	1,548.40	3.25	5.71
3 to 3½ years.....	15.78	39.44	78.88	157.76	315.52	788.80	1,577.60	3.26	5.71
3½ to 4 years.....	16.07	40.18	80.36	160.72	321.44	803.60	1,607.20	3.27	5.71
4 to 4½ years.....	16.37	40.93	81.86	163.72	327.44	818.60	1,637.20	3.28	5.71
4½ to 5 years.....	16.68	41.70	83.40	166.80	333.60	834.00	1,668.00	3.29	5.71
5 to 5½ years.....	16.99	42.48	84.96	169.92	339.84	849.00	1,699.20	3.30	5.71
5½ to 6 years.....	17.31	43.28	86.56	173.12	346.24	865.00	1,731.20	3.31	5.71
6 to 6½ years.....	17.64	44.09	88.18	176.36	352.72	881.80	1,763.60	3.32	5.71
6½ to 7 years.....	17.97	44.92	89.84	179.68	359.36	898.40	1,796.80	3.33	5.71
7 to 7½ years.....	18.30	45.76	91.52	183.04	366.08	915.20	1,830.40	3.35	5.71
7½ to 8 years.....	18.65	46.62	93.24	186.48	372.96	932.40	1,864.80	3.34	5.71
8 to 8½ years.....	19.00	47.49	94.98	189.96	379.92	949.80	1,900.00	3.35	5.71
8½ to 9 years.....	19.35	48.38	96.76	193.52	387.04	967.00	1,935.20	3.35	5.71
9 to 9½ years.....	19.72	49.29	98.58	197.16	394.32	985.80	1,971.60	3.36	5.71
9½ to 10 years.....	20.08	50.21	100.42	200.84	401.68	1,004.20	2,008.40	3.37	5.71
Second extended maturity value (20 years from original maturity date) ²	20.46	51.15	102.30	204.60	409.20	1,023.00	2,046.00	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 on basis of extended maturity value prior to June 1, 1959 revision.

¹ Approximate investment yield from effective date of June 1, 1959 revision to first extended maturity.

² For redemption values and investment yields during original maturity period see Treasury Manual, Section 653, Fifth Revision, dated September 23, 1959.

³ 20 years from issue date.

⁴ 30 years from issue date.

[26 F.R. 3418, Apr. 21, 1961]

TABLE 20
UNITED STATES SAVINGS BONDS—SERIES E
TABLE OF REDEMPTION VALUES AND INVESTMENT YIELDS
FOR BONDS BEARING ISSUE DATES FROM JUNE 1 THROUGH NOVEMBER 1, 1949

Table showing: (1) How bonds of Series E bearing issue dates from June 1 through November 1, 1949, by denominations, increase in redemption value during successive half-year periods following issue or date of original maturity; (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 (a) to maturity or (b) to extended maturity. Yields are expressed in terms of rate percent per annum, compounded semiannually.

Maturity value..... Issue price.....	\$10.00 7.60	\$25.00 18.75	\$50.00 37.50	\$100.00 75.00	\$200.00 150.00	\$500.00 375.00	\$1,000.00 750.00	Approximate investment yield*	
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	(3) On current redemption value from beginning of each half-year period (a) to maturity
								Percent	Percent
First ½ year.....	\$7.50	\$18.75	\$37.50	\$75.00	\$150.00	\$375.00	\$750.00	0.00	**2.90
1 to 1½ years.....	7.50	18.75	37.50	75.00	150.00	375.00	750.00	1.06	3.05
1 to 1½ years.....	7.55	18.87	37.75	75.50	151.00	377.50	755.00	.67	3.15
2 to 2½ years.....	7.60	19.00	38.00	76.00	152.00	380.00	760.00	.88	3.25
2 to 2½ years.....	7.65	19.12	38.25	76.50	153.00	382.50	765.00	.99	3.38
2½ to 3 years.....	7.70	19.25	38.50	77.00	154.00	385.00	770.00	1.06	3.52
3 to 3½ years.....	7.80	19.50	39.00	78.00	156.00	390.00	780.00	1.31	3.58
3½ to 4 years.....	7.90	19.75	39.50	79.00	158.00	395.00	790.00	1.49	3.66
4 to 4½ years.....	8.00	20.00	40.00	80.00	160.00	400.00	800.00	1.62	3.75
4½ to 5 years.....	8.10	20.25	40.50	81.00	162.00	405.00	810.00	1.72	3.87
5 to 5½ years.....	8.20	20.50	41.00	82.00	164.00	410.00	820.00	1.79	4.01
5½ to 6 years.....	8.30	20.75	41.50	83.00	166.00	415.00	830.00	1.85	4.18
6 to 6½ years.....	8.40	21.00	42.00	84.00	168.00	420.00	840.00	1.90	4.41
6½ to 7 years.....	8.60	21.50	43.00	86.00	172.00	430.00	860.00	2.12	4.36
7 to 7½ years.....	8.80	22.00	44.00	88.00	176.00	440.00	880.00	2.30	4.31
7½ to 8 years.....	9.00	22.50	45.00	90.00	180.00	450.00	900.00	2.45	4.26
8 to 8½ years.....	9.20	23.00	46.00	92.00	184.00	460.00	920.00	2.57	4.21
8½ to 9 years.....	9.40	23.50	47.00	94.00	188.00	470.00	940.00	2.67	4.17
9 to 9½ years.....	9.60	24.00	48.00	96.00	192.00	480.00	960.00	2.76	4.12
9½ to 10 years.....	9.80	24.50	49.00	98.00	196.00	490.00	980.00	2.84	4.08
Maturity value (10 years from issue date).....	10.00	25.00	50.00	100.00	200.00	500.00	1,000.00	2.90	-----
Period after maturity date	Extended maturity period								(b) to extended maturity
First ½ year.....	\$10.00	\$25.00	\$50.00	\$100.00	\$200.00	\$500.00	\$1,000.00	2.90	†3.75
Revised redemption values and investment yields									
½ to 1 year.....	\$10.18	\$25.44	\$50.88	\$101.76	\$203.52	\$508.80	\$1,017.60	2.93	3.76
1 to 1½ years.....	10.36	25.89	51.78	103.56	207.12	517.80	1,035.60	2.95	3.77
1½ to 2 years.....	10.54	26.35	52.70	105.40	210.80	527.00	1,054.00	2.98	3.79
2 to 2½ years.....	10.73	26.83	53.66	107.32	214.64	536.60	1,073.20	3.01	3.80
2½ to 3 years.....	10.92	27.31	54.62	109.24	218.48	546.20	1,092.40	3.03	3.81
3 to 3½ years.....	11.12	27.81	55.62	111.24	222.48	556.20	1,112.40	3.06	3.82
3½ to 4 years.....	11.33	28.32	56.64	113.28	226.56	566.40	1,132.80	3.08	3.83
4 to 4½ years.....	11.54	28.84	57.68	115.36	230.72	576.80	1,153.60	3.10	3.85
4½ to 5 years.....	11.75	29.38	58.76	117.52	235.04	587.60	1,175.20	3.12	3.86
5 to 5½ years.....	11.97	29.93	59.86	119.72	239.44	598.60	1,197.20	3.14	3.87
5½ to 6 years.....	12.20	30.49	60.98	121.96	243.92	609.80	1,219.60	3.16	3.88
6 to 6½ years.....	12.43	31.07	62.14	124.28	248.56	621.40	1,242.80	3.18	3.89
6½ to 7 years.....	12.66	31.66	63.32	126.64	253.28	633.20	1,266.40	3.20	3.91
7 to 7½ years.....	12.90	32.26	64.52	129.04	258.08	645.20	1,290.40	3.22	3.92
7½ to 8 years.....	13.16	32.89	65.78	131.56	263.12	657.80	1,315.60	3.24	3.93
8 to 8½ years.....	13.41	33.53	67.06	134.12	268.24	670.80	1,341.20	3.26	3.94
8½ to 9 years.....	13.67	34.18	68.36	136.72	273.44	683.60	1,367.20	3.27	3.95
9 to 9½ years.....	13.94	34.85	69.70	139.40	278.80	697.00	1,394.00	3.29	3.95
9½ to 10 years.....	14.22	35.54	71.08	142.16	284.32	710.80	1,421.60	3.31	4.00
Extended maturity value (10 years from original maturity date)†.....	14.50	36.25	72.50	145.00	290.00	725.00	1,450.00	3.32	-----

*Calculated on basis of \$1,000 bond (face value).

**Approximate investment yield for entire period from issuance to original maturity.

†Revised approximate investment yield for entire period from original maturity to extended maturity.

‡20 years from issue date.

TABLE 21
UNITED STATES SAVINGS BONDS—SERIES E
TABLE OF REDEMPTION VALUES AND INVESTMENT YIELDS
FOR BONDS BEARING ISSUE DATES FROM DECEMBER 1, 1949, THROUGH MAY 1, 1950

Table showing: (1) How bonds of Series E bearing issue dates from December 1, 1949, through May 1, 1950, by denominations, increase in redemption value during successive half-year periods following issue or date of original maturity; (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 (a) to maturity or (b) to extended maturity. Yields are expressed in terms of rate percent per annum, compounded semiannually.

Maturity value issue price	\$10.00 7.50	\$25.00 18.75	\$50.00 37.50	\$100.00 75.00	\$200.00 150.00	\$500.00 375.00	\$1,000.00 750.00	Approximate investment yield*	
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	(3) On current redemption value from beginning of each half-year period (a) to maturity
								Percent	Percent
First ½ year	\$7.50	\$18.75	\$37.50	\$75.00	\$150.00	\$375.00	\$750.00	0.00	2.80
½ to 1 year	7.50	18.75	37.50	75.00	150.00	375.00	750.00	.00	3.00
1 to 1½ years	7.55	18.87	37.75	75.50	151.00	377.50	755.00	.67	3.15
1½ to 2 years	7.60	19.00	38.00	76.00	152.00	380.00	760.00	.88	3.28
2 to 2½ years	7.65	19.12	38.25	76.50	153.00	382.50	765.00	.99	3.38
2½ to 3 years	7.70	19.25	38.50	77.00	154.00	385.00	770.00	1.06	3.52
3 to 3½ years	7.80	19.50	39.00	78.00	156.00	390.00	780.00	1.31	3.58
3½ to 4 years	7.90	19.75	39.50	79.00	158.00	395.00	790.00	1.49	3.66
4 to 4½ years	8.00	20.00	40.00	80.00	160.00	400.00	800.00	1.62	3.75
4½ to 5 years	8.10	20.25	40.50	81.00	162.00	405.00	810.00	1.72	3.81
5 to 5½ years	8.20	20.50	41.00	82.00	164.00	410.00	820.00	1.79	3.87
5½ to 6 years	8.30	20.75	41.50	83.00	166.00	415.00	830.00	1.85	3.91
6 to 6½ years	8.40	21.00	42.00	84.00	168.00	420.00	840.00	1.90	3.94
6½ to 7 years	8.60	21.50	43.00	86.00	172.00	430.00	860.00	2.12	3.96
7 to 7½ years	8.80	22.00	44.00	88.00	176.00	440.00	880.00	2.30	3.97
7½ to 8 years	9.00	22.50	45.00	90.00	180.00	450.00	900.00	2.45	3.98
8 to 8½ years	9.20	23.00	46.00	92.00	184.00	460.00	920.00	2.57	3.99
8½ to 9 years	9.40	23.50	47.00	94.00	188.00	470.00	940.00	2.67	3.99
9 to 9½ years	9.60	24.00	48.00	96.00	192.00	480.00	960.00	2.76	3.99
9½ to 10 years	9.80	24.50	49.00	98.00	196.00	490.00	980.00	2.84	3.99

Revised redemption values and investment yields

Maturity value (10 years from issue date)	\$10.00	\$25.00	\$50.00	\$100.00	\$200.00	\$500.00	\$1,000.00	2.83	
Period after maturity date	Extended maturity period								(b) to extended maturity
First ½ year	\$10.00	\$25.00	\$50.00	\$100.00	\$200.00	\$500.00	\$1,000.00	2.83	3.75
½ to 1 year	10.21	25.52	51.04	102.08	204.16	510.40	1,020.80	2.96	3.76
1 to 1½ years	10.39	25.97	51.94	103.88	207.76	519.40	1,038.80	3.06	3.77
1½ to 2 years	10.58	26.44	52.88	105.76	211.52	528.80	1,057.60	3.13	3.77
2 to 2½ years	10.76	26.91	53.82	107.64	215.28	538.20	1,076.40	3.18	3.78
2½ to 3 years	10.96	27.40	54.80	109.60	219.20	548.00	1,096.00	3.26	3.78
3 to 3½ years	11.16	27.90	55.80	111.60	223.20	558.00	1,116.00	3.30	3.78
3½ to 4 years	11.36	28.41	56.82	113.64	227.28	568.20	1,136.40	3.34	3.78
4 to 4½ years	11.57	28.93	57.86	115.72	231.44	578.60	1,157.20	3.38	3.78
4½ to 5 years	11.79	29.47	58.94	117.88	235.76	589.40	1,178.80	3.44	3.78
5 to 5½ years	12.01	30.02	60.04	120.06	240.16	600.40	1,200.80	3.48	3.78
5½ to 6 years	12.24	30.59	61.18	122.36	244.72	611.80	1,223.60	3.50	3.78
6 to 6½ years	12.46	31.16	62.32	124.64	249.28	623.20	1,246.40	3.52	3.78
6½ to 7 years	12.70	31.76	63.52	127.04	254.08	635.20	1,270.40	3.54	3.78
7 to 7½ years	12.96	32.37	64.74	129.48	258.96	647.40	1,294.80	3.56	3.78
7½ to 8 years	13.20	32.99	65.98	131.96	263.92	659.60	1,319.60	3.57	3.78
8 to 8½ years	13.45	33.63	67.26	134.52	269.04	672.00	1,345.20	3.58	3.78
8½ to 9 years	13.72	34.29	68.58	137.16	274.32	685.80	1,371.60	3.59	3.78
9 to 9½ years	13.98	34.96	69.92	139.84	279.68	699.20	1,398.40	3.61	3.78
9½ to 10 years	14.26	35.66	71.32	142.64	285.28	713.20	1,426.40	3.62	3.78
Extended maturity value (10 years from original maturity date)†	14.54	36.36	72.72	145.44	290.88	727.20	1,454.40	3.64	

* 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
UNITED STATES SAVINGS BONDS—SERIES E
TABLE OF REDEMPTION VALUES AND INVESTMENT YIELDS
FOR BONDS BEARING ISSUE DATES FROM JUNE 1 THROUGH NOVEMBER 1, 1950

Table showing: (1) How bonds of Series E bearing issue dates from June 1 through November 1, 1950, by denominations, increase in redemption value during successive half-year periods following issue or date of original maturity; (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 (a) to maturity or (b) to extended maturity. Yields are expressed in terms of rate percent per annum, compounded semiannually.

Maturity value.....	\$25.00	\$50.00	\$100.00	\$200.00	\$500.00	\$1,000.00	Approximate investment yield*	
Issue price.....	18.75	37.50	75.00	150.00	375.00	750.00		
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	(3) On current redemption value from beginning of each half-year period (a) to maturity
							Percent	Percent
First ½ year.....	\$18.75	\$37.50	\$75.00	\$150.00	\$375.00	\$750.00	0.00	**2.90
½ to 1 year.....	18.75	37.50	75.00	150.00	375.00	750.00	.00	**3.05
1 to 1½ years.....	18.87	37.75	75.50	151.00	377.50	755.00	.67	**3.15
1½ to 2 years.....	19.00	38.00	76.00	152.00	380.00	760.00	.88	**3.25
2 to 2½ years.....	19.12	38.25	76.50	153.00	382.50	765.00	.99	**3.38
2½ to 3 years.....	19.25	38.50	77.00	154.00	385.00	770.00	1.06	**3.52
3 to 3½ years.....	19.50	39.00	78.00	156.00	390.00	780.00	1.31	**3.58
3½ to 4 years.....	19.75	39.50	79.00	158.00	395.00	790.00	1.49	**3.66
4 to 4½ years.....	20.00	40.00	80.00	160.00	400.00	800.00	1.62	**3.75
4½ to 5 years.....	20.25	40.50	81.00	162.00	405.00	810.00	1.72	**3.87
5 to 5½ years.....	20.50	41.00	82.00	164.00	410.00	820.00	1.79	**4.01
5½ to 6 years.....	20.75	41.50	83.00	166.00	415.00	830.00	1.85	**4.18
6 to 6½ years.....	21.00	42.00	84.00	168.00	420.00	840.00	1.90	**4.41
6½ to 7 years.....	21.50	43.00	86.00	172.00	430.00	860.00	2.12	**4.36
7 to 7½ years.....	22.00	44.00	88.00	176.00	440.00	880.00	2.30	**4.31
7½ to 8 years.....	22.50	45.00	90.00	180.00	450.00	900.00	2.45	**4.26
8 to 8½ years.....	23.00	46.00	92.00	184.00	460.00	920.00	2.57	**4.21
8½ to 9 years.....	23.50	47.00	94.00	188.00	470.00	940.00	2.67	**4.17
9 to 9½ years.....	24.00	48.00	96.00	192.00	480.00	960.00	2.76	**4.74

Revised redemption values and investment yields

9½ to 10 years.....	\$24.54	\$49.08	\$98.16	\$196.32	\$490.80	\$981.60	2.85	4.97
Maturity value (10 years from issue date).....	25.15	50.30	100.60	201.20	503.00	1,006.00	2.96	
Period after maturity date	Extended maturity period						(b) to extended maturity	
First ½ year.....	\$25.15	\$50.30	\$100.60	\$201.20	\$503.00	\$1,006.00	2.96	3.75
½ to 1 year.....	25.59	51.18	102.36	204.72	511.80	1,023.60	2.98	3.76
1 to 1½ years.....	26.05	52.10	104.20	208.40	521.00	1,042.00	3.01	3.77
1½ to 2 years.....	26.51	53.02	106.04	212.08	530.20	1,060.40	3.03	3.79
2 to 2½ years.....	26.99	53.98	107.96	215.92	539.80	1,079.60	3.06	3.80
2½ to 3 years.....	27.48	54.96	109.92	219.84	549.60	1,099.20	3.08	3.81
3 to 3½ years.....	27.98	55.96	111.92	223.84	559.60	1,119.20	3.10	3.82
3½ to 4 years.....	28.49	56.98	113.96	227.92	569.80	1,139.60	3.12	3.84
4 to 4½ years.....	29.01	58.02	116.04	232.08	580.20	1,160.40	3.14	3.85
4½ to 5 years.....	29.55	59.10	118.20	236.40	591.00	1,182.00	3.16	3.86
5 to 5½ years.....	30.10	60.20	120.40	240.80	602.00	1,204.00	3.18	3.88
5½ to 6 years.....	30.67	61.34	122.68	245.36	613.40	1,226.80	3.20	3.89
6 to 6½ years.....	31.25	62.50	125.00	250.00	625.00	1,250.00	3.22	3.90
6½ to 7 years.....	31.85	63.70	127.40	254.80	637.00	1,274.00	3.24	3.91
7 to 7½ years.....	32.46	64.92	129.84	259.68	649.20	1,298.40	3.25	3.92
7½ to 8 years.....	33.08	66.16	132.32	264.64	661.60	1,323.20	3.27	3.94
8 to 8½ years.....	33.73	67.46	134.92	269.94	674.60	1,349.20	3.29	3.94
8½ to 9 years.....	34.39	68.78	137.56	275.12	687.80	1,375.60	3.31	3.95
9 to 9½ years.....	35.06	70.12	140.24	280.48	701.20	1,402.40	3.32	3.98
9½ to 10 years.....	35.75	71.50	143.00	286.00	715.00	1,430.00	3.34	4.03
Extended maturity value (10 years from original maturity date) †	36.47	72.94	145.88	291.76	729.40	1,458.80	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, 1959, revision.

†Revised approximate investment yield from effective date of revision to maturity.

‡20 years from issue date.

TABLE 23
UNITED STATES SAVINGS BONDS—SERIES E
TABLE OF REDEMPTION VALUES AND INVESTMENT YIELDS
FOR BONDS BEARING ISSUE DATES FROM DECEMBER 1, 1950, THROUGH MAY 1, 1951

Table showing: (1) How bonds of Series E bearing issue dates from December 1, 1950, through May 1, 1951, by denominations, increase in redemption value during successive half-year periods following issue or date of original maturity; (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 (a) to maturity or (b) to extended maturity. Yields are expressed in terms of rate percent per annum, compounded semiannually.

Maturity value Issue price	\$25.00 18.75.	\$50.00 37.50	\$100.00 75.00	\$200.00 150.00	\$500.00 375.00	\$1,000.00 750.00	Approximate investment yield*	
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	(3) On current redemption value from beginning of each half-year period (a) to maturity
							Percent	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 year	18.75	37.50	75.00	150.00	375.00	750.00	.00	**3.05
1 to 1 1/4 years	18.87	37.75	75.50	151.00	377.50	755.00	.67	**3.15
1 1/4 to 2 years	19.00	38.00	76.00	152.00	380.00	760.00	.88	**3.26
2 to 2 1/4 years	19.12	38.25	76.50	153.00	382.50	765.00	.99	**3.38
2 1/4 to 3 years	19.25	38.50	77.00	154.00	385.00	770.00	1.06	**3.52
3 to 3 1/4 years	19.50	39.00	78.00	156.00	390.00	780.00	1.31	**3.58
3 1/4 to 4 years	19.75	39.50	79.00	158.00	395.00	790.00	1.49	**3.66
4 to 4 1/4 years	20.00	40.00	80.00	160.00	400.00	800.00	1.62	**3.75
4 1/4 to 5 years	20.25	40.50	81.00	162.00	405.00	810.00	1.72	**3.87
5 to 5 1/4 years	20.50	41.00	82.00	164.00	410.00	820.00	1.79	**4.01
5 1/4 to 6 years	20.75	41.50	83.00	166.00	415.00	830.00	1.85	**4.18
6 to 6 1/4 years	21.00	42.00	84.00	168.00	420.00	840.00	1.90	**4.41
6 1/4 to 7 years	21.50	43.00	86.00	172.00	430.00	860.00	2.12	**4.36
7 to 7 1/4 years	22.00	44.00	88.00	176.00	440.00	880.00	2.30	**4.31
7 1/4 to 8 years	22.50	45.00	90.00	180.00	450.00	900.00	2.45	**4.26
8 to 8 1/4 years	23.00	46.00	92.00	184.00	460.00	920.00	2.57	**4.21
8 1/4 to 9 years	23.50	47.00	94.00	188.00	470.00	940.00	2.67	**4.77

Revised redemption values and investment yields

9 to 9 1/4 years	\$24.02	\$48.04	\$96.08	\$192.16	\$480.40	\$960.80	2.77	4.93
9 1/4 to 10 years	24.60	49.20	98.40	196.80	492.00	984.00	2.88	5.04
Maturity value (10 years from issue date)	25.22	50.44	100.88	201.76	504.40	1,008.80	2.99	
Period after maturity date	Extended maturity period							(b) to extended maturity
First 1/4 year	\$25.22	\$50.44	\$100.88	\$201.76	\$504.40	\$1,008.80	2.99	3.75
1/4 to 1 year	25.66	51.32	102.64	205.28	513.20	1,026.40	3.01	3.76
1 to 1 1/4 years	26.12	52.24	104.48	208.96	522.40	1,044.80	3.04	3.77
1 1/4 to 2 years	26.58	53.16	106.32	212.64	531.60	1,063.20	3.06	3.79
2 to 2 1/4 years	27.06	54.12	108.24	216.48	541.20	1,082.40	3.08	3.80
2 1/4 to 3 years	27.55	55.10	110.20	220.40	551.00	1,102.00	3.10	3.81
3 to 3 1/4 years	28.05	56.10	112.20	224.40	561.00	1,122.00	3.12	3.83
3 1/4 to 4 years	28.57	57.14	114.28	228.56	571.40	1,142.80	3.14	3.83
4 to 4 1/4 years	29.09	58.18	116.36	232.72	581.80	1,163.60	3.16	3.85
4 1/4 to 5 years	29.63	59.26	118.52	237.04	592.60	1,185.20	3.18	3.86
5 to 5 1/4 years	30.19	60.38	120.76	241.52	603.80	1,207.60	3.20	3.87
5 1/4 to 6 years	30.76	61.52	123.04	246.08	615.20	1,230.40	3.22	3.88
6 to 6 1/4 years	31.34	62.68	125.36	250.72	626.80	1,253.60	3.24	3.90
6 1/4 to 7 years	31.94	63.88	127.76	255.52	638.80	1,277.60	3.25	3.91
7 to 7 1/4 years	32.55	65.10	130.20	260.40	651.00	1,302.00	3.27	3.92
7 1/4 to 8 years	33.18	66.36	132.72	265.44	663.60	1,327.20	3.29	3.93
8 to 8 1/4 years	33.82	67.64	135.28	270.56	676.40	1,352.80	3.30	3.95
8 1/4 to 9 years	34.48	68.96	137.92	275.84	689.60	1,379.20	3.32	3.96
9 to 9 1/4 years	35.16	70.32	140.64	281.28	703.20	1,406.40	3.34	3.97
9 1/4 to 10 years	35.85	71.70	143.40	286.80	717.00	1,434.00	3.35	4.02
Extended maturity value (10 years from original maturity date) †	36.57	73.14	146.28	292.56	731.40	1,462.80	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 24
UNITED STATES SAVINGS BONDS—SERIES E
TABLE OF REDEMPTION VALUES AND INVESTMENT YIELDS
FOR BONDS BEARING ISSUE DATES FROM JUNE 1 THROUGH NOVEMBER 1, 1951

Table showing: (1) How bonds of Series E bearing issue dates from June 1 through November 1, 1951, by denominations, increase in redemption value during successive half-year periods following issue or date of original maturity; (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 (a) to maturity or (b) to extended maturity. Yields are expressed in terms of rate percent per annum, compounded semiannually.

Maturity value..... Issue price.....	\$25.00 18.75	\$50.00 37.50	\$100.00 75.00	\$200.00 150.00	\$500.00 375.00	\$1,000.00 750.00	Approximate investment yield*		
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	(3) On current redemption value from beginning of each half-year period (a) to maturity	
							Percent	Percent	
First ½ year.....	\$18.75	\$37.50	\$75.00	\$150.00	\$375.00	\$750.00	0.00	**2.90	
½ to 1 year.....	18.75	37.50	75.00	150.00	375.00	750.00	.00	**3.05	
1 to 1½ years.....	18.87	37.75	75.50	151.00	377.50	755.00	.67	**3.15	
1½ to 2 years.....	19.00	38.00	76.00	152.00	380.00	760.00	.88	**3.25	
2 to 2½ years.....	19.12	38.25	76.50	153.00	382.50	765.00	.99	**3.38	
2½ to 3 years.....	19.25	38.50	77.00	154.00	385.00	770.00	1.06	**3.52	
3 to 3½ years.....	19.50	39.00	78.00	156.00	390.00	780.00	1.31	**3.58	
3½ to 4 years.....	19.75	39.50	79.00	158.00	395.00	790.00	1.49	**3.66	
4 to 4½ years.....	20.00	40.00	80.00	160.00	400.00	800.00	1.62	**3.75	
4½ to 5 years.....	20.25	40.50	81.00	162.00	405.00	810.00	1.72	**3.87	
5 to 5½ years.....	20.50	41.00	82.00	164.00	410.00	820.00	1.79	**4.01	
5½ to 6 years.....	20.75	41.50	83.00	166.00	415.00	830.00	1.85	**4.18	
6 to 6½ years.....	21.00	42.00	84.00	168.00	420.00	840.00	1.90	**4.41	
6½ to 7 years.....	21.50	43.00	86.00	172.00	430.00	860.00	2.12	**4.36	
7 to 7½ years.....	22.00	44.00	88.00	176.00	440.00	880.00	2.30	**4.31	
7½ to 8 years.....	22.50	45.00	90.00	180.00	450.00	900.00	2.45	**4.26	
8 to 8½ years.....	23.00	46.00	92.00	184.00	460.00	920.00	2.57	14.82	
Revised redemption values and investment yields									
8½ to 9 years.....	\$23.52	\$47.04	\$94.08	\$188.16	\$470.40	\$940.80	2.68	4.92	
9 to 9½ years.....	24.07	48.14	96.28	192.56	481.40	962.80	2.79	5.05	
9½ to 10 years.....	24.67	49.34	98.68	197.36	493.40	986.80	2.91	5.11	
Maturity value (10 years from issue date)	25.30	50.60	101.20	202.40	506.00	1,012.00	3.02		
Period after maturity date	Extended maturity period							(b) to extended maturity	
First ½ year.....	\$25.30	\$50.60	\$101.20	\$202.40	\$506.00	\$1,012.00	3.02	3.75	
½ to 1 year.....	25.75	51.50	103.00	206.00	515.00	1,030.00	3.04	3.76	
1 to 1½ years.....	26.20	52.40	104.80	209.60	524.00	1,048.00	3.06	3.77	
1½ to 2 years.....	26.67	53.34	106.68	213.36	533.40	1,066.80	3.09	3.78	
2 to 2½ years.....	27.15	54.30	108.60	217.20	543.00	1,086.00	3.11	3.80	
2½ to 3 years.....	27.64	55.28	110.56	221.12	552.80	1,105.60	3.13	3.81	
3 to 3½ years.....	28.14	56.28	112.56	225.12	562.80	1,125.60	3.15	3.82	
3½ to 4 years.....	28.66	57.32	114.64	229.28	573.20	1,146.40	3.17	3.83	
4 to 4½ years.....	29.19	58.38	116.76	233.52	583.80	1,167.60	3.19	3.84	
4½ to 5 years.....	29.73	59.46	118.92	237.84	594.60	1,189.20	3.20	3.86	
5 to 5½ years.....	30.28	60.56	121.12	242.24	605.60	1,211.20	3.22	3.87	
5½ to 6 years.....	30.85	61.70	123.40	246.80	617.00	1,234.00	3.24	3.88	
6 to 6½ years.....	31.44	62.88	125.76	251.52	628.80	1,257.60	3.26	3.89	
6½ to 7 years.....	32.04	64.08	128.16	256.32	640.80	1,281.60	3.27	3.90	
7 to 7½ years.....	32.65	65.30	130.60	261.20	653.00	1,306.00	3.29	3.92	
7½ to 8 years.....	33.28	66.56	133.12	266.24	665.60	1,331.20	3.31	3.93	
8 to 8½ years.....	33.93	67.86	135.72	271.44	678.60	1,357.20	3.32	3.93	
8½ to 9 years.....	34.59	69.18	138.36	276.72	691.80	1,383.60	3.34	3.95	
9 to 9½ years.....	35.27	70.54	141.08	282.16	705.40	1,410.80	3.35	3.96	
9½ to 10 years.....	35.97	71.94	143.88	287.76	719.40	1,438.80	3.37	3.95	
Extended maturity value (10 years from original maturity date) †	36.68	73.36	146.72	293.44	733.60	1,467.20	3.38		

*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 23

 UNITED STATES GOVERNMENT BONDS—SERIES E
 TABLE OF REDEMPTION VALUES AND INVESTMENT YIELDS

FOR BONDS BEARING INTEREST PAYABLE SEMI-ANNUALLY ON APRIL 1, 1962

Table showing: 1) How bonds of Series E bearing semi-annual interest from December 1, 1961 through April 1, 1962 by denominations, increase in redemption value during successive one-year periods following issue or date of original maturity; 2) the approximate investment yield on the purchase price from issue date to the beginning of each one-year period; and 3) the approximate investment yield on the current redemption value from the beginning of each half-year period to maturity or to extended maturity. Yields are expressed in terms of the percent per annum, compounded semi-annually.

Maturity value face price	\$25.00	\$50.00	\$75.00	\$100.00	\$125.00	\$150.00	Approximate investment yield*	
Period after issue date	1) Redemption value during each half-year period Values increase at 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 maturity
							Percent	Percent
First 1/2 year	\$18.75	\$37.50	\$56.25	\$75.00	\$93.75	\$112.50	0.00	**2.90
1/2 to 1 year	18.75	37.50	56.25	75.00	93.75	112.50	0.00	**3.05
1 to 1 1/2 years	18.75	37.50	56.25	75.00	93.75	112.50	.67	**3.15
1 1/2 to 2 years	19.30	38.60	57.90	76.80	95.70	114.60	.96	**3.25
2 to 2 1/2 years	19.12	38.25	57.38	76.50	95.25	114.38	.99	**3.36
2 1/2 to 3 years	19.25	38.50	57.75	76.80	95.60	114.75	1.06	**3.52
3 to 3 1/2 years	19.50	39.00	58.25	77.50	96.25	115.50	1.31	**3.58
3 1/2 to 4 years	19.75	39.50	58.75	78.00	96.75	116.25	1.49	**3.66
4 to 4 1/2 years	20.00	40.00	59.25	78.50	97.25	117.00	1.62	**3.75
4 1/2 to 5 years	20.25	40.50	59.75	79.00	97.75	117.75	1.72	**3.87
5 to 5 1/2 years	20.50	41.00	60.25	79.50	98.25	118.50	1.79	**4.01
5 1/2 to 6 years	20.75	41.50	60.75	80.00	98.75	119.25	1.85	**4.18
6 to 6 1/2 years	21.00	42.00	61.25	80.50	99.25	120.00	1.90	**4.41
6 1/2 to 7 years	21.50	43.00	62.00	81.25	100.00	121.00	2.12	**4.36
7 to 7 1/2 years	22.00	44.00	63.00	82.00	101.00	122.00	2.30	**4.31
7 1/2 to 8 years	22.50	45.00	64.00	83.00	102.00	123.00	2.45	14.86

Revised redemption values and investment yields

	\$25.01	\$46.02	\$67.04	\$88.06	\$109.08	\$130.10		
8 to 8 1/2 years	\$23.01	\$46.02	\$67.04	\$88.06	\$109.08	\$130.10	2.58	4.94
8 1/2 to 9 years	23.56	47.12	68.24	89.48	110.68	131.90	2.70	5.00
9 to 9 1/2 years	24.13	48.26	69.52	90.94	112.30	133.70	2.82	5.07
9 1/2 to 10 years	24.74	49.48	70.96	92.42	114.00	135.50	2.94	5.09
Maturity value (10 years from issue date)	25.37	50.74	72.48	94.10	115.70	137.40	3.06	
Period after maturity date	Extended maturity period						(b) to extended maturity	
First 1/2 year	\$25.37	\$50.74	\$72.48	\$94.10	\$115.70	\$137.40	3.06	3.75
1/2 to 1 year	25.82	51.64	73.28	95.56	117.40	139.30	3.07	3.78
1 to 1 1/2 years	26.27	52.54	74.06	97.00	119.10	141.20	3.09	3.78
1 1/2 to 2 years	26.74	53.48	74.86	98.52	120.80	143.10	3.11	3.79
2 to 2 1/2 years	27.22	54.44	75.66	100.00	122.50	145.00	3.13	3.80
2 1/2 to 3 years	27.72	55.44	76.48	101.50	124.20	146.90	3.15	3.81
3 to 3 1/2 years	28.22	56.44	77.30	103.00	125.90	148.80	3.17	3.82
3 1/2 to 4 years	28.74	57.48	78.12	104.50	127.60	150.70	3.19	3.84
4 to 4 1/2 years	29.27	58.54	78.96	106.00	129.30	152.60	3.21	3.85
4 1/2 to 5 years	29.81	59.62	79.80	107.50	131.00	154.50	3.22	3.86
5 to 5 1/2 years	30.37	60.74	80.66	109.00	132.70	156.40	3.24	3.87
5 1/2 to 6 years	30.94	61.88	81.52	110.50	134.40	158.30	3.26	3.88
6 to 6 1/2 years	31.52	63.04	82.40	112.00	136.10	160.20	3.27	3.90
6 1/2 to 7 years	32.13	64.26	83.30	113.50	137.80	162.10	3.29	3.91
7 to 7 1/2 years	32.74	65.48	84.20	115.00	139.50	164.00	3.31	3.93
7 1/2 to 8 years	33.37	66.74	85.12	116.50	141.20	165.90	3.32	3.94
8 to 8 1/2 years	34.02	68.04	86.06	118.00	142.90	167.80	3.34	3.95
8 1/2 to 9 years	34.69	69.38	87.00	119.50	144.60	169.70	3.35	3.96
9 to 9 1/2 years	35.37	70.74	88.00	121.00	146.30	171.60	3.37	3.98
9 1/2 to 10 years	36.07	72.14	89.00	122.50	148.00	173.50	3.38	3.99
Extended maturity value (10 years from original maturity date)†	36.79	73.58	90.50	124.00	149.70	175.40	3.40	

*Calculated on basis of \$1,000 bond (face value).

**Approximate investment yield from beginning of each half-year period to maturity, at original maturity prior to June 1, 1950, revision.

†Revised approximate investment yield from effective date of revision to maturity.

‡20 years from issue date.

TABLE 20
UNITED STATES SAVINGS BONDS—SERIES E
TABLE OF REDEMPTION VALUES AND INVESTMENT YIELDS
FOR BONDS BEARING ISSUE DATE OF MAY 1, 1952

Table showing: (1) How bonds of Series E bearing issue date of May 1, 1952, by denominations, increase in redemption value during successive half-year periods following issue or date of original maturity; (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 (a) to maturity or (b) to extended maturity. Yields are expressed in terms of rate percent per annum, compounded semiannually.

Maturity value..... Issue price.....	\$25.00 18.75	\$50.00 37.50	\$100.00 75.00	\$200.00 150.00	\$500.00 375.00	\$1,000.00 750.00	\$10,000 7,500	Approximate investment yield	
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 (a) to maturity
								Percent	Percent
First ½ year.....	\$18.75	\$37.50	\$75.00	\$150.00	\$375.00	\$750.00	\$7,500	0.00	*3.00
½ to 1 year.....	18.85	37.70	75.40	150.80	377.00	754.00	7,540	1.07	*3.10
1 to 1½ years.....	19.05	38.10	76.20	152.40	381.00	762.00	7,620	1.59	*3.16
1½ to 2 years.....	19.30	38.60	77.20	154.40	386.00	772.00	7,720	1.94	*3.19
2 to 2½ years.....	19.55	39.10	78.20	156.40	391.00	782.00	7,820	2.10	*3.23
2½ to 3 years.....	19.80	39.60	79.20	158.40	396.00	792.00	7,920	2.19	*3.28
3 to 3½ years.....	20.05	40.10	80.20	160.40	401.00	802.00	8,020	2.25	*3.34
3½ to 4 years.....	20.30	40.60	81.20	162.40	406.00	812.00	8,120	2.28	*3.41
4 to 4½ years.....	20.55	41.10	82.20	164.40	411.00	822.00	8,220	2.30	*3.49
4½ to 5 years.....	20.90	41.80	83.60	167.20	418.00	836.00	8,360	2.43	*3.50
5 to 5½ years.....	21.25	42.50	85.00	170.00	425.00	850.00	8,500	2.52	*3.51
5½ to 6 years.....	21.60	43.20	86.40	172.80	432.00	864.00	8,640	2.59	*3.54
6 to 6½ years.....	21.95	43.90	87.80	175.60	439.00	878.00	8,780	2.64	*3.58
6½ to 7 years.....	22.30	44.60	89.20	178.40	446.00	892.00	8,920	2.69	*3.64
7 to 7½ years.....	22.65	45.30	90.60	181.20	453.00	906.00	9,060	2.72	*3.74
7½ to 8 years.....	23.00	46.00	92.00	184.00	460.00	920.00	9,200	2.74	14.39
Revised redemption values and investment yields									
8 to 8½ years.....	\$23.41	\$46.82	\$93.64	\$187.28	\$468.20	\$936.40	\$9,364	2.79	4.64
8½ to 9 years.....	23.85	47.70	95.40	190.80	477.00	954.00	9,540	2.85	5.02
9 to 9½ years.....	24.31	48.62	97.24	194.48	486.20	972.40	9,724	2.91	5.89
9½ years to 9 years and 8 months.....	24.79	49.58	99.16	198.32	495.80	991.60	9,916	2.96	11.84
Maturity value (9 years and 8 months from issue date).....	25.27	50.54	101.08	202.16	505.40	1,010.80	10,108	3.11	-----
Period after maturity date	Extended maturity period							(b) to extended maturity	
First ½ year.....	\$25.27	\$50.54	\$101.08	\$202.16	\$505.40	\$1,010.80	\$10,108	3.11	3.75
½ to 1 year.....	25.71	51.42	102.84	205.68	514.20	1,028.40	10,284	3.13	3.76
1 to 1½ years.....	26.17	52.34	104.68	209.36	523.40	1,046.80	10,468	3.15	3.77
1½ to 2 years.....	26.64	53.28	106.56	213.12	532.80	1,065.60	10,656	3.17	3.79
2 to 2½ years.....	27.12	54.24	108.48	216.96	542.40	1,084.80	10,848	3.19	3.80
2½ to 3 years.....	27.61	55.22	110.44	220.88	552.20	1,104.40	11,044	3.21	3.81
3 to 3½ years.....	28.11	56.22	112.44	224.88	562.20	1,124.40	11,244	3.22	3.82
3½ to 4 years.....	28.62	57.24	114.48	228.96	572.40	1,144.80	11,448	3.24	3.84
4 to 4½ years.....	29.15	58.30	116.60	233.20	583.00	1,166.00	11,660	3.25	3.85
4½ to 5 years.....	29.69	59.38	118.76	237.52	593.80	1,187.60	11,876	3.27	3.87
5 to 5½ years.....	30.25	60.50	121.00	242.00	605.00	1,210.00	12,100	3.29	3.88
5½ to 6 years.....	30.82	61.64	123.28	246.56	616.40	1,232.80	12,328	3.30	3.90
6 to 6½ years.....	31.40	62.80	125.60	251.20	628.00	1,256.00	12,560	3.32	3.91
6½ to 7 years.....	32.00	64.00	128.00	256.00	640.00	1,280.00	12,800	3.33	3.92
7 to 7½ years.....	32.61	65.22	130.44	260.88	652.20	1,304.40	13,044	3.35	3.93
7½ to 8 years.....	33.24	66.48	132.96	265.92	664.80	1,329.60	13,296	3.36	3.94
8 to 8½ years.....	33.89	67.78	135.56	271.12	677.80	1,355.60	13,556	3.38	3.95
8½ to 9 years.....	34.55	69.10	138.20	276.40	691.00	1,382.00	13,820	3.39	3.96
9 to 9½ years.....	35.23	70.46	140.92	281.84	704.60	1,409.20	14,092	3.41	3.96
9½ to 10 years.....	35.93	71.86	143.72	287.44	718.60	1,437.20	14,372	3.42	3.95
Extended maturity value (10 years from original maturity date) ²	36.64	73.28	146.56	293.12	732.80	1,465.60	14,656	3.44	-----

* 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 2-month period in the case of the 9½ year to 9 year and 8 month period.

² 19 years and 8 months after issue date.

TABLE 27

UNITED STATES SAVINGS BONDS—SERIES E
TABLE OF REDEMPTION VALUES AND INVESTMENT YIELDS
FOR BONDS BEARING ISSUE DATES FROM JUNE 1 THROUGH NOVEMBER 1, 1952

Table showing: (1) How bonds of Series E bearing issue dates June 1 through November 1, 1952, by denominations, increase in redemption value during successive half-year periods following issue or date of original maturity; (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 (a) to maturity or (b) to extended maturity. Yields are expressed in terms of rate percent per annum, compounded semiannually.

Maturity value Issue price	\$25.00	\$50.00	\$100.00	\$200.00	\$500.00	\$1,000.00	\$10,000	Approximate investment yield	
	18.75	37.50	75.00	150.00	375.00	750.00	7,500		
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 (a) to maturity
								Percent	Percent
First 1/2 year	\$18.75	\$37.50	\$75.00	\$150.00	\$375.00	\$750.00	\$7,500	0.00	3.00
1/2 to 1 year	18.85	37.70	75.40	150.80	377.00	754.00	7,540	1.07	3.10
1 to 1 1/2 years	19.05	38.10	76.20	152.40	381.00	762.00	7,620	1.59	3.16
1 1/2 to 2 years	19.30	38.60	77.20	154.40	386.00	772.00	7,720	1.94	3.19
2 to 2 1/2 years	19.55	39.10	78.20	156.40	391.00	782.00	7,820	2.10	3.23
2 1/2 to 3 years	19.80	39.60	79.20	158.40	396.00	792.00	7,920	2.19	3.28
3 to 3 1/2 years	20.05	40.10	80.20	160.40	401.00	802.00	8,020	2.25	3.34
3 1/2 to 4 years	20.30	40.60	81.20	162.40	406.00	812.00	8,120	2.28	3.41
4 to 4 1/2 years	20.55	41.10	82.20	164.40	411.00	822.00	8,220	2.30	3.49
4 1/2 to 5 years	20.90	41.80	83.60	167.20	418.00	836.00	8,360	2.43	3.50
5 to 5 1/2 years	21.25	42.50	85.00	170.00	425.00	850.00	8,500	2.52	3.51
5 1/2 to 6 years	21.60	43.20	86.40	172.80	432.00	864.00	8,640	2.59	3.54
6 to 6 1/2 years	21.95	43.90	87.80	175.60	439.00	878.00	8,780	2.64	3.58
6 1/2 to 7 years	22.30	44.60	89.20	178.40	446.00	892.00	8,920	2.69	3.64
7 to 7 1/2 years	22.65	45.30	90.60	181.20	453.00	906.00	9,060	2.72	3.64

Revised redemption values and investment yields

Maturity value (9 years and 8 months from issue date)	\$23.01	\$46.02	\$92.04	\$184.08	\$460.20	\$920.40	\$9,204	2.75	4.48
7 1/2 to 8 years	23.44	46.88	93.76	187.52	468.80	937.60	9,376	2.81	4.71
8 to 8 1/2 years	23.89	47.78	95.56	191.12	477.80	955.60	9,556	2.87	5.08
8 1/2 to 9 years	24.36	48.72	97.44	194.88	487.20	974.40	9,744	2.93	5.94
9 1/2 years to 9 years and 8 months	24.85	49.70	99.40	198.80	497.00	994.00	9,940	3.00	11.81
Maturity value (9 years and 8 months from issue date)	25.33	50.66	101.32	202.64	506.60	1,013.20	10,132	3.14	

Period after maturity date	Extended maturity period							(b) to extended maturity	
First 1/2 year	\$25.33	\$50.66	\$101.32	\$202.64	\$506.60	\$1,013.20	\$10,132	3.14	3.73
1/2 to 1 year	25.78	51.56	103.12	206.24	515.60	1,031.20	10,312	3.16	3.73
1 to 1 1/2 years	26.23	52.46	104.92	209.84	524.60	1,049.20	10,492	3.17	3.73
1 1/2 to 2 years	26.70	53.40	106.80	213.60	534.00	1,068.00	10,680	3.19	3.73
2 to 2 1/2 years	27.18	54.36	108.72	217.44	543.60	1,087.20	10,872	3.21	3.73
2 1/2 to 3 years	27.67	55.34	110.68	221.36	553.40	1,106.80	11,068	3.23	3.73
3 to 3 1/2 years	28.18	56.36	112.72	225.44	563.60	1,127.20	11,272	3.24	3.73
3 1/2 to 4 years	28.69	57.38	114.76	229.52	573.80	1,147.60	11,476	3.26	3.73
4 to 4 1/2 years	29.22	58.44	116.88	233.76	584.40	1,168.80	11,688	3.27	3.73
4 1/2 to 5 years	29.76	59.52	119.04	238.08	595.20	1,190.40	11,904	3.29	3.73
5 to 5 1/2 years	30.32	60.64	121.28	242.56	606.40	1,212.80	12,128	3.30	3.73
5 1/2 to 6 years	30.89	61.78	123.56	247.12	617.80	1,235.60	12,356	3.32	3.73
6 to 6 1/2 years	31.48	62.96	125.92	251.84	629.60	1,259.20	12,592	3.33	3.73
6 1/2 to 7 years	32.07	64.14	128.28	256.56	641.40	1,283.20	12,828	3.35	3.73
7 to 7 1/2 years	32.66	65.38	130.76	261.52	653.80	1,307.60	13,076	3.36	3.73
7 1/2 to 8 years	33.22	66.64	133.28	266.56	666.40	1,332.80	13,328	3.38	3.73
8 to 8 1/2 years	33.97	67.94	135.88	271.76	679.40	1,358.80	13,588	3.39	3.73
8 1/2 to 9 years	34.63	69.26	138.52	277.04	692.60	1,385.20	13,852	3.41	3.73
9 to 9 1/2 years	35.31	70.62	141.24	282.48	706.20	1,412.40	14,124	3.42	3.73
9 1/2 to 10 years	36.01	72.02	144.04	288.08	720.20	1,440.40	14,404	3.43	3.73
Extended maturity value (10 years from original maturity date) ²	36.73	73.46	146.92	293.84	734.00	1,469.20	14,692	3.45	

¹ Approximate investment yield from beginning of each half-year period to maturity, at original maturity value prior to June 1, 1950, revision.

² Revised approximate investment yield from effective date of revision to maturity.

³ 2-month period in the case of the 9 1/2 year to 9 year and 8 month period.

⁴ 19 years and 8 months after issue date.

TABLE 28
UNITED STATES SAVINGS BONDS—SERIES E
TABLE OF REDEMPTION VALUES AND INVESTMENT YIELDS
FOR BONDS BEARING ISSUE DATES FROM DECEMBER 1, 1952, THROUGH MAY 1, 1953

Table showing: (1) How bonds of Series E bearing issue dates December 1, 1952, through May 1, 1953, by denonations, increase in redemption value during successive half-year periods following issue or date of original maturity (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 (a) to maturity or (b) to extended maturity. Yields are expressed in terms of rate percent per annum compounded semiannually.

Maturity value.....	\$25.00	\$50.00	\$100.00	\$200.00	\$500.00	\$1,000.00	\$10,000	Approximate investment yield	
Issue price.....	18.75	37.50	75.00	150.00	375.00	750.00	7,500		
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 (a) to maturity
								Percent	Percent
First ½ year.....	\$18.75	\$37.50	\$75.00	\$150.00	\$375.00	\$750.00	\$7,500	0.00	*3.00
½ to 1 year.....	18.85	37.70	75.40	150.80	377.00	754.00	7,540	1.07	*3.10
1 to 1½ years.....	19.05	38.10	76.20	152.40	381.00	762.00	7,620	1.59	*3.16
1½ to 2 years.....	19.30	38.60	77.20	154.40	386.00	772.00	7,720	1.94	*3.19
2 to 2½ years.....	19.55	39.10	78.20	156.40	391.00	782.00	7,820	2.10	*3.23
2½ to 3 years.....	19.80	39.60	79.20	158.40	396.00	792.00	7,920	2.19	*3.26
3 to 3½ years.....	20.05	40.10	80.20	160.40	401.00	802.00	8,020	2.25	*3.34
3½ to 4 years.....	20.30	40.60	81.20	162.40	406.00	812.00	8,120	2.28	*3.41
4 to 4½ years.....	20.55	41.10	82.20	164.40	411.00	822.00	8,220	2.30	*3.49
4½ to 5 years.....	20.90	41.80	83.60	167.20	418.00	836.00	8,360	2.43	*3.50
5 to 5½ years.....	21.25	42.50	85.00	170.00	425.00	850.00	8,500	2.52	*3.51
5½ to 6 years.....	21.60	43.20	86.40	172.80	432.00	864.00	8,640	2.59	*3.54
6 to 6½ years.....	21.95	43.90	87.80	175.60	439.00	878.00	8,780	2.64	*3.58
6½ to 7 years.....	22.30	44.60	89.20	178.40	446.00	892.00	8,920	2.69	†4.14
Revised redemption values and investment yields									
7 to 7½ years.....	\$22.66	\$45.32	\$90.64	\$181.28	\$453.20	\$906.40	\$9,064	2.72	4.31
7½ to 8 years.....	23.03	46.06	92.12	184.24	460.60	921.20	9,212	2.76	4.55
8 to 8½ years.....	23.48	46.96	93.92	187.84	469.60	939.20	9,392	2.83	4.75
8½ to 9 years.....	23.94	47.88	95.76	191.52	478.80	957.60	9,576	2.90	5.10
9 to 9½ years.....	24.42	48.84	97.68	195.36	488.40	976.80	9,768	2.96	5.93
9½ years to 9 years and 8 months	24.91	49.82	99.64	199.28	498.20	996.40	9,964	3.01	11.79
Maturity value (9 years and 8 months from issue date)	25.39	50.78	101.56	203.12	507.80	1,015.60	10,156	3.16	-----
Period after maturity date	Extended maturity period							(b) to extended maturity	
First ½ year.....	\$25.39	\$50.78	\$101.56	\$203.12	\$507.80	\$1,015.60	\$10,156	3.16	3.75
½ to 1 year.....	25.84	51.68	103.36	206.72	516.80	1,033.60	10,336	3.18	3.76
1 to 1½ years.....	26.29	52.58	105.16	210.32	525.80	1,051.60	10,516	3.19	3.77
1½ to 2 years.....	26.76	53.52	107.04	214.08	535.20	1,070.40	10,704	3.21	3.79
2 to 2½ years.....	27.24	54.48	108.96	217.92	544.80	1,089.60	10,896	3.23	3.80
2½ to 3 years.....	27.74	55.48	110.96	221.92	554.80	1,109.60	11,096	3.25	3.81
3 to 3½ years.....	28.24	56.48	112.96	225.92	564.80	1,129.60	11,296	3.26	3.82
3½ to 4 years.....	28.76	57.52	115.04	230.08	575.20	1,150.40	11,504	3.28	3.83
4 to 4½ years.....	29.29	58.58	117.16	234.32	585.80	1,171.60	11,716	3.29	3.85
4½ to 5 years.....	29.83	59.66	119.32	238.64	596.60	1,193.20	11,932	3.30	3.86
5 to 5½ years.....	30.39	60.78	121.56	243.12	607.80	1,215.60	12,156	3.32	3.87
5½ to 6 years.....	30.96	61.92	123.84	247.68	619.20	1,238.40	12,384	3.33	3.88
6 to 6½ years.....	31.55	63.10	126.20	252.40	631.00	1,262.00	12,620	3.35	3.89
6½ to 7 years.....	32.15	64.30	128.60	257.20	643.00	1,286.00	12,860	3.36	3.90
7 to 7½ years.....	32.77	65.54	131.08	262.16	655.40	1,310.80	13,108	3.38	3.91
7½ to 8 years.....	33.40	66.80	133.60	267.20	668.00	1,336.00	13,360	3.39	3.93
8 to 8½ years.....	34.05	68.10	136.20	272.40	681.00	1,362.00	13,620	3.41	3.94
8½ to 9 years.....	34.71	69.42	138.84	277.68	694.20	1,388.40	13,884	3.42	3.95
9 to 9½ years.....	35.40	70.80	141.60	283.20	708.00	1,416.00	14,160	3.43	3.94
9½ to 10 years.....	36.10	72.20	144.40	288.80	722.00	1,444.00	14,440	3.45	3.93
Extended maturity value (10 years from original maturity date) ²	36.81	73.62	147.24	294.48	736.20	1,472.40	14,724	3.46	-----

* 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 2-month period in the case of the 9½ year to 9 year and 8 month period.

² 19 years and 8 months after issue date.

TABLE 20
UNITED STATES SAVINGS BONDS—SERIES E
TABLE OF REDEMPTION VALUES AND INVESTMENT YIELDS

FOR BONDS BEARING ISSUE DATES FROM JUNE 1 THROUGH NOVEMBER 1, 1953

This showing: (1) How bonds of Series E bearing issue dates June 1 through November 1, 1953, by denominations increase in redemption value during successive half-year periods following issue or date of original maturity; (2) the approximate investment yield on the purchase price from issue date to the beginning of each half-year period; (3) the approximate investment yield on the current redemption value from the beginning of each half-year period to maturity or (b) to extended maturity. Yields are expressed in terms of rate percent per annum, compounded semiannually.

Maturity value— issue price	\$25.00	\$50.00	\$100.00	\$200.00	\$500.00	\$1,000.00	\$10,000	Approximate investment yield	
	18.75	37.50	75.00	150.00	375.00	750.00	7,500		
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 (a) to maturity
								Percent	Percent
First ½ year	\$18.75	\$37.50	\$75.00	\$150.00	\$375.00	\$750.00	\$7,500	0.00	3.00
½ to 1 year	18.85	37.70	75.40	150.80	377.00	754.00	7,540	1.07	3.10
1 to 1½ years	19.05	38.10	76.20	152.40	381.00	762.00	7,620	1.59	3.16
1½ to 2 years	19.30	38.60	77.20	154.40	386.00	772.00	7,720	1.94	3.19
2 to 2½ years	19.55	39.10	78.20	156.40	391.00	782.00	7,820	2.10	3.23
2½ to 3 years	19.80	39.60	79.20	158.40	396.00	792.00	7,920	2.19	3.28
3 to 3½ years	20.05	40.10	80.20	160.40	401.00	802.00	8,020	2.25	3.34
3½ to 4 years	20.30	40.60	81.20	162.40	406.00	812.00	8,120	2.28	3.41
4 to 4½ years	20.55	41.10	82.20	164.40	411.00	822.00	8,220	2.30	3.49
4½ to 5 years	20.90	41.80	83.60	167.20	418.00	836.00	8,360	2.43	3.50
5 to 5½ years	21.25	42.50	85.00	170.00	425.00	850.00	8,500	2.52	3.51
5½ to 6 years	21.60	43.20	86.40	172.80	432.00	864.00	8,640	2.59	3.54
6 to 6½ years	21.95	43.90	87.80	175.60	439.00	878.00	8,780	2.64	3.58

Revised redemption values and investment yields

Maturity value— (0 years and 8 months from issue date)	\$22.31	\$44.62	\$89.24	\$178.48	\$446.20	\$892.40	\$8,924		
6½ to 7 years	\$22.31	\$44.62	\$89.24	\$178.48	\$446.20	\$892.40	\$8,924	2.89	4.20
7 to 7½ years	22.68	45.36	90.72	181.44	453.60	907.20	9,072	2.74	4.37
7½ to 8 years	23.06	46.12	92.24	184.48	461.20	922.40	9,224	2.78	4.60
8 to 8½ years	23.52	47.04	94.08	188.16	470.40	940.80	9,408	2.85	4.79
8½ to 9 years	23.99	47.98	95.96	191.92	479.80	959.60	9,596	2.92	5.13
9 to 9½ years	24.47	48.94	97.88	195.76	489.40	978.80	9,788	2.98	5.98
9½ years to 9 years and 8 months	24.97	49.94	99.88	199.76	499.40	998.80	9,988	3.04	11.76
Maturity value (0 years and 8 months from issue date)	25.45	50.90	101.80	203.60	509.00	1,018.00	10,180	3.19	

Period after maturity date

Extended maturity period

(b) to extended maturity

Period after maturity date	\$25.45	\$50.90	\$101.80	\$203.60	\$509.00	\$1,018.00	\$10,180		
First ½ year	\$25.45	\$50.90	\$101.80	\$203.60	\$509.00	\$1,018.00	\$10,180	3.19	3.75
½ to 1 year	25.90	51.80	103.60	207.20	518.00	1,036.00	10,360	3.20	3.78
1 to 1½ years	26.36	52.72	105.44	210.88	527.20	1,054.40	10,544	3.22	3.77
1½ to 2 years	26.83	53.66	107.32	214.64	536.60	1,073.20	10,732	3.23	3.78
2 to 2½ years	27.31	54.62	109.24	218.48	546.20	1,092.40	10,924	3.25	3.80
2½ to 3 years	27.80	55.60	111.20	222.40	556.00	1,112.00	11,120	3.26	3.81
3 to 3½ years	28.31	56.62	113.24	226.48	566.20	1,132.40	11,324	3.28	3.82
3½ to 4 years	28.83	57.66	115.32	230.64	576.60	1,153.20	11,532	3.29	3.83
4 to 4½ years	29.36	58.72	117.44	234.88	587.20	1,174.40	11,744	3.31	3.85
4½ to 5 years	29.90	59.80	119.60	239.20	598.00	1,196.00	11,960	3.32	3.86
5 to 5½ years	30.46	60.92	121.84	243.68	609.20	1,218.40	12,184	3.34	3.87
5½ to 6 years	31.04	62.08	124.16	248.32	620.80	1,241.60	12,416	3.35	3.88
6 to 6½ years	31.62	63.24	126.48	252.96	632.40	1,264.80	12,648	3.36	3.90
6½ to 7 years	32.23	64.46	128.92	257.84	644.60	1,289.20	12,892	3.38	3.90
7 to 7½ years	32.84	65.68	131.36	262.72	656.80	1,313.60	13,136	3.39	3.92
7½ to 8 years	33.48	66.96	133.92	267.84	669.60	1,339.20	13,392	3.41	3.93
8 to 8½ years	34.13	68.26	136.52	273.04	682.60	1,365.20	13,652	3.42	3.94
8½ to 9 years	34.80	69.60	139.20	278.40	696.00	1,392.00	13,920	3.43	3.94
9 to 9½ years	35.48	70.96	141.92	283.84	709.60	1,419.20	14,192	3.45	3.96
9½ to 10 years	36.18	72.36	144.72	289.44	723.60	1,447.20	14,472	3.46	3.98
Extended maturity value (10 years from original maturity date) ²	36.90	73.80	147.60	295.20	738.00	1,476.00	14,760	3.47	

¹ Approximate investment yield from beginning of each half-year period to maturity, at original maturity value prior to June 1, 1950, revision.

² Revised approximate investment yield from effective date of revision to maturity.

³ 2-month period in the case of the 9½ year to 9 year and 8 month period.

⁴ 19 years and 8 months after issue date.

TABLE 30
UNITED STATES SAVINGS BONDS—SERIES E
TABLE OF REDEMPTION VALUES AND INVESTMENT YIELDS
FOR BONDS BEARING ISSUE DATES FROM DECEMBER 1, 1963, THROUGH MAY 1, 1964

Table showing: (1) How bonds of Series E bearing issue dates December 1, 1963, through May 1, 1964, by denominations, increase in redemption value during successive half-year periods following issue or date of original maturity; (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 (a) to maturity or (b) to extended maturity. Yields are expressed in terms of rate percent per annum, compounded semiannually.

Maturity value..... Issue price.....	\$25.00	\$50.00	\$100.00	\$200.00	\$500.00	\$1,000.00	\$10,000	Approximate investment yield	
	18.75	37.50	75.00	150.00	375.00	750.00	7,500	(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 (a) to maturity
Period after issue date	(1) Redemption values during each half-year period ¹ (values increase on first day of period shown)							Percent	Percent
First ½ year.....	\$18.75	\$37.50	\$75.00	\$150.00	\$375.00	\$750.00	\$7,500	0.00	3.00
½ to 1 year.....	18.85	37.70	75.40	150.80	377.00	754.00	7,540	1.07	3.10
1 to 1½ years.....	19.05	38.10	76.20	152.40	381.00	762.00	7,620	1.59	3.16
1½ to 2 years.....	19.30	38.60	77.20	154.40	386.00	772.00	7,720	1.94	3.19
2 to 2½ years.....	19.55	39.10	78.20	156.40	391.00	782.00	7,820	2.10	3.23
2½ to 3 years.....	19.80	39.60	79.20	158.40	396.00	792.00	7,920	2.19	3.28
3 to 3½ years.....	20.05	40.10	80.20	160.40	401.00	802.00	8,020	2.25	3.34
3½ to 4 years.....	20.30	40.60	81.20	162.40	406.00	812.00	8,120	2.28	3.41
4 to 4½ years.....	20.55	41.10	82.20	164.40	411.00	822.00	8,220	2.30	3.49
4½ to 5 years.....	20.90	41.80	83.60	167.20	418.00	836.00	8,360	2.43	3.50
5 to 5½ years.....	21.25	42.50	85.00	170.00	425.00	850.00	8,500	2.52	3.51
5½ to 6 years.....	21.60	43.20	86.40	172.80	432.00	864.00	8,640	2.59	3.54

Revised redemption values and investment yields

6 to 6½ years.....	\$21.96	\$43.92	\$87.84	\$175.68	\$439.20	\$878.40	\$8,784	2.65	4.14
6½ to 7 years.....	22.32	44.64	89.28	178.56	446.40	892.80	8,928	2.70	4.28
7 to 7½ years.....	22.71	45.42	90.84	181.68	454.20	908.40	9,084	2.76	4.42
7½ to 8 years.....	23.10	46.20	92.40	184.80	462.00	924.00	9,240	2.80	4.65
8 to 8½ years.....	23.56	47.12	94.24	188.48	471.20	942.40	9,424	2.87	4.85
8½ to 9 years.....	24.04	48.08	96.16	192.32	480.80	961.60	9,616	2.96	5.19
9 to 9½ years.....	24.53	49.06	98.12	196.24	490.60	981.20	9,812	3.01	6.02
9½ years to 9 years and 8 months.....	25.08	50.06	100.12	200.24	500.60	1,001.20	10,012	3.06	11.96
Maturity value (9 years and 8 months from issue date).....	25.52	51.04	102.08	204.16	510.40	1,020.80	10,208	3.21	-----
Period after maturity date	Extended maturity period							(b) to extended maturity	
First ½ year.....	\$25.52	\$51.04	\$102.08	\$204.16	\$510.40	\$1,020.80	\$10,208	3.21	3.75
½ to 1 year.....	25.97	51.94	103.88	207.76	519.40	1,038.80	10,388	3.23	3.76
1 to 1½ years.....	26.43	52.86	105.72	211.44	528.60	1,057.20	10,572	3.24	3.77
1½ to 2 years.....	26.90	53.80	107.60	215.20	538.00	1,076.00	10,760	3.26	3.79
2 to 2½ years.....	27.38	54.76	109.52	219.04	547.60	1,095.20	10,952	3.27	3.80
2½ to 3 years.....	27.88	55.76	111.52	223.04	557.60	1,115.20	11,152	3.29	3.81
3 to 3½ years.....	28.39	56.78	113.56	227.12	567.80	1,135.60	11,356	3.30	3.82
3½ to 4 years.....	28.91	57.82	115.64	231.28	578.20	1,156.40	11,564	3.32	3.83
4 to 4½ years.....	29.44	58.88	117.76	235.52	588.80	1,177.60	11,776	3.33	3.85
4½ to 5 years.....	29.99	59.98	119.96	239.92	599.80	1,199.60	11,996	3.34	3.86
5 to 5½ years.....	30.55	61.10	122.20	244.40	611.00	1,222.00	12,220	3.36	3.87
5½ to 6 years.....	31.12	62.24	124.48	248.96	622.40	1,244.80	12,448	3.37	3.88
6 to 6½ years.....	31.71	63.42	126.84	253.68	634.20	1,268.40	12,684	3.38	3.89
6½ to 7 years.....	32.32	64.64	129.28	258.56	646.40	1,292.80	12,928	3.40	3.90
7 to 7½ years.....	32.94	65.88	131.76	263.52	658.80	1,317.60	13,176	3.41	3.91
7½ to 8 years.....	33.57	67.14	134.28	268.56	671.40	1,342.80	13,428	3.42	3.93
8 to 8½ years.....	34.22	68.44	136.88	273.76	684.40	1,368.80	13,688	3.43	3.94
8½ to 9 years.....	34.99	69.78	139.56	279.12	697.80	1,395.60	13,956	3.45	3.95
9 to 9½ years.....	35.58	71.16	142.32	284.64	711.60	1,423.20	14,232	3.46	3.95
9½ to 10 years.....	36.28	72.56	145.12	290.24	725.60	1,451.20	14,512	3.47	3.97
Extended maturity value (10 years from original maturity date) ²	37.00	74.00	148.00	296.00	740.00	1,480.00	14,800	3.49	-----

* 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 12-month period in the case of the 9½ year to 9 year and 8 month period.

³ 19 years and 8 months after issue date.

TABLE 31
UNITED STATES SAVINGS BONDS—SERIES E
TABLE OF REDEMPTION VALUES AND INVESTMENT YIELDS
FOR BONDS BEARING ISSUE DATES FROM JUNE 1 THROUGH NOVEMBER 1, 1954

Table showing: (1) How bonds of Series E bearing issue dates June 1 through November 1, 1954 by denominations, increase in redemption value during successive half-year periods following issue or date of original maturity; (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 (a) to maturity or (b) to extended maturity. Yields are expressed in terms of rate percent per annum, compounded semiannually.

Maturity value Issue price.....	\$25.00 18.75	\$50.00 37.50	\$100.00 75.00	\$200.00 150.00	\$500.00 375.00	\$1,000.00 750.00	\$10,000 7,500	Approximate investment yield	
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 (a) to maturity
								Percent	Percent
First ½ year.....	\$18.75	\$37.50	\$75.00	\$150.00	\$375.00	\$750.00	\$7,500	0.00	*3.00
½ to 1 year.....	18.85	37.70	75.40	150.80	377.00	754.00	7,540	1.07	*3.10
1 to 1½ years.....	19.05	38.10	76.20	152.40	381.00	762.00	7,620	1.59	*3.16
1½ to 2 years.....	19.30	38.60	77.20	154.40	386.00	772.00	7,720	1.94	*3.19
2 to 2½ years.....	19.55	39.10	78.20	156.40	391.00	782.00	7,820	2.10	*3.23
2½ to 3 years.....	19.80	39.60	79.20	158.40	396.00	792.00	7,920	2.19	*3.28
3 to 3½ years.....	20.05	40.10	80.20	160.40	401.00	802.00	8,020	2.25	*3.34
3½ to 4 years.....	20.30	40.60	81.20	162.40	406.00	812.00	8,120	2.28	*3.41
4 to 4½ years.....	20.55	41.10	82.20	164.40	411.00	822.00	8,220	2.30	*3.49
4½ to 5 years.....	20.90	41.80	83.60	167.20	418.00	836.00	8,360	2.43	*3.50
5 to 5½ years.....	21.25	42.50	85.00	170.00	425.00	850.00	8,500	2.52	†4.01
Revised redemption values and investment yields									
5½ to 6 years.....	\$21.61	\$43.22	\$86.44	\$172.88	\$432.20	\$864.40	\$8,644	2.60	4.09
6 to 6½ years.....	21.97	43.94	87.88	175.76	439.40	878.80	8,788	2.66	4.19
6½ to 7 years.....	22.35	44.70	89.40	178.80	447.00	894.00	8,940	2.72	4.31
7 to 7½ years.....	22.74	45.48	90.96	181.92	454.80	909.60	9,096	2.78	4.46
7½ to 8 years.....	23.14	46.28	92.56	185.12	462.80	925.60	9,256	2.82	4.68
8 to 8½ years.....	23.61	47.22	94.44	188.88	472.20	944.40	9,444	2.90	4.87
8½ to 9 years.....	24.09	48.18	96.36	192.72	481.80	963.60	9,636	2.97	5.21
9 to 9½ years.....	24.59	49.18	98.36	196.72	491.80	983.60	9,836	3.04	6.01
9½ years to 9 years and 8 months.....	25.09	50.18	100.36	200.72	501.80	1,003.60	10,036	3.09	11.95
Maturity value (9 years and 8 months from issue date).....	25.58	51.16	102.32	204.64	511.60	1,023.20	10,232	3.24	-----
Period after maturity date	Extended maturity period							(b) to extended maturity	
First ½ year.....	\$25.58	\$51.16	\$102.32	\$204.64	\$511.60	\$1,023.20	\$10,232	3.24	3.75
½ to 1 year.....	26.03	52.06	104.12	208.24	520.60	1,041.20	10,412	3.25	3.76
1 to 1½ years.....	26.49	52.98	105.96	211.92	529.80	1,059.60	10,596	3.27	3.79
1½ to 2 years.....	26.96	53.92	107.84	215.68	539.20	1,078.40	10,784	3.28	3.79
2 to 2½ years.....	27.45	54.90	109.80	219.60	549.00	1,098.00	10,980	3.29	3.80
2½ to 3 years.....	27.94	55.88	111.76	223.52	558.80	1,117.60	11,176	3.31	3.81
3 to 3½ years.....	28.45	56.90	113.80	227.60	569.00	1,138.00	11,380	3.32	3.82
3½ to 4 years.....	28.98	57.96	115.92	231.84	579.60	1,159.20	11,592	3.33	3.83
4 to 4½ years.....	29.51	59.02	118.04	236.08	590.20	1,180.40	11,804	3.35	3.85
4½ to 5 years.....	30.06	60.12	120.24	240.48	601.20	1,202.40	12,024	3.36	3.86
5 to 5½ years.....	30.62	61.24	122.48	244.96	612.40	1,224.80	12,248	3.37	3.87
5½ to 6 years.....	31.20	62.40	124.80	249.60	624.00	1,248.00	12,480	3.39	3.88
6 to 6½ years.....	31.79	63.58	127.16	254.32	635.80	1,271.60	12,716	3.40	3.89
6½ to 7 years.....	32.39	64.78	129.56	259.12	647.80	1,295.60	12,956	3.41	3.91
7 to 7½ years.....	33.01	66.02	132.04	264.08	660.20	1,320.40	13,204	3.42	3.92
7½ to 8 years.....	33.65	67.30	134.60	269.20	673.00	1,346.00	13,460	3.44	3.93
8 to 8½ years.....	34.30	68.60	137.20	274.40	686.00	1,372.00	13,720	3.45	3.95
8½ to 9 years.....	34.97	69.94	139.88	279.76	699.40	1,398.80	13,988	3.46	3.96
9 to 9½ years.....	35.66	71.32	142.64	285.28	713.20	1,426.40	14,264	3.47	3.97
9½ to 10 years.....	36.37	72.74	145.48	290.96	727.40	1,454.80	14,548	3.49	3.96
Extended maturity value (10 years from original maturity date) ²	37.09	74.18	148.36	296.72	741.80	1,483.60	14,836	3.50	-----

*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.

¹2-month period in the case of the 9½ year to 9 year and 8 month period.

²19 years and 8 months after issue date.

TABLE 22
UNITED STATES SAVINGS BONDS—SERIES E
TABLE OF REDEMPTION VALUES AND INVESTMENT YIELDS
FOR BONDS BEARING ISSUE DATES FROM DECEMBER 1, 1954, THROUGH MAY 1, 1955

Table showing: (1) How bonds of Series E bearing issue dates December 1, 1954, through May 1, 1955, by denominations, increase in redemption value during successive half year periods following issue or date of original maturity; (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 (a) to maturity or (b) to extended maturity. Yields are expressed in terms of rate percent per annum, compounded semiannually

Maturity value..... Issue price.....	\$25.00 18.75	\$50.00 37.50	\$100.00 75.00	\$200.00 150.00	\$500.00 375.00	\$1,000.00 750.00	\$10,000 7,600	Approximate investment yield	
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 (a) to maturity
								Percent	Percent
First ½ year.....	\$18.75	\$37.50	\$75.00	\$150.00	\$375.00	\$750.00	\$7,500	0.00	*3.00
½ to 1 year.....	18.85	37.70	75.40	150.80	377.00	754.00	7,540	1.07	*3.10
1 to 1½ years.....	19.05	38.10	76.20	152.40	381.00	762.00	7,620	1.59	*3.16
1½ to 2 years.....	19.30	38.60	77.20	154.40	386.00	772.00	7,720	1.94	*3.19
2 to 2½ years.....	19.55	39.10	78.20	156.40	391.00	782.00	7,820	2.10	*3.23
2½ to 3 years.....	19.80	39.60	79.20	158.40	396.00	792.00	7,920	2.19	*3.28
3 to 3½ years.....	20.05	40.10	80.20	160.40	401.00	802.00	8,020	2.25	*3.34
3½ to 4 years.....	20.30	40.60	81.20	162.40	406.00	812.00	8,120	2.28	*3.41
4 to 4½ years.....	20.55	41.10	82.20	164.40	411.00	822.00	8,220	2.30	*3.49
4½ to 5 years.....	20.90	41.80	83.60	167.20	418.00	836.00	8,360	2.43	†4.00

Revised redemption values and investment yields

5 to 5½ years.....	\$21.26	\$42.52	\$85.04	\$170.08	\$425.20	\$850.40	\$8,504	2.53	4.05
5½ to 6 years.....	21.62	43.24	86.48	172.96	432.40	864.80	8,648	2.61	4.14
6 to 6½ years.....	21.99	43.98	87.96	175.92	439.80	879.60	8,796	2.67	4.23
6½ to 7 years.....	22.38	44.76	89.52	179.04	447.60	895.20	8,952	2.74	4.34
7 to 7½ years.....	22.78	45.56	91.12	182.24	455.60	911.20	9,112	2.80	4.48
7½ to 8 years.....	23.19	46.38	92.76	185.52	463.80	927.60	9,276	2.85	4.69
8 to 8½ years.....	23.66	47.32	94.64	189.28	473.20	946.40	9,464	2.93	4.88
8½ to 9 years.....	24.15	48.30	96.60	193.20	483.00	966.00	9,660	3.00	5.20
9 to 9½ years.....	24.66	49.30	98.60	197.20	493.00	986.00	9,860	3.06	5.90
9½ years to 9 years and 8 months.....	25.16	50.32	100.64	201.28	503.20	1,006.40	10,064	3.12	11.67
Maturity value (9 years and 8 months from issue date).....	25.64	51.28	102.56	205.12	512.80	1,025.60	10,256	3.26	-----
Period after maturity date	Extended maturity period							(b) to extended maturity	
First ½ year.....	\$25.64	\$51.28	\$102.56	\$205.12	\$512.80	\$1,025.60	\$10,256	3.26	3.75
½ to 1 year.....	26.09	52.18	104.36	209.72	521.80	1,043.60	10,436	3.28	3.76
1 to 1½ years.....	26.55	53.10	106.20	212.40	531.00	1,062.00	10,600	3.29	3.78
1½ to 2 years.....	27.03	54.06	108.12	216.24	540.60	1,081.20	10,812	3.30	3.79
2 to 2½ years.....	27.51	55.02	110.04	220.08	550.20	1,101.40	11,004	3.31	3.80
2½ to 3 years.....	28.01	56.02	112.04	224.08	560.20	1,120.40	11,204	3.33	3.81
3 to 3½ years.....	28.52	57.04	114.08	228.16	570.40	1,140.80	11,408	3.34	3.82
3½ to 4 years.....	29.04	58.08	116.16	232.32	580.80	1,161.60	11,616	3.35	3.84
4 to 4½ years.....	29.58	59.16	118.32	236.64	591.60	1,183.20	11,832	3.36	3.85
4½ to 5 years.....	30.13	60.26	120.62	241.04	602.60	1,205.20	12,052	3.38	3.86
5 to 5½ years.....	30.69	61.38	122.76	245.52	613.80	1,227.60	12,276	3.39	3.87
5½ to 6 years.....	31.27	62.54	125.06	250.16	625.40	1,250.80	12,508	3.40	3.88
6 to 6½ years.....	31.86	63.72	127.44	254.88	637.20	1,274.40	12,744	3.41	3.90
6½ to 7 years.....	32.47	64.94	129.98	259.76	649.40	1,298.80	12,988	3.43	3.91
7 to 7½ years.....	33.09	66.18	132.36	264.72	661.80	1,323.60	13,236	3.44	3.92
7½ to 8 years.....	33.73	67.46	134.92	269.84	674.60	1,349.20	13,492	3.45	3.93
8 to 8½ years.....	34.38	68.76	137.62	275.04	687.60	1,375.20	13,752	3.46	3.95
8½ to 9 years.....	35.06	70.12	140.24	280.48	701.20	1,402.40	14,024	3.47	3.95
9 to 9½ years.....	35.74	71.48	142.96	285.92	714.80	1,429.60	14,296	3.49	3.99
9½ to 10 years.....	36.45	72.90	145.80	291.60	729.00	1,458.00	14,580	3.50	4.01
Extended maturity value (10 years from original maturity date) ²	37.18	74.36	148.72	297.44	743.60	1,487.20	14,872	3.51	-----

* 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 2-month period in the case of the 9½ year to 9 year and 8 month period.

² 10 years and 8 months after issue date.

TABLE 33
UNITED STATES SAVINGS BONDS—SERIES E
TABLE OF REDEMPTION VALUES AND INVESTMENT YIELDS
FOR BONDS BEARING ISSUE DATES FROM JUNE 1 THROUGH NOVEMBER 1, 1955

Table showing: (1) How bonds of Series E bearing issue dates June 1 through November 1, 1955, by denominations increase in redemption value during successive half-year periods following issue or date of original maturity; (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 (a) to maturity or (b) to extended maturity. Yields are expressed in terms of rate percent per annum, compounded semiannually.

Maturity value issue price	\$25.00 18.75	\$50.00 37.50	\$100.00 75.00	\$200.00 150.00	\$500.00 375.00	\$1,000.00 750.00	\$10,000 7,500	Approximate investment yield	
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 (a) to maturity
								Percent	Percent
First ½ year	\$18.75	\$37.50	\$75.00	\$150.00	\$375.00	\$750.00	\$7,500	0.00	*3.00
½ to 1 year	18.85	37.70	75.40	150.80	377.00	754.00	7,540	1.07	*3.10
1 to 1½ years	19.05	38.10	76.20	152.40	381.00	762.00	7,620	1.59	*3.16
1½ to 2 years	19.30	38.60	77.20	154.40	386.00	772.00	7,720	1.94	*3.19
2 to 2½ years	19.55	39.10	78.20	156.40	391.00	782.00	7,820	2.10	*3.23
2½ to 3 years	19.80	39.60	79.20	158.40	396.00	792.00	7,920	2.19	*3.28
3 to 3½ years	20.05	40.10	80.20	160.40	401.00	802.00	8,020	2.25	*3.34
3½ to 4 years	20.30	40.60	81.20	162.40	406.00	812.00	8,120	2.28	*3.41
4 to 4½ years	20.55	41.10	82.20	164.40	411.00	822.00	8,220	2.30	*3.99
Revised redemption values and investment yields									
4½ to 5 years	\$20.91	\$41.82	\$83.64	\$167.28	\$418.20	\$836.40	\$8,364	2.44	4.04
5 to 5½ years	21.27	42.54	85.08	170.16	425.40	850.80	8,508	2.54	4.10
5½ to 6 years	21.64	43.28	86.56	173.12	432.80	865.60	8,656	2.62	4.18
6 to 6½ years	22.02	44.04	88.08	176.16	440.40	880.80	8,808	2.70	4.27
6½ to 7 years	22.42	44.84	89.68	179.36	448.40	896.80	8,968	2.77	4.37
7 to 7½ years	22.82	45.64	91.28	182.56	456.40	912.80	9,128	2.83	4.52
7½ to 8 years	23.23	46.46	92.92	185.84	464.60	929.20	9,292	2.88	4.74
8 to 8½ years	23.71	47.42	94.84	189.68	474.20	948.40	9,484	2.96	4.92
8½ to 9 years	24.20	48.40	96.80	193.60	484.00	968.00	9,680	3.02	5.26
9 to 9½ years	24.70	49.40	98.80	197.60	494.00	988.00	9,880	3.09	6.10
9½ years to 9 years and 8 months	25.22	50.44	100.88	201.76	504.40	1,008.80	10,088	3.14	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	10,284	3.29	-----
Period after maturity date	Extended maturity period							(b) to extended maturity	
First ½ year	\$25.71	\$51.42	\$102.84	\$205.68	\$514.20	\$1,028.40	\$10,284	3.29	3.75
½ to 1 year	26.16	52.32	104.64	209.28	523.20	1,046.40	10,464	3.36	3.76
1 to 1½ years	26.63	53.26	106.52	213.04	532.60	1,065.20	10,652	3.32	3.77
1½ to 2 years	27.10	54.20	108.40	216.80	542.00	1,084.00	10,840	3.33	3.79
2 to 2½ years	27.59	55.18	110.36	220.72	551.80	1,103.60	11,036	3.34	3.80
2½ to 3 years	28.09	56.18	112.36	224.72	561.80	1,123.60	11,236	3.35	3.81
3 to 3½ years	28.60	57.20	114.40	228.80	572.00	1,144.00	11,440	3.36	3.82
3½ to 4 years	29.12	58.24	116.48	232.96	582.40	1,164.80	11,648	3.37	3.84
4 to 4½ years	29.66	59.32	118.64	237.28	593.20	1,186.40	11,864	3.38	3.85
4½ to 5 years	30.21	60.42	120.84	241.68	604.20	1,208.40	12,084	3.40	3.86
5 to 5½ years	30.77	61.54	123.08	246.16	615.40	1,230.80	12,308	3.41	3.88
5½ to 6 years	31.35	62.70	125.40	250.80	627.00	1,254.00	12,540	3.42	3.89
6 to 6½ years	31.95	63.90	127.80	255.60	639.00	1,278.00	12,780	3.43	3.89
6½ to 7 years	32.56	65.12	130.24	260.48	651.20	1,302.40	13,024	3.44	3.91
7 to 7½ years	33.18	66.36	132.72	265.44	663.60	1,327.20	13,272	3.45	3.92
7½ to 8 years	33.82	67.64	135.28	270.56	676.40	1,352.80	13,528	3.47	3.93
8 to 8½ years	34.48	68.96	137.92	275.84	689.60	1,379.20	13,792	3.48	3.94
8½ to 9 years	35.15	70.30	140.60	281.20	703.00	1,406.00	14,060	3.49	3.96
9 to 9½ years	35.84	71.68	143.36	286.72	716.80	1,433.60	14,336	3.50	3.98
9½ to 10 years	36.55	73.10	146.20	292.40	731.00	1,462.00	14,620	3.51	3.99
Extended maturity value (10 years from original maturity date) ²	37.28	74.56	149.12	298.24	745.60	1,491.20	14,912	3.53	-----

* 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.

¹ 2-month period in the case of the 9½ year to 9 year and 8 month period.

² 19 years and 8 months after issue date.

TABLE 34
UNITED STATES SAVINGS BONDS—SERIES E
TABLE OF REDEMPTION VALUES AND INVESTMENT YIELDS
FOR BONDS BEARING ISSUE DATES FROM DECEMBER 1, 1954, THROUGH MAY 1, 1955

Table showing: (1) How bonds of Series E bearing issue dates December 1, 1955, through May 1, 1956, by denominations, increase in redemption value during successive half-year periods following issue or date of original maturity; (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 (a) to maturity or (b) to extended maturity. Yields are expressed in terms of rate percent per annum, compounded semiannually.

Maturity value.....	\$25.00	\$50.00	\$100.00	\$200.00	\$500.00	\$1,000.00	\$10,000	Approximate investment yield	
Issue price.....	18.75	37.50	75.00	150.00	375.00	750.00	7,500		
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 (a) to maturity
								Percent	Percent
First ½ year.....	\$18.75	\$37.50	\$75.00	\$150.00	\$375.00	\$750.00	\$7,500	0.00	*3.00
½ to 1 year.....	18.85	37.70	75.40	150.80	377.00	754.00	7,540	1.07	*3.10
1 to 1½ years.....	19.05	38.10	76.20	152.40	381.00	762.00	7,620	1.59	*3.16
1½ to 2 years.....	19.30	38.60	77.20	154.40	386.00	772.00	7,720	1.94	*3.19
2 to 2½ years.....	19.55	39.10	78.20	156.40	391.00	782.00	7,820	2.10	*3.23
2½ to 3 years.....	19.80	39.60	79.20	158.40	396.00	792.00	7,920	2.19	*3.28
3 to 3½ years.....	20.05	40.10	80.20	160.40	401.00	802.00	8,020	2.25	*3.34
3½ to 4 years.....	20.30	40.60	81.20	162.40	406.00	812.00	8,120	2.28	13.91

Revised redemption values and investment yields

4 to 4½ years.....	\$20.56	\$41.12	\$82.24	\$164.48	\$411.20	\$822.40	\$8,224	2.32	4.03
4½ to 5 years.....	20.92	41.84	83.68	167.36	418.40	836.80	8,368	2.45	4.08
5 to 5½ years.....	21.29	42.58	85.16	170.32	425.80	851.60	8,516	2.56	4.13
5½ to 6 years.....	21.67	43.34	86.68	173.36	433.40	866.80	8,668	2.65	4.20
6 to 6½ years.....	22.06	44.12	88.24	176.48	441.20	882.40	8,824	2.73	4.28
6½ to 7 years.....	22.45	44.90	89.80	179.60	449.00	898.00	8,980	2.79	4.40
7 to 7½ years.....	22.86	45.72	91.44	182.88	457.20	914.40	9,144	2.85	4.54
7½ to 8 years.....	23.28	46.56	93.12	186.24	465.60	931.20	9,312	2.91	4.75
8 to 8½ years.....	23.76	47.52	95.04	190.08	475.20	950.40	9,504	2.98	4.93
8½ to 9 years.....	24.26	48.52	97.04	194.08	485.20	970.40	9,704	3.05	5.24
9 to 9½ years.....	24.76	49.52	99.04	198.08	495.20	990.40	9,904	3.11	6.00
9½ years to 9 years and 8 months.....	25.28	50.56	101.12	202.24	505.60	1,011.20	10,112	3.17	11.86
Maturity value (9 years and 8 months from issue date).....	25.77	51.54	103.08	206.16	515.40	1,030.80	10,308	3.32	-----
Period after maturity date	Extended maturity period							(b) to extended maturity	
First ½ year.....	\$25.77	\$51.54	\$103.08	\$206.16	\$515.40	\$1,030.80	\$10,308	3.32	3.75
½ to 1 year.....	26.22	52.44	104.88	209.76	524.40	1,048.80	10,488	3.33	3.76
1 to 1½ years.....	26.69	53.38	106.76	213.52	533.80	1,067.60	10,676	3.34	3.77
1½ to 2 years.....	27.16	54.32	108.64	217.28	543.20	1,086.40	10,864	3.35	3.79
2 to 2½ years.....	27.65	55.30	110.60	221.20	553.00	1,106.00	11,060	3.36	3.80
2½ to 3 years.....	28.15	56.30	112.60	225.20	563.00	1,126.00	11,260	3.37	3.81
3 to 3½ years.....	28.66	57.32	114.64	229.28	573.20	1,146.40	11,464	3.38	3.84
3½ to 4 years.....	29.19	58.38	116.76	233.52	583.80	1,167.60	11,676	3.39	3.83
4 to 4½ years.....	29.73	59.46	118.92	237.84	594.60	1,189.20	11,892	3.40	3.85
4½ to 5 years.....	30.28	60.56	121.12	242.24	605.60	1,211.20	12,112	3.41	3.86
5 to 5½ years.....	30.85	61.70	123.40	246.80	617.00	1,234.00	12,340	3.42	3.87
5½ to 6 years.....	31.43	62.86	125.72	251.44	628.60	1,257.20	12,572	3.44	3.88
6 to 6½ years.....	32.02	64.04	128.08	256.16	640.40	1,280.80	12,808	3.45	3.90
6½ to 7 years.....	32.63	65.26	130.52	261.04	652.60	1,305.20	13,052	3.46	3.91
7 to 7½ years.....	33.26	66.52	133.04	266.08	665.20	1,330.40	13,304	3.47	3.92
7½ to 8 years.....	33.90	67.80	135.60	271.20	678.00	1,356.00	13,560	3.48	3.94
8 to 8½ years.....	34.56	69.12	138.24	276.48	691.20	1,382.40	13,824	3.49	3.95
8½ to 9 years.....	35.23	70.46	140.92	281.84	704.60	1,409.20	14,092	3.50	3.97
9 to 9½ years.....	35.93	71.86	143.72	287.44	718.60	1,437.20	14,372	3.51	3.97
9½ to 10 years.....	36.64	73.28	146.56	293.12	732.80	1,465.60	14,656	3.53	3.98
Extended maturity value (10 years from original maturity date) ¹	37.37	74.74	149.48	298.96	747.40	1,494.80	14,948	3.54	-----

* 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.

¹ 2-month period in the case of the 9½ year to 9 year and 8 month period.

² 19 years and 8 months after issue date.

TABLE 35
UNITED STATES SAVINGS BONDS—SERIES E
TABLE OF REDEMPTION VALUES AND INVESTMENT YIELDS
FOR BONDS BEARING ISSUE DATES FROM JUNE 1 THROUGH NOVEMBER 1, 1956

Table showing: (1) How bonds of Series E bearing issue dates June 1 through Nov. 1, 1956, by denominations, increase in redemption value during successive half-year periods following issue or date of original maturity; (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 (a) to maturity or (b) to extended maturity. Yields are expressed in terms of rate percent per annum, compounded semiannually.

Maturity value.....	\$25.00	\$50.00	\$100.00	\$200.00	\$500.00	\$1,000.00	\$10,000	Approximate investment yield	
Issue price.....	18.75	37.50	75.00	150.00	375.00	750.00	7,500		
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 (a) to maturity
								Percent	Percent
First ½ year.....	\$18.75	\$37.50	\$75.00	\$150.00	\$375.00	\$750.00	\$7,500	0.00	3.00
½ to 1 year.....	18.85	37.70	75.40	150.80	377.00	754.00	7,540	1.07	3.10
1 to 1½ years.....	19.05	38.10	76.20	152.40	381.00	762.00	7,620	1.59	3.16
1½ to 2 years.....	19.30	38.60	77.20	154.40	386.00	772.00	7,720	1.94	3.19
2 to 2½ years.....	19.55	39.10	78.20	156.40	391.00	782.00	7,820	2.10	3.23
2½ to 3 years.....	19.80	39.60	79.20	158.40	396.00	792.00	7,920	2.19	3.28
3 to 3½ years.....	20.05	40.10	80.20	160.40	401.00	802.00	8,020	2.25	3.34
Revised redemption values and investment yields									
3½ to 4 years.....	\$20.31	\$40.62	\$81.24	\$162.48	\$406.20	\$812.40	\$8,124	2.30	3.94
4 to 4½ years.....	20.57	41.14	82.28	164.56	411.40	822.80	8,228	2.33	4.06
4½ to 5 years.....	20.93	41.86	83.72	167.44	418.60	837.20	8,372	2.46	4.11
5 to 5½ years.....	21.31	42.62	85.24	170.48	426.20	852.40	8,524	2.58	4.16
5½ to 6 years.....	21.70	43.40	86.80	173.60	434.00	868.00	8,680	2.67	4.23
6 to 6½ years.....	22.09	44.18	88.36	176.72	441.80	883.60	8,836	2.75	4.31
6½ to 7 years.....	22.50	45.00	90.00	180.00	450.00	900.00	9,000	2.82	4.41
7 to 7½ years.....	22.91	45.82	91.64	183.28	458.20	916.40	9,164	2.88	4.55
7½ to 8 years.....	23.33	46.66	93.32	186.64	466.60	933.20	9,332	2.94	4.75
8 to 8½ years.....	23.82	47.64	95.28	190.56	476.40	952.80	9,528	3.01	4.92
8½ to 9 years.....	24.31	48.62	97.24	194.48	486.20	972.40	9,724	3.08	5.27
9 to 9½ years.....	24.82	49.64	99.28	198.56	496.40	992.80	9,928	3.14	6.07
9½ years to 9 years and 8 months.....	25.34	50.68	101.36	202.72	506.80	1,013.60	10,136	3.20	11.83
Maturity value (9 years and 8 months from issue date).....	25.83	51.66	103.32	206.64	516.60	1,033.20	10,332	3.34	-----
Period after maturity date	Extended maturity period							(b) to extended maturity	
First ½ year.....	\$25.83	\$51.66	\$103.32	\$206.64	\$516.60	\$1,033.20	\$10,332	3.34	3.75
½ to 1 year.....	26.28	52.56	105.12	210.24	525.60	1,051.20	10,512	3.35	3.76
1 to 1½ years.....	26.75	53.50	107.00	214.00	535.00	1,070.00	10,700	3.36	3.77
1½ to 2 years.....	27.23	54.46	108.92	217.84	544.60	1,089.20	10,892	3.37	3.78
2 to 2½ years.....	27.72	55.44	110.88	221.76	554.40	1,108.80	11,088	3.38	3.80
2½ to 3 years.....	28.22	56.44	112.88	225.76	564.40	1,128.80	11,288	3.39	3.81
3 to 3½ years.....	28.73	57.46	114.92	229.84	574.60	1,149.20	11,492	3.40	3.82
3½ to 4 years.....	29.26	58.52	117.04	234.08	585.20	1,170.40	11,704	3.41	3.83
4 to 4½ years.....	29.80	59.60	119.20	238.40	596.00	1,192.00	11,920	3.42	3.84
4½ to 5 years.....	30.35	60.70	121.40	242.80	607.00	1,214.00	12,140	3.43	3.86
5 to 5½ years.....	30.92	61.84	123.68	247.36	618.40	1,236.80	12,368	3.44	3.87
5½ to 6 years.....	31.50	63.00	126.00	252.00	630.00	1,260.00	12,600	3.45	3.88
6 to 6½ years.....	32.10	64.20	128.40	256.80	642.00	1,284.00	12,840	3.46	3.89
6½ to 7 years.....	32.71	65.42	130.84	261.68	654.20	1,308.40	13,084	3.47	3.90
7 to 7½ years.....	33.34	66.68	133.36	266.72	666.80	1,333.60	13,336	3.48	3.91
7½ to 8 years.....	33.98	67.96	135.92	271.84	679.60	1,359.20	13,592	3.49	3.93
8 to 8½ years.....	34.64	69.28	138.56	277.12	692.80	1,385.60	13,856	3.50	3.94
8½ to 9 years.....	35.31	70.62	141.24	282.48	706.20	1,412.40	14,124	3.51	3.96
9 to 9½ years.....	36.01	72.02	144.04	288.08	720.20	1,440.40	14,404	3.53	3.96
9½ to 10 years.....	36.72	73.44	146.88	293.76	734.40	1,468.80	14,688	3.54	3.98
Extended maturity value (10 years from original maturity date) ²	37.45	74.90	149.80	299.60	749.00	1,498.00	14,980	3.55	-----

*Approximate investment yield from beginning of each half-year period to maturity, at original maturity value prior to June 1, 1959, revision.

¹Revised approximate investment yield from effective date of revision to maturity.

²2-month period in the case of the 9½ year to 9 year and 8 month period.

³19 years and 8 months after issue date.

TABLE 28

UNITED STATES SAVINGS BONDS—SERIES E

TABLE OF REDEMPTION VALUES AND INVESTMENT YIELDS FOR BONDS BEARING INTEREST DATED FROM DECEMBER 1, 1958, THROUGH JANUARY 1, 1957

Table showing: (1) How bonds of Series E bearing issue dates from December 1, 1958, through January 1, 1957, by means of annual increase in redemption value during successive half-year periods following issue or date of original maturity; (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 correct redemption value from the beginning of each half-year period to maturity or to extended maturity. Yields are expressed in terms of rate percent per annum, compounded semiannually.

Maturity value	\$25.00	\$50.00	\$100.00	\$250.00	\$500.00	\$1,000.00	\$10,000	Approximate investment yield	
Issue price	18.75	37.50	75.00	187.50	375.00	750.00	7,500		
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 correct redemption value from beginning of each half-year period to maturity
								Percent	Percent
First ½ year	\$18.75	\$37.50	\$75.00	\$187.50	\$375.00	\$750.00	\$7,500	0.00	3.00
½ to 1 year	18.85	37.70	75.40	190.80	377.00	754.00	7,540	1.07	3.10
1 to 1½ years	19.05	38.10	76.20	192.40	381.00	762.00	7,620	1.59	3.16
1½ to 2 years	19.30	38.60	77.20	194.40	386.00	772.00	7,720	1.94	3.19
2 to 2½ years	19.55	39.10	78.20	196.40	391.00	782.00	7,820	2.10	3.23
2½ to 3 years	19.80	39.60	79.20	198.40	396.00	792.00	7,920	2.19	3.25
Revised redemption values and investment yields									
3 to 3½ years	\$20.05	\$40.12	\$80.24	\$199.45	\$401.20	\$802.40	\$8,024	2.26	3.27
3½ to 4 years	20.32	40.64	81.28	202.56	406.40	812.80	8,128	2.31	3.27
4 to 4½ years	20.58	41.16	82.32	205.68	411.60	823.20	8,232	2.34	3.28
4½ to 5 years	20.95	41.92	83.84	207.66	419.20	838.40	8,384	2.49	3.31
5 to 5½ years	21.34	42.68	85.36	210.72	426.80	853.60	8,536	2.60	3.34
5½ to 6 years	21.73	43.46	86.92	213.84	434.60	869.20	8,692	2.70	3.36
6 to 6½ years	22.13	44.26	88.52	217.04	442.60	885.20	8,852	2.78	3.37
6½ to 7 years	22.54	45.06	90.16	220.32	450.80	901.60	9,016	2.85	3.38
7 to 7½ years	22.96	45.92	91.84	223.68	459.20	918.40	9,184	2.91	3.39
7½ to 8 years	23.38	46.78	93.52	227.04	467.80	935.20	9,352	2.96	3.40
8 to 8½ years	23.87	47.74	95.46	230.48	477.40	954.80	9,548	3.04	3.41
8½ to 9 years	24.37	48.74	97.48	234.00	487.40	974.80	9,748	3.11	3.42
9 to 9½ years	24.88	49.76	99.52	237.60	497.60	995.20	9,952	3.17	3.43
9½ years to 9 years and 8 months	25.40	50.80	101.60	241.20	508.00	1,016.00	10,160	3.22	3.44
Maturity value (9 years and 8 months from issue date)	25.90	51.80	103.60	244.80	518.00	1,036.00	10,360	3.37	3.45
Period after maturity date	Extended maturity period							(b) to extended maturity	
First ½ year	\$25.90	\$51.80	\$103.60	\$207.20	\$518.00	\$1,036.00	\$10,360	3.37	3.75
½ to 1 year	26.36	52.72	105.44	210.88	527.20	1,054.40	10,544	3.38	3.76
1 to 1½ years	26.82	53.64	107.28	214.56	536.40	1,072.80	10,728	3.38	3.77
1½ to 2 years	27.30	54.60	109.20	218.40	546.00	1,092.00	10,920	3.39	3.79
2 to 2½ years	27.79	55.56	111.16	222.32	555.80	1,111.60	11,116	3.40	3.80
2½ to 3 years	28.29	56.56	113.16	226.32	565.80	1,131.60	11,316	3.41	3.81
3 to 3½ years	28.81	57.62	115.24	230.48	576.20	1,152.40	11,524	3.42	3.82
3½ to 4 years	29.34	58.68	117.36	234.72	586.80	1,173.60	11,736	3.43	3.83
4 to 4½ years	29.88	59.76	119.52	239.04	597.60	1,195.20	11,952	3.44	3.84
4½ to 5 years	30.43	60.86	121.72	243.44	608.60	1,217.20	12,172	3.45	3.86
5 to 5½ years	31.00	62.00	124.00	248.00	620.00	1,240.00	12,400	3.46	3.87
5½ to 6 years	31.59	63.18	126.36	252.72	631.80	1,263.60	12,636	3.47	3.88
6 to 6½ years	32.18	64.36	128.72	257.44	643.60	1,287.20	12,872	3.48	3.90
6½ to 7 years	32.80	65.60	131.20	262.40	656.00	1,312.00	13,120	3.49	3.90
7 to 7½ years	33.43	66.96	133.72	267.44	668.60	1,337.20	13,372	3.50	3.91
7½ to 8 years	34.07	68.44	136.28	272.56	681.40	1,362.80	13,628	3.51	3.93
8 to 8½ years	34.73	69.94	138.92	277.84	694.60	1,389.20	13,892	3.52	3.94
8½ to 9 years	35.41	71.48	141.64	283.28	708.20	1,416.40	14,164	3.53	3.95
9 to 9½ years	36.11	72.22	144.44	288.88	722.20	1,444.40	14,444	3.54	3.95
9½ to 10 years	36.82	73.04	147.28	294.56	736.40	1,472.80	14,728	3.55	3.97
Extended maturity value (10 years from original maturity date) ²	37.55	75.10	150.20	300.40	751.00	1,502.00	15,020	3.56	3.97

¹ Approximate investment yield from beginning of each half-year period to maturity, at original maturity value prior to June 1, 1959 revision.

² Revised approximate investment yield from effective date of revision to maturity.

³ 2-month period in the case of the 9½ year to 9 year and 8 month period.

⁴ 19 years and 8 months after issue date.

TABLE 37

UNITED STATES SAVINGS BONDS—SERIES E
TABLE OF REDEMPTION VALUES AND INVESTMENT YIELDS
FOR BONDS BEARING ISSUE DATES FEBRUARY 1 THROUGH APRIL 1, 1957

Table showing: (1) How bonds of Series E bearing issue dates February 1 through April 1, 1957, by denominations, increase in redemption value during successive half-year periods following issue; (2) the approximate investment yields at 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 (a) to maturity or (b) to extended maturity. Yields are expressed in terms of rate percent per annum, compounded semiannually.

Maturity value..... Issue price.....	\$25.00 18.75	\$50.00 37.50	\$100.00 75.00	\$200.00 150.00	\$500.00 375.00	\$1,000.00 750.00	\$10,000 7,500	Approximate investment yield	
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 (a) to maturity
								Percent	Percent
First ½ year.....	\$18.75	\$37.50	\$75.00	\$150.00	\$375.00	\$750.00	\$7,500	0.00	*3.25
½ to 1 year.....	18.90	37.80	75.60	151.20	378.00	756.00	7,560	1.60	*3.35
1 to 1½ years.....	19.18	38.36	76.72	153.44	383.60	767.20	7,672	2.28	*3.38
1½ to 2 years.....	19.48	38.96	77.92	155.84	389.60	779.20	7,792	2.56	*3.39
2 to 2½ years.....	19.81	39.62	79.24	158.48	396.20	792.40	7,924	2.77	*3.39
2½ to 3 years.....	20.15	40.30	80.60	161.20	403.00	806.00	8,060	2.90	*3.39
Revised redemption values and investment yields									
3 to 3½ years.....	\$20.51	\$41.02	\$82.04	\$164.08	\$410.20	\$820.40	\$8,204	3.01	3.92
3½ to 4 years.....	20.87	41.74	83.48	166.96	417.40	834.80	8,348	3.08	3.95
4 to 4½ years.....	21.25	42.50	85.00	170.00	425.00	850.00	8,500	3.15	3.99
4½ to 5 years.....	21.64	43.28	86.56	173.12	432.80	865.60	8,656	3.21	4.02
5 to 5½ years.....	22.05	44.10	88.20	176.40	441.00	882.00	8,820	3.27	4.05
5½ to 6 years.....	22.46	44.92	89.84	179.68	449.20	898.40	8,984	3.31	4.10
6 to 6½ years.....	22.89	45.78	91.56	183.12	457.80	915.60	9,156	3.35	4.15
6½ to 7 years.....	23.34	46.68	93.36	186.72	466.80	933.60	9,336	3.40	4.19
7 to 7½ years.....	23.81	47.62	95.24	190.48	476.20	952.40	9,524	3.44	4.23
7½ to 8 years.....	24.29	48.58	97.16	194.32	485.80	971.60	9,716	3.48	4.30
8 to 8½ years.....	24.78	49.56	99.12	198.24	495.60	991.20	9,912	3.52	4.45
8½ 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).....	25.80	51.60	103.20	206.40	516.00	1,032.00	10,320	3.61	
Period after maturity date	Extended maturity period							(b) to extended maturity	
First ½ year.....	\$25.80	\$51.60	\$103.20	\$206.40	\$516.00	\$1,032.00	\$10,320	3.61	3.75
½ to 1 year.....	26.25	52.50	105.00	210.00	525.00	1,050.00	10,500	3.61	3.76
1 to 1½ years.....	26.72	53.44	106.88	213.76	534.40	1,068.80	10,688	3.60	3.77
1½ to 2 years.....	27.20	54.40	108.80	217.60	544.00	1,088.00	10,880	3.60	3.79
2 to 2½ years.....	27.68	55.36	110.72	221.40	553.60	1,107.20	11,072	3.60	3.80
2½ to 3 years.....	28.19	56.38	112.76	225.52	563.80	1,127.60	11,276	3.60	3.81
3 to 3½ years.....	28.70	57.40	114.80	229.60	574.00	1,148.00	11,480	3.60	3.82
3½ to 4 years.....	29.22	58.44	116.88	233.76	584.40	1,168.80	11,688	3.61	3.84
4 to 4½ years.....	29.76	59.52	119.04	238.08	595.20	1,190.40	11,904	3.61	3.85
4½ to 5 years.....	30.32	60.64	121.28	242.56	606.40	1,212.80	12,128	3.61	3.86
5 to 5½ years.....	30.88	61.76	123.52	247.04	617.60	1,235.20	12,352	3.62	3.87
5½ to 6 years.....	31.46	62.92	125.84	251.68	629.20	1,258.40	12,584	3.62	3.89
6 to 6½ years.....	32.06	64.12	128.24	256.48	641.20	1,282.40	12,824	3.63	3.90
6½ to 7 years.....	32.67	65.34	130.68	261.36	653.40	1,306.80	13,068	3.63	3.91
7 to 7½ years.....	33.30	66.60	133.20	266.40	666.00	1,332.00	13,320	3.64	3.92
7½ to 8 years.....	33.94	67.88	135.76	271.52	678.80	1,357.60	13,576	3.65	3.93
8 to 8½ years.....	34.60	69.20	138.40	276.80	692.00	1,384.00	13,840	3.65	3.94
8½ to 9 years.....	35.27	70.54	141.08	282.16	705.40	1,410.80	14,108	3.66	3.97
9 to 9½ years.....	35.97	71.94	143.88	287.76	719.40	1,438.80	14,388	3.67	3.96
9½ to 10 years.....	36.68	73.36	146.72	293.44	733.60	1,467.20	14,672	3.68	3.98
Extended maturity value (10 years from original maturity date) ²	37.41	74.82	149.64	299.28	748.20	1,496.40	14,964	3.69	

*Approximate investment yield from beginning of each half-year period to maturity, at original maturity value prior to June 1, 1959, revision.

¹Revised approximate investment yield from effective date of revision to maturity.

²5-month period in the case of the 8½ year to 8 year and 11 month period.

³18 years and 11 months after issue date.

TABLE 38

UNITED STATES SAVINGS BONDS—SERIES E
 TABLE OF REDEMPTION VALUES AND INVESTMENT YIELDS
 FOR BONDS BEARING ISSUE DATE OF MAY 1, 1957

Table showing: (1) How bonds of Series E bearing issue date of May 1, 1957, 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 percent per annum, compounded semiannually.

Maturity value..... Issue price.....	\$25. 00 18. 75	\$50. 00 37. 50	\$100. 00 75. 00	\$200. 00 150. 00	\$500. 00 375. 00	\$1,000. 00 750. 00	\$10,000 7,500	Approximate investment yield	
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 ½ year.....	\$18. 75	\$37. 50	\$75. 00	\$150. 00	\$375. 00	\$750. 00	\$7, 500	0. 00	*3. 25
½ to 1 year.....	18. 90	37. 90	75. 60	151. 20	378. 00	756. 00	7, 560	1. 60	*3. 35
1 to 1½ years.....	19. 18	38. 36	76. 72	153. 44	383. 60	767. 20	7, 672	2. 28	*3. 38
1½ to 2 years.....	19. 48	38. 96	77. 92	155. 84	389. 60	779. 20	7, 792	2. 56	*3. 39
2 to 2½ years.....	19. 81	39. 62	79. 24	158. 48	396. 20	792. 40	7, 924	2. 77	*3. 39
2½ to 3 years.....	20. 15	40. 30	80. 60	161. 20	403. 00	806. 00	8, 060	2. 90	†3. 89

Revised redemption values and investment yields

3 to 3½ years.....	\$20. 51	\$41. 02	\$82. 04	\$164. 08	\$410. 20	\$820. 40	\$8, 204	3. 01	3. 92
3½ to 4 years.....	20. 87	41. 74	83. 48	166. 96	417. 40	834. 80	8, 348	3. 08	3. 95
4 to 4½ years.....	21. 25	42. 50	85. 00	170. 00	425. 00	850. 00	8, 500	3. 15	3. 99
4½ to 5 years.....	21. 64	43. 28	86. 56	173. 12	432. 80	865. 60	8, 656	3. 21	4. 02
5 to 5½ years.....	22. 05	44. 10	88. 20	176. 40	441. 00	882. 00	8, 820	3. 27	4. 05
5½ to 6 years.....	22. 46	44. 92	89. 84	179. 68	449. 20	898. 40	8, 984	3. 31	4. 10
6 to 6½ years.....	22. 89	45. 78	91. 56	183. 12	457. 80	915. 60	9, 156	3. 35	4. 15
6½ to 7 years.....	23. 34	46. 68	93. 36	186. 72	466. 80	933. 60	9, 336	3. 40	4. 19
7 to 7½ years.....	23. 81	47. 62	95. 24	190. 48	476. 20	952. 40	9, 524	3. 44	4. 23
7½ to 8 years.....	24. 29	48. 58	97. 16	194. 32	485. 80	971. 60	9, 716	3. 48	4. 30
8 to 8½ years.....	24. 78	49. 56	99. 12	198. 24	495. 60	991. 20	9, 912	3. 52	4. 45
8½ 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. 80	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.

¹5-month period in the case of the 8½ year to 8 year and 11 month period.

TABLE 39

UNITED STATES SAVINGS BONDS—SERIES E

TABLE OF REDEMPTION VALUES AND INVESTMENT YIELDS

FOR BONDS BEARING ISSUE DATES JUNE 1 THROUGH NOVEMBER 1, 1957

Table showing: (1) How bonds of Series E bearing issue dates June 1 through November 1, 1957, 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 percent per annum, compounded semiannually.

Maturity value.....	\$25.00	\$50.00	\$100.00	\$200.00	\$500.00	\$1,000.00	\$10,000	Approximate investment yield	
Issue price.....	18.75	37.50	75.00	150.00	375.00	750.00	7,500		
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	\$75.00	\$150.00	\$375.00	\$750.00	\$7,500	Percent 0.00	Percent *3.25
½ to 1 year.....	18.90	37.80	75.60	151.20	378.00	756.00	7,560	1.60	*3.35
1 to 1½ years.....	19.18	38.36	76.72	153.44	383.60	767.20	7,672	2.28	*3.38
1½ to 2 years.....	19.48	38.96	77.92	155.84	389.60	779.20	7,792	2.56	*3.39
2 to 2½ years.....	19.81	39.62	79.24	158.48	396.20	792.40	7,924	2.77	13.89

Revised redemption values and investment yields

2½ to 3 years.....	\$20.16	\$40.32	\$80.64	\$161.28	\$403.20	\$806.40	\$8,064	2.92	3.92
3 to 3½ years.....	20.52	41.04	82.08	164.16	410.40	820.80	8,208	3.03	3.95
3½ to 4 years.....	20.88	41.76	83.52	167.04	417.60	835.20	8,352	3.10	3.99
4 to 4½ years.....	21.27	42.54	85.08	170.16	425.40	850.80	8,508	3.18	4.01
4½ to 5 years.....	21.67	43.34	86.68	173.36	433.40	866.80	8,668	3.24	4.04
5 to 5½ years.....	22.08	44.16	88.32	176.64	441.60	883.20	8,832	3.30	4.08
5½ to 6 years.....	22.51	45.02	90.04	180.08	450.20	900.40	9,004	3.35	4.10
6 to 6½ years.....	22.94	45.88	91.76	183.52	458.80	917.60	9,176	3.39	4.15
6½ to 7 years.....	23.39	46.78	93.56	187.12	467.80	935.60	9,356	3.43	4.20
7 to 7½ years.....	23.86	47.72	95.44	190.88	477.20	954.40	9,544	3.47	4.24
7½ to 8 years.....	24.34	48.68	97.36	194.72	486.80	973.60	9,736	3.51	4.32
8 to 8½ years.....	24.84	49.68	99.36	198.72	496.80	993.60	9,936	3.55	4.44
8½ 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.

¹Revised approximate investment yield from effective date of revision to maturity.

¹ 5-month period in the case of the 8½ year to 8 year and 11 month period.

TABLE 40

UNITED STATES SAVINGS BONDS—SERIES E

TABLE OF REDEMPTION VALUES AND INVESTMENT YIELDS

FOR BONDS BEARING ISSUE DATES DECEMBER 1, 1937, THROUGH MAY 1, 1938

Table showing: (1) How bonds of Series E bearing issue dates December 1, 1937, through May 1, 1938, by denomination, 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 percent per annum, compounded semiannually.

Maturity value.....	\$25.00	\$50.00	\$100.00	\$200.00	\$500.00	\$1,000.00	\$10,000	Approximate investment yield	
Issue price.....	18.75	37.50	75.00	150.00	375.00	750.00	7,500		
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 ²	(3) On current redemption value from beginning of each half-year period ¹ to maturity
								Percent	Percent
First ½ year.....	\$18.75	\$37.50	\$75.00	\$150.00	\$375.00	\$750.00	\$7,500	0.00	3.25
½ to 1 year.....	18.90	37.80	75.60	151.20	378.00	756.00	7,560	1.60	3.35
1 to 1½ years.....	19.18	38.36	76.72	153.44	383.60	767.20	7,672	2.28	3.38
1½ to 2 years.....	19.48	38.96	77.92	155.84	389.60	779.20	7,792	2.56	3.80

Revised redemption values and investment yields

2 to 2½ years.....	\$19.82	\$39.64	\$79.28	\$158.56	\$396.40	\$792.80	\$7,928	2.79	3.92
2½ to 3 years.....	20.17	40.34	80.68	161.36	403.40	806.80	8,068	2.94	3.95
3 to 3½ years.....	20.53	41.06	82.12	164.24	410.60	821.20	8,212	3.05	3.99
3½ to 4 years.....	20.91	41.82	83.64	167.28	418.20	836.40	8,364	3.14	4.01
4 to 4½ years.....	21.30	42.60	85.20	170.40	426.00	852.00	8,520	3.21	4.04
4½ to 5 years.....	21.70	43.40	86.80	173.60	434.00	868.00	8,680	3.27	4.07
5 to 5½ years.....	22.12	44.24	88.48	176.96	442.40	884.80	8,848	3.33	4.10
5½ to 6 years.....	22.55	45.10	90.20	180.40	451.00	902.00	9,020	3.38	4.13
6 to 6½ years.....	22.99	45.98	91.96	183.92	459.80	919.60	9,196	3.43	4.17
6½ to 7 years.....	23.44	46.88	93.76	187.52	468.80	937.60	9,376	3.46	4.22
7 to 7½ years.....	23.91	47.82	95.64	191.28	478.20	956.40	9,564	3.50	4.28
7½ to 8 years.....	24.40	48.80	97.60	195.20	488.00	976.00	9,760	3.54	4.34
8 to 8½ years.....	24.90	49.80	99.60	199.20	498.00	996.00	9,960	3.58	4.47
8½ 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, 1939, revision.

† Revised approximate investment yield from effective date of revision to maturity.

¹ 5-month period in the case of the 8½ year to 8 year and 11 month period.

TABLE 41

UNITED STATES SAVINGS BONDS—SERIES E

TABLE OF REDEMPTION VALUES AND INVESTMENT YIELDS

FOR BONDS BEARING ISSUE DATES JUNE 1 THROUGH NOVEMBER 1, 1958

Table showing: (1) How bonds of Series E bearing issue dates June 1 through November 1, 1958, 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 percent per annum, compounded semiannually.

Maturity value..... issue price.....	\$25.00 18.75	\$50.00 37.50	\$100.00 75.00	\$200.00 150.00	\$500.00 375.00	\$1,000.00 750.00	\$10,000 7,500	Approximate investment yield	
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 ½ year.....	\$18.75	\$37.50	\$75.00	\$150.00	\$375.00	\$750.00	\$7,500	0.00	3.25
½ to 1 year.....	18.90	37.80	75.60	151.20	378.00	756.00	7,560	1.60	3.35
1 to 1½ years.....	19.18	38.36	76.72	153.44	383.60	767.20	7,672	2.28	13.88

Revised redemption values and redemption yields

1½ to 2 years.....	\$19.49	\$38.98	\$77.96	\$155.92	\$389.80	\$779.60	\$7,796	2.00	3.92
2 to 2½ years.....	19.83	39.66	79.32	158.64	396.60	793.20	7,932	2.82	3.95
2½ to 3 years.....	20.18	40.36	80.72	161.44	403.60	807.20	8,072	2.96	3.98
3 to 3½ years.....	20.55	41.10	82.20	164.40	411.00	822.00	8,220	3.06	4.01
3½ to 4 years.....	20.93	41.86	83.72	167.44	418.60	837.20	8,372	3.17	4.04
4 to 4½ years.....	21.33	42.66	85.32	170.64	426.60	853.20	8,532	3.25	4.06
4½ to 5 years.....	21.74	43.48	86.96	173.92	434.80	869.60	8,696	3.32	4.08
5 to 5½ years.....	22.16	44.32	88.64	177.28	443.20	886.40	8,864	3.37	4.11
5½ to 6 years.....	22.59	45.18	90.36	180.72	451.80	903.60	9,036	3.42	4.15
6 to 6½ years.....	23.03	46.06	92.12	184.24	460.60	921.20	9,212	3.46	4.19
6½ to 7 years.....	23.50	47.00	94.00	188.00	470.00	940.00	9,400	3.50	4.21
7 to 7½ years.....	23.97	47.94	95.88	191.76	479.40	958.80	9,588	3.54	4.27
7½ to 8 years.....	24.46	48.92	97.84	195.68	489.20	978.40	9,784	3.58	4.33
8 to 8½ years.....	24.96	49.92	99.84	199.68	499.20	998.40	9,984	3.61	4.46
8½ 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, 1959, revision.

¹Revised approximate investment yield from effective date of revision to maturity.

¹ 5-month period in the case of the 8½ year to 8 year and 11 month period.

TABLE 42

UNITED STATES SAVINGS BONDS—SERIES E

TABLE OF REDEMPTION VALUES AND INVESTMENT YIELDS FOR BONDS BEARING SERIES E DATES DECEMBER 1, 1959, THROUGH MAY 1, 1959

Table showing: 1. How values of Series E bonds increase after December 1, 1959, through May 1, 1959, by demonstrating the increase in redemption value during periods of half-year periods from issue; 2. the approximate investment yield from the purchase price from issue data to the beginning of each half-year period; and 3. the approximate investment yield from the current redemption value from the beginning of each half-year period to maturity. Yields are expressed in terms of rate percent per annum, compounded semiannually.

Maturity value	\$25.00	\$50.00	\$100.00	\$250.00	\$500.00	\$1,000.00	\$10,000.00	Approximate investment yield	
Issue price	18.75	37.50	75.00	187.50	375.00	750.00	7,500.00		
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	3. On current redemption value from beginning of each half-year period to maturity
First 1/2 year	\$18.75	\$37.50	\$75.00	\$187.50	\$375.00	\$750.00	\$7,500.00	Percent 0.60	Percent 3.25
1/2 to 1 year	18.90	37.80	75.60	191.20	378.00	756.00	7,580.00	1.60	3.55

Revised redemption values and investment yields

1 to 1 1/2 years	\$19.19	\$38.38	\$76.76	\$191.91	\$383.82	\$767.64	\$7,676.40	2.33	3.90
1 1/2 to 2 years	19.50	39.00	78.00	195.00	390.00	780.00	7,800.00	2.63	3.95
2 to 2 1/2 years	19.84	39.68	79.36	198.40	396.80	793.60	7,936.00	2.85	3.98
2 1/2 to 3 years	20.20	40.40	80.80	202.00	404.00	808.00	8,080.00	3.00	4.01
3 to 3 1/2 years	20.58	41.16	82.32	205.80	411.60	823.20	8,232.00	3.13	4.03
3 1/2 to 4 years	20.98	41.92	83.84	209.80	419.60	839.20	8,392.00	3.21	4.06
4 to 4 1/2 years	21.36	42.72	85.44	213.60	427.20	854.40	8,544.00	3.28	4.09
4 1/2 to 5 years	21.77	43.54	87.08	217.70	435.40	870.80	8,708.00	3.35	4.11
5 to 5 1/2 years	22.20	44.40	88.80	222.00	444.00	888.00	8,880.00	3.41	4.14
5 1/2 to 6 years	22.64	45.28	90.56	226.40	452.80	905.60	9,056.00	3.46	4.16
6 to 6 1/2 years	23.08	46.16	92.32	230.80	461.60	923.20	9,232.00	3.49	4.21
6 1/2 to 7 years	23.55	47.10	94.20	235.50	471.00	942.00	9,420.00	3.54	4.23
7 to 7 1/2 years	24.02	48.04	96.08	240.20	480.40	960.80	9,608.00	3.57	4.30
7 1/2 to 8 years	24.52	49.04	98.08	245.20	490.40	980.80	9,808.00	3.61	4.35
8 to 8 1/2 years	25.02	50.04	100.08	250.20	500.40	1,000.80	10,008.00	3.64	4.49
8 1/2 years to 8 years and 11 months	25.54	51.08	102.16	254.32	510.80	1,021.60	10,216.00	3.67	4.90
Maturity value 6 1/2 years and 11 months from issue date	26.06	52.12	104.24	260.48	521.20	1,042.40	10,424.00	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—PAYMENT BY BANKS AND OTHER FINANCIAL INSTITUTIONS IN CONNECTION WITH THE REDEMPTION OF UNITED STATES SAVINGS BONDS

Subpart A—Authority To Act

- § 321.1 Financial institutions authorized to act. [Amended]
- § 321.2 Application and qualification. [Amended]

Subpart B—General

- § 321.4 Meaning of terms in this part. [Amended]

Subpart C—Scope of Authority of Paying Agents

- § 321.8a Redemption-exchange of Series E, F and J bonds for Series H bonds. [Added]
- § 321.9 Specific limitations of payment authority. [Revised]

Subpart A—Authority To Act

- § 321.1 Financial institutions authorized to act.

COMPLICATION: In § 321.1(e) the words "and redemption-exchange" were added after the word "redemption", 1959 Dept. Circ. 750, Rev., Supp. 1, 25 F.R. 407, Jan. 19, 1960.

- § 321.2 Application and qualification.

(b) An agent duly qualified to act under Department Circular No. 750, Revised, may act in connection with the redemption-exchange of Series E, F and J bonds under the provisions of Department Circular No. 1036, and in so acting, it is bound by and must comply with the provisions of this supplement.

COMPLICATION: In § 321.2 the introduction to the section was amended by adding the words "and redemption-exchange" after the word "redemption" in the third sentence and by adding a new paragraph (b), 1959 Dept. Circ. 750, Rev., Supp. 1, 25 F.R. 407, Jan. 19, 1960.

Subpart B—General

- § 321.4 Meaning of terms in this part.

(b) "Bond(s)" shall include only United States Savings Bonds of Series A, B, C, D or E presented for cash payment, and Series E, F and J bonds presented for redemption-exchange for Series H bonds under the provisions of Department Circular No. 1036. Savings bonds of Series G, H and K, and bonds

of Series F ineligible for redemption-exchange under Department Circular No. 1036 are not included.

COMPLICATION: In § 321.4(a) the words "and redemption-exchange" were added after the word "redemption" in the first sentence and paragraph (b) was amended, 1959 Dept. Circ. 750, Rev., Supp. 1, 25 F.R. 407, Jan. 19, 1960.

Subpart C—Scope of Authority of Paying Agents

- § 321.8a Redemption-exchange of Series E, F and J bonds for Series H bonds.

Subject to the terms of the bonds, the provisions of the regulations governing them (Treasury Department Circular No. 530 as currently in effect on the date of the redemption-exchange), and the provisions of this circular, an agent may accept for redemption-exchange Series E, F and J bonds under the provisions of Department Circular No. 1036.

[1959 Dept. Circ. 750, Rev., Supp. 1, 25 F.R. 407, Jan. 19, 1960]

- § 321.9 Specific limitations of payment authority.

An agent is not authorized to pay a bond:

(a) If the bond is presented for payment prior to the expiration of two months from the issue date (the issue date should not be confused with the date appearing in the issuing agent's dating stamp). Any payment or advance to a bond owner before a bond is eligible for redemption is not authorized in any circumstance.

(b) If the agent does not know or cannot establish to its complete satisfaction the identity of the person requesting payment as the owner of the bond (including the establishment of the identity of parents requesting payment on behalf of minor children, as set forth in § 321.8(b)).

(c) If the owner requesting payment (form for which appears on the back of each bond) does not sign his name in ink as it is inscribed on the face of the bond and show his home or business address. (See also § 321.8 (a) and (b) and § 321.10 (d).)

(d) If the bond appears to bear a material irregularity, for example, an altered, illegible, incomplete, or unauthorized inscription, issue date or issuing

agent's validating stamp impression; or if a bond appears to be altered, or is mutilated or defaced in such a manner as to create doubt or arouse suspicion with respect to the bond or any essential part thereof.

(e) If Treasury Department regulations require the submission of documentary evidence to support the redemption of the bond, as in the case of deceased owners, incompetents or minors under legal guardianship or the change of an owner's name as inscribed on a bond if for any reason other than marriage.

(f) If the owner named on the bond and requesting payment is a minor who, in the opinion of the agent, is not of sufficient competency and understanding to execute the request for payment and comprehend the nature of such act. (Note the authority granted to agents to make payments of bonds to either parent on behalf of a minor child under the provisions of § 321.8(b).)

(g) If it is known to the agent that the owner has been declared, in accordance with law, incompetent to manage his estate.

(h) If partial redemption is requested. Attention is directed to § 321.17 for handling bonds of the foregoing classes of cases which may not be paid by agents. [1961 Dept. Circ. 750, Rev., Amtd. 14, 26 F.R. 4449, May 24, 1961]

**PART 325—PAYMENTS BY BANKS
AND OTHER FINANCIAL INSTITU-
TIONS IN CONNECTION WITH RE-
DEMPTION OF ARMED FORCES
LEAVE BONDS [REVOKED, 27 F.R.
9384, SEPT. 21, 1962]**

PART 330—REGULATIONS GOVERNING THE SPECIAL ENDORSEMENT OF UNITED STATES SAVINGS BONDS OF ANY SERIES AND THE PAYMENT OF MATURED SERIES F AND G BONDS BY ELIGIBLE PAYING AGENTS

Sec.

330.8 Payment or exchange of bonds.
[Amended]

§ 330.8 Payment or exchange of bonds.

(a) *Payment of Series A-F and J bonds by paying agents*—(1) *Payment of Series A-E bonds inclusive for cash.* Bonds of Series A to E, inclusive, bearing the special endorsement (see §§ 330.3 and 330.6) may be paid by a paying agent pursuant to the authority and subject, in all other respects, to the provisions and conditions of Department Circular No. 75ⁿ, Revised, and the instructions issued pursuant thereto. Series A to E bonds, inclusive, which bear the special endorsement and which are thereafter paid by the paying agent under Department Circular No. 750, Revised, will be combined with other Series A to E bonds paid under that circular and forwarded to the Federal Reserve Bank of the District.

(2) *Payment of Series E, F and J bonds on redemption-exchange for Series H bonds.* All outstanding Series E and J bonds and all Series F bonds with issue dates on and after January 1, 1948, provided that such Series F bonds are received not later than six months from the month of maturity, presented for redemption-exchange under the provisions of Department Circular No. 1036, which bear the special endorsement (see §§ 330.3 and 330.6), may be paid by a paying agent pursuant to the authority and subject, in all other respects, to the provisions and conditions of Department Circular No. 750, Revised, and the instructions issued pursuant thereto.

[Paragraph (a) amended, 1959 Dept. Circ. 888, Rev., Supp. 1, 25 F.R. 407, Jan. 19, 1960]

PART 332—OFFERING OF UNITED STATES SAVINGS BONDS, SERIES H (REVISED)

- Sec.
- 332.1 Principal scope of part—new Series H bonds with higher yields—future increased investment yields for all outstanding Series H bonds.
- 332.2 Authority for part.
- 332.3 New Series H bonds—investment yield 3.75 percent per annum compounded semiannually to maturity—effective date June 1, 1959.
- 332.4 Bonds purchased before new stock is available.
- 332.5 Description (registered form only—denominations—issue date, etc.).
- 332.6 Registration.
- 332.7 Limitation on holdings.
- 332.8 Nontransferability.
- 332.9 Issue prices of bonds.
- 332.10 Purchase of bonds.
- 332.11 Delivery of bonds.
- 332.12 Improvement of investment yield and extension of term for outstanding Series H bonds.
- 332.13 Taxation.
- 332.14 Lost, stolen, or destroyed bonds.
- 332.15 Payment or redemption.
- 332.16 Payment or redemption in the case of disability or death.
- 332.17 General provisions.

Appendix—Tables of checks issued and investment yields.

AUTHORITY: §§ 332.1 to 332.17 issued under sec. 22, 49 Stat. 21, as amended, sec. 25, Pub. Law 86-346; 31 U.S.C. 757c.

SOURCE: §§ 332.1 to 332.17 contained in 1959 Department Circular 906, 2nd Revision, 24 F.R. 8045, Oct. 6, 1959, except as otherwise noted.

§ 332.1 Principal scope of part—new Series H bonds with higher yields—future increased investment yields for all outstanding Series H bonds.

This part offers for sale new United States Savings Bonds of Series H with a higher investment yield and provides for improved investment yields on all outstanding unmaturing United States Savings Bonds of Series H. See §§ 332.3 and 332.12. These improvements will accrue to owners without any special action on their part. The bonds are hereinafter generally referred to as Series H bonds.

§ 332.2 Authority for part.

This part is issued pursuant to the provisions of sections 22 and 25 of the Second Liberty Bond Act, as amended. Under the authority of section 25 of the Act, the President of the United States has found that with respect to United States Savings Bonds of Series H it is

necessary in the national interest to exceed, as provided herein, the maximum interest rate and investment yield prescribed by section 22.¹

§ 332.3 New Series H bonds—investment yield 3.75 percent per annum compounded semiannually to maturity—effective date June 1, 1959.

(a) *New Series H bonds.* The Secretary of the Treasury offers for sale to the people of the United States new United States Savings Bonds of Series H with a higher investment yield to maturity (as well as higher intermediate yields), as provided in paragraph (b) of this section. Otherwise, these bonds will be substantially a continuation of the Series H bonds heretofore available. This offering of bonds will continue until terminated by the Secretary of the Treasury.

(b) *Investment yield (interest).* Series H bonds will be issued at par, and may be redeemed at par, at the owner's option, at any time after six months from the issue date, but only upon one calendar month's notice as provided in § 332.15. They will bear interest from the issue date payable semiannually by check drawn to the order of the registered owner or coowners, beginning six months from the issue date. Interest payments will be made on a graduated scale of amounts (as shown in Table 1 of this part) which have been fixed to afford an investment yield of approximately 3.75 percent per annum, compounded semiannually, if the bonds are held to maturity, which will be 10 years from the issue date; but the yield will be less if they are redeemed prior to maturity. Interest will cease at maturity, or in the case of redemption before maturity, at the end of the interest period

¹ The maximum rate and yield prescribed by section 22 is 3.26 per centum per annum, compounded semiannually.

Section 25 of the Second Liberty Bond Act as added by the Act approved September 22, 1959 (Public Law 86-346), provides as follows:

"In the case of any offering of United States savings bonds issued or to be issued under section 22 of this Act, the maximum limits on the interest rate or the investment yield or both may be exceeded upon a finding by the President with respect to such offering that the national interest requires that such maximum limits be exceeded: *Provided, however,* That in no event may the interest rate or the investment yield exceed 4½ per centum per annum."

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.

(c) *Effective date.* For the purposes of this section all Series H bonds with issue dates of June 1, 1959, through September 1, 1959, as well as subsequent issue dates, shall be deemed to be new Series H bonds, and the investment yield provided in paragraph (b) of this section shall apply to them.

§ 332.4 Bonds purchased before new stock is available.

Until bonds have been printed and supplied to issuing agents, Series H bonds in the form on sale prior to June 1, 1959, will be issued for purchases under this part. Series H bonds purchased in the interval until the new stocks are available will carry the new investment yield and all other privileges as fully as if expressly set forth in the text of the bonds. If they desire to do so, owners of bonds with the issue date of June 1, 1959, or thereafter, may exchange such bonds at any Federal Reserve Bank or branch, or at the Office of the Treasurer of the United States, Washington 25, D.C., for bonds in the new form (with the same registration and issue dates) when the latter become available, but they need not do so because the Treasury Department will, as a matter of course, issue interest checks for all Series H bonds with the issue date of June 1, 1959, or thereafter, in the appropriate amounts as set forth in Table 1 of this part.

§ 332.5 Description (registered form only — denominations — issue date, etc.).

Series H bonds are issued only in registered form and in denominations of \$500, \$1,000, \$5,000 and \$10,000. Each bond will bear the facsimile signature of the Secretary of the Treasury and an imprint of the Seal of the Treasury Department. At the time of issue, the issuing agent will inscribe on the face of each bond the name and address of the owner and the name of the coowner or beneficiary, if any; will enter in the upper right-hand portion of the bond the issue date (which shall be the first day of the month and year in which payment of the issue price is received by an authorized issuing agent); and will imprint the agent's dating stamp in the

lower right-hand portion to show the date the bond is actually inscribed. As indicated in § 332.3(b), the issue date is important in determining the date on which the bond becomes redeemable, its maturity date and yield thereto as well as its intermediate yield. Accordingly, it should not be confused with the date on the agent's dating stamp. A Series H bond shall be valid only if an authorized issuing agent receives payment therefor, duly inscribes, dates, stamps and delivers it. See § 332.6 for forms of registration.

§ 332.6 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 invest in Series H bonds. The bonds may be registered in the names of natural persons in their own right in the three conventional forms of registration, single ownership, coownership and beneficiary forms, heretofore available and in the names and titles of fiduciaries and organizations, as set forth below. Full information regarding eligibility to invest in savings bonds and authorized forms of registration and rights thereunder will be found in the regulations currently in force governing United States Savings Bonds (Part 315 of this chapter, Department Circular No. 530).

(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 form.

(c) *Others (only in single ownership form).* The bonds may also be registered as follows:

(1) *Fiduciaries.* In the names and titles of any persons or organizations, public or private, as fiduciaries (including legal guardians, custodians, conservators and trustees), except 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 organization.* 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, which are defined for this purpose as those accepting demand deposits.

§ 332.7 Limitation on holdings.

The limits on the amount of any Series H bonds originally issued during any one calendar year that may be held by any one person at any one time (which will be computed in accordance with the regulations currently in force governing United States Savings Bonds)¹ are:

(a) *General limitation.* \$20,000 (maturity value) for the calendar year 1962 and each calendar year thereafter.

[Introductory text and paragraph (a) amended, Amdt. 1, 26 F.R. 11215, Nov. 28, 1961]

(b) *Special limitation for owners of maturing savings bonds of Series F, G, J and K.* Owners of outstanding savings bonds of Series F, Series G, Series J and Series K are hereby granted the privilege of applying the proceeds of the bonds, at or after maturity, to the purchase of Series H bonds without regard to the general limitation on holdings, under the following restrictions and conditions.

(1) This privilege extends to all owners of matured and maturing bonds of Series F, Series G, Series J and Series K, except bonds registered in the names of commercial banks in their own right (as distinguished from a representative or fiduciary capacity). For this purpose commercial banks are defined as those accepting demand deposits.

(2) It is subject to the restrictions prescribed in § 315.6 of the savings bond regulations.²

(3) The matured bonds must be presented to a Federal Reserve Bank or Branch for the specified purpose of taking advantage of this privilege.

(4) Series H bonds may be purchased with the proceeds of the matured bonds only up to the denominational amounts that the proceeds thereof will fully cover; any difference between such proceeds and the purchase price of Series H

bonds will be paid to the owner.

(5) The Series H bonds will be registered in the name of the owner in any authorized form of registration.

(6) They will be dated as of the first day of the month in which the matured bonds are presented to a Federal Reserve Bank or Branch.

(7) This privilege will continue until terminated by the Secretary of the Treasury.

[Paragraph (b) amended, 28 F.R. 11133, Oct. 17, 1963]

§ 332.8 Nontransferability.

Series H bonds may not be used as collateral for a loan or as security for the performance of an obligation, or transferred inter vivos by voluntary sale or gift, discounted or disposed of in any manner other than as provided in the regulations governing United States Savings Bonds. Except as provided in said regulations, the Treasury Department will recognize only the inscribed owner, during his lifetime, and thereafter his estate or heirs.

§ 332.9 Issue prices of bonds.

The issue prices of the various denominations of Series H bonds will be the par amount thereof as follows: \$500, \$1,000, \$5,000 and \$10,000.

§ 332.10 Purchase of bonds.

(a) *Agencies.* Series H bonds may be purchased only at Federal Reserve Banks and Branches, and at the Office of the Treasurer of the United States, Washington 25, D.C. Customers of commercial banks and trust companies may be able to arrange for the purchase of Series H bonds through such institutions, but only the Federal Reserve Banks and Branches and the Treasury Department are authorized to act as official agencies, and the date of receipt of application and payment at an official agency will govern the dating of the bonds issued.

(b) *Application.* In applying for purchases of Series H bonds, the applicant should furnish: (1) Instructions for registration of the bonds to be issued, which must be in one of the authorized forms (see § 332.6); (2) the post office address of the owner; (3) the address for delivery of the bonds; and (4) the address for mailing interest checks. The application should be forwarded to a Federal Reserve Bank or Branch or to the Treasurer of the United States,

¹ The investment yields to maturity heretofore prescribed for the bonds referred to in section 332.12 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.

² Department Circular No. 530, current revision.

Washington 25, D.C., 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 the provisions of Treasury Department Circular No. 92, Revised (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) *Identifying numbers.* The applicant will furnish the appropriate identifying number of the owner or first-named coowner, as the case may be, 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), and the issuing agent will, in addition to the other data prescribed by § 332.5, include such identifying number on the bond following the name of the owner or first-named coowner.

[Paragraph (c) added, 28 F.R. 910, Jan. 31, 1963]

§ 332.11 Delivery of bonds.

Authorized issuing agencies 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.

§ 332.12 Improvement of investment yield and extension of term for outstanding Series H bonds.

(a) *Increased future investment yields to maturity for all outstanding bonds with issue dates of June 1, 1952 through May 1, 1959.*¹ The investment yields on all outstanding Series H bonds with

¹ For bonds with issue dates of June 1, 1959, or thereafter, see § 332.3.

issue dates prior to June 1, 1959, are hereby increased (for the remaining period to maturity) by not less than one-half of one percent, and by lesser amounts if they are redeemed earlier.² The resulting yields are in terms of rate percent per annum, compounded semi-annually. See Tables 2 through 16 at the end of this part for revised schedules of interest checks and investment yields. This increase will be effective beginning with the interest checks 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) *Optional extension privilege for owners of bonds with issue dates of June 1, 1952, through January 1, 1957.* Owners of bonds with the above issue dates are hereby granted the privilege of retaining their bonds for an additional period of 10 years with an investment yield of approximately 3.75 percent payable semiannually. This privilege is generally referred to elsewhere in these regulations and the regulations governing United States Savings Bonds as an "optional extension privilege." No special action is required of owners desiring to take advantage of this optional extension privilege. Merely by holding their bonds after maturity they 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 date. Interest payments will be made in the amounts shown in Tables 2-A through 11-A at the end of this circular. Term "owners" as used in this section includes registered owners, coowners, surviving beneficiaries, next of kin, and legatees of deceased owners, and persons who have acquired bonds pursuant to judicial proceedings against the owners, except that judgment creditors, trustees in bankruptcy, and receivers of insolvents' estates will have the right only to payment in accordance with the regulations governing United States Savings Bonds.

[Amdt. 1, 26 F.R. 8249, Sept. 1, 1961]

² The investment yields to maturity heretofore prescribed for the bonds referred to in section 332.12 were (according to issue dates) as follows:

June 1, 1952, through Jan. 1, 1957.... 3.00
 Feb. 1, 1957, through May 1, 1959.... 3.25
 percent per annum compounded semi-annually.

§ 332.13 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, or any of the possessions of the United States, or by any local taxing authority.

§ 332.14 Lost, stolen, or destroyed bonds.

If a Series H bond is lost, stolen or destroyed, a substitute may be issued or payment may be obtained upon identification of the bond and proof of its loss, theft or destruction. The owner should keep a description of his bonds by series, denomination, serial number and name of coowner or beneficiary, if any, apart from the bonds, and in case of loss, theft or destruction should immediately notify the Bureau of the Public Debt, Division of Loans and Currency Branch, 536 South Clark Street, Chicago 5, Illinois, briefly stating the facts and describing the bonds. Full instructions for obtaining substitute bonds or payment will then be given.

§ 332.15 Payment or redemption.

(a) *Prior to maturity.* Prior to maturity a bond of Series H 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 on the first day of a calendar month and upon one month's notice in writing, by (1) a Federal Reserve Bank or Branch, (2) the Bureau of the Public Debt, Division of Loans and Currency Branch, 536 South Clark Street, Chicago 5, Illinois, or (3) the Treasurer of the United States, Washington 25, D.C. 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 agency not less than twenty days before the redemption date fixed by the notice.

(b) *At maturity.* Upon maturity a bond of Series H will be redeemed at par upon presentation of the bond with a duly executed request for payment to one of the agencies designated in paragraph (a) of this section. In the case of any Series H bond for which an optional extension privilege has been provided, such bond 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.²

(c) *During optional extension period.* Any bond of Series H 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 matures, be regarded as unmatured 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.
[Amdt. 1, 26 F.R. 8250, Sept. 1, 1961]

§ 332.16 Payment or redemption in the case of disability or death.

In case of the disability of the registered owner, or the death of the registered owner not survived by a coowner or a designated beneficiary, instructions should be obtained from a Federal Reserve Bank or Branch or the Bureau of the Public Debt, Division of Loans and Currency Branch, 536 South Clark Street, Chicago 5, Illinois, before the request for payment is executed.

§ 332.17 General provisions.

(a) *Regulations.* All Series H bonds issued pursuant to this circular shall be subject to the regulations prescribed from time to time by the Secretary of the Treasury to govern United States Savings Bonds. The present regulations are set forth in Treasury Department Circular No. 530, current revision (Part 315 of this chapter), copies of which may be obtained on application to the Treasury Department or to any Federal Reserve Bank or Branch.

² For example, if a bond is dated June 1, 1952, the date of original maturity is Feb. 1, 1962. The date on which the right to payment without advance notice will be suspended is May 1, 1962.

(b) *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.

(c) *Previous circulars—preservation of existing rights.* The provisions of previous Treasury Department circulars not in conformity herewith are hereby modified and amended accordingly: *Provided, however,* That nothing contained in this part shall limit or be construed to limit or restrict any existing rights which owners of Series H bonds have acquired under the circulars previously in force.

(d) *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.

(e) *Reservation as to terms of part.* The Secretary of the Treasury may at any time or from time to time supplement or amend the terms of this part, or of any amendments or supplements thereto.

APPENDIX—TABLES OF CHECKS ISSUED AND INVESTMENT YIELDS

TABLE 1

 UNITED STATES SAVINGS BONDS—SERIES H
 TABLE OF CHECKS ISSUED AND INVESTMENT YIELDS
 FOR BONDS BEARING ISSUE DATES BEGINNING JUNE 1, 1969

Table showing: (1) Amount of interest checks paid on United States Savings Bonds of Series H bearing issue dates beginning June 1, 1969 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.

Face value	Maturity value.....	\$500	\$1,000	\$5,000	\$10,000	Approximate investment yield on face value	
	Redemption value ¹	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
	Issue price.....	500	1,000	5,000	10,000		
Period of time bond is held after issue date		(1) Amounts of interest checks for each denomination				Percent	Percent
1/4 year.....		\$4.00	\$8.00	\$40.00	\$80.00	1.60	3.88
1 year.....		7.25	14.50	72.50	145.00	2.25	3.95
1 1/2 years.....		8.00	16.00	80.00	160.00	2.56	4.00
2 years.....		10.00	20.00	100.00	200.00	2.91	4.00
2 1/2 years.....		10.00	20.00	100.00	200.00	3.12	4.00
3 years.....		10.00	20.00	100.00	200.00	3.26	4.00
3 1/2 years.....		10.00	20.00	100.00	200.00	3.36	4.00
4 years.....		10.00	20.00	100.00	200.00	3.44	4.00
4 1/2 years.....		10.00	20.00	100.00	200.00	3.49	4.00
5 years.....		10.00	20.00	100.00	200.00	3.54	4.00
5 1/2 years.....		10.00	20.00	100.00	200.00	3.58	4.00
6 years.....		10.00	20.00	100.00	200.00	3.61	4.00
6 1/2 years.....		10.00	20.00	100.00	200.00	3.64	4.00
7 years.....		10.00	20.00	100.00	200.00	3.66	4.00
7 1/2 years.....		10.00	20.00	100.00	200.00	3.68	4.00
8 years.....		10.00	20.00	100.00	200.00	3.70	4.00
8 1/2 years.....		10.00	20.00	100.00	200.00	3.71	4.00
9 years.....		10.00	20.00	100.00	200.00	3.72	4.00
9 1/2 years.....		10.00	20.00	100.00	200.00	3.74	4.00
10 years (maturity).....		10.00	20.00	100.00	200.00	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
UNITED STATES SAVINGS BONDS—SERIES H
TABLE OF CHECKS ISSUED AND INVESTMENT YIELDS

FOR BONDS BEARING ISSUE DATES FROM JUNE 1 THROUGH NOVEMBER 1, 1953

Table showing: (1) Amount of interest checks paid on United States Savings Bonds of Series H, 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.

Face value— Maturity value..... Redemption value ¹ Issue price.....	\$500	\$1,000	\$5,000	\$10,000	Approximate investment yield on face value	
	500	1,000	5,000	10,000		
Period of time bond is held after issue date	(1) Amounts of interest checks for each denomination				(2) From issue date to each interest payment date	(3) From each interest payment date to maturity*
					Percent	Percent
½ year.....	\$2.00	\$4.00	\$20.00	\$40	0.80	*3.13
1 year.....	6.25	12.50	62.50	125	1.65	*3.18
1½ years.....	6.25	12.50	62.50	125	1.93	*3.22
2 years.....	6.25	12.50	62.50	125	2.07	*3.27
2½ years.....	6.25	12.50	62.50	125	2.15	*3.34
3 years.....	6.25	12.50	62.50	125	2.21	*3.41
3½ years.....	6.25	12.50	62.50	125	2.25	*3.49
4 years.....	6.25	12.50	62.50	125	2.28	*3.58
4½ years.....	8.50	17.00	85.00	170	2.40	*3.60
5 years.....	8.50	17.00	85.00	170	2.49	*3.63
5½ years.....	8.50	17.00	85.00	170	2.57	*3.66
6 years.....	8.50	17.00	85.00	170	2.63	*3.69
6½ years.....	8.50	17.00	85.00	170	2.69	*3.74
7 years.....	8.50	17.00	85.00	170	2.73	*4.31

Revised amounts of interest checks and investment yields

	\$8.75	\$17.50	\$87.50	\$175	2.78	4.51
7½ years.....	8.75	17.50	87.50	175	2.82	4.53
8 years.....	10.10	20.20	101.00	202	2.88	4.18
8½ years.....	10.10	20.20	101.00	202	2.94	6.06
9 years.....	10.10	20.20	101.00	202	2.99	12.37
9 years and 8 months (maturity).....	10.10	20.20	101.00	202	3.13	

* 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.

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.

TABLE 2-A—UNITED STATES SAVINGS BONDS—SERIES H
TABLE OF CHECKS ISSUED AND INVESTMENT YIELDS

FOR BONDS BEARING ISSUE DATES FROM JUNE 1 THROUGH NOVEMBER 1, 1953

Table showing: (1) Amounts of interest checks paid on United States Savings Bonds of Series H, 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, (a) to maturity, or (b) to extended maturity. Yields are expressed in terms of rate percent per annum, compounded semiannually.

Maturity value..... Face value Redemption value..... Issue price.....	\$500 500 500	\$1,000 1,000 1,000	\$5,000 5,000 5,000	\$10,000 10,000 10,000	Approximate investment yield on face value†	
					(2) From issue date to each interest payment date	(3) From each interest payment date
Period of time bond is held after issue date	(1) Amounts of interest checks for each denomination				(a) To maturity*	(b) To extended maturity*
					Percent	Percent
1/4 year.....	\$2.00	\$4.00	\$20.00	\$40.00	0.80	*3.13
1 year.....	6.25	12.50	62.50	125.00	1.65	*3.18
1 1/4 years.....	6.25	12.50	62.50	125.00	1.93	*3.22
1 1/2 years.....	6.25	12.50	62.50	125.00	2.07	*3.27
1 3/4 years.....	6.25	12.50	62.50	125.00	2.15	*3.34
2 years.....	6.25	12.50	62.50	125.00	2.21	*3.41
2 1/4 years.....	6.25	12.50	62.50	125.00	2.25	*3.49
2 1/2 years.....	6.25	12.50	62.50	125.00	2.28	*3.53
2 3/4 years.....	8.50	17.00	85.00	170.00	2.40	*3.60
3 years.....	8.50	17.00	85.00	170.00	2.49	*3.63
3 1/4 years.....	8.50	17.00	85.00	170.00	2.57	*3.66
3 1/2 years.....	8.50	17.00	85.00	170.00	2.63	*3.69
3 3/4 years.....	8.50	17.00	85.00	170.00	2.69	*3.74
4 years.....	8.50	17.00	85.00	170.00	2.73	*4.31

Table 2-A--Continued

Amounts of interest checks and investment yields to maturity on basis of June 1, 1959, revision

7½ years.....	\$8.75	\$17.50	\$87.50	\$175.00	2.78	4.51
8 years.....	8.75	17.50	87.50	175.00	2.82	4.83
8½ years.....	10.10	20.20	101.00	202.00	2.88	5.18
9 years.....	10.10	20.20	101.00	202.00	2.94	6.06
9½ years.....	10.10	20.20	101.00	202.00	2.99	12.37
9 years and 8 months (maturity)....	10.10	20.20	101.00	202.00	3.12	-----
Period of time bond is held after maturity date	Extended maturity period					(b) To extended maturity**
¼ year.....	\$0.37	\$18.75	\$93.75	\$187.50	3.15	3.75
1 year.....	0.37	18.75	93.75	187.50	3.17	3.75
1½ years.....	0.37	18.75	93.75	187.50	3.19	3.75
2 years.....	0.37	18.75	93.75	187.50	3.21	3.75
2½ years.....	0.37	18.75	93.75	187.50	3.23	3.75
3 years.....	0.37	18.75	93.75	187.50	3.25	3.75
3½ years.....	0.37	18.75	93.75	187.50	3.26	3.75
4 years.....	0.37	18.75	93.75	187.50	3.27	3.75
4½ years.....	0.37	18.75	93.75	187.50	3.29	3.75
5 years.....	0.38	18.75	93.75	187.50	3.30	3.75
5½ years.....	0.38	18.75	93.75	187.50	3.31	3.75
6 years.....	0.38	18.75	93.75	187.50	3.32	3.75
6½ years.....	0.38	18.75	93.75	187.50	3.33	3.75
7 years.....	0.38	18.75	93.75	187.50	3.34	3.75
7½ years.....	0.38	18.75	93.75	187.50	3.35	3.75
8 years.....	0.38	18.75	93.75	187.50	3.36	3.75
8½ years.....	0.38	18.75	93.75	187.50	3.36	3.75
9 years.....	0.38	18.75	93.75	187.50	3.37	3.75
9½ years.....	0.38	18.75	93.75	187.50	3.38	3.75
10 years (extended maturity)†.....	0.38	18.75	93.75	187.50	3.39	-----

† 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 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.

† 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 and 8 months from issue date.

[Amdt. 1, 26 F.R. 8250, Sept. 1, 1961]

TABLE 3

UNITED STATES SAVINGS BONDS—SERIES H

TABLE OF CHECKS ISSUED AND INVESTMENT YIELDS

FOR BONDS BEARING ISSUE DATES FROM DECEMBER 1, 1962, THROUGH MAY 1, 1963

Table showing: (1) Amount of interest checks paid on United States Savings Bonds of Series H, by denomination, 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 semi-annually.

Face value— (Maturity value..... Redemption value ¹ Issue price.....)	\$500	\$1,000	\$5,000	\$10,000	Approximate investment yield on face value	
	500	1,000	5,000	10,000		
Period of time bond is held after issue date	(1) Amounts of interest checks for each denomination				(2) From issue date to each interest payment date	(3) From each interest payment date to maturity*
					Percent	Percent
1/4 year.....	\$2.00	\$4.00	\$20.00	\$40	0.80	3.13
1 year.....	6.25	12.50	62.50	125	1.65	3.18
1 1/4 years.....	6.25	12.50	62.50	125	1.98	3.22
2 years.....	6.25	12.50	62.50	125	2.07	3.27
2 1/4 years.....	6.25	12.50	62.50	125	2.15	3.34
3 years.....	6.25	12.50	62.50	125	2.21	3.41
3 1/4 years.....	6.25	12.50	62.50	125	2.25	3.45
4 years.....	6.25	12.50	62.50	125	2.28	3.53
4 1/4 years.....	8.50	17.00	85.00	170	2.40	3.60
5 years.....	8.50	17.00	85.00	170	2.49	3.63
5 1/4 years.....	8.50	17.00	85.00	170	2.57	3.66
6 years.....	8.50	17.00	85.00	170	2.63	3.69
6 1/4 years.....	8.50	17.00	85.00	170	2.69	14.24

Revised amounts of interest checks and investment yields

7 years.....	\$8.75	\$17.50	\$87.50	\$175	\$2.74	\$4.39
7 1/4 years.....	8.75	17.50	87.50	175	2.78	4.61
8 years.....	9.85	19.70	98.50	197	2.85	4.52
8 1/4 years.....	9.85	19.70	98.50	197	2.90	5.21
9 years.....	10.15	20.30	101.50	203	2.96	6.09
9 1/4 years.....	10.15	20.30	101.50	203	3.01	12.43
9 years and 6 months (maturity).....	10.15	20.30	101.50	203	3.14	

* Approximate investment yield on the basis of original (prior to June 1, 1960, 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.

† Revised approximate investment yield from effective date of revision to maturity.

‡ At all times, except that bond is not redeemable during first 6 months.

TABLE 3-A—UNITED STATES SAVINGS BONDS—SERIES H
TABLE OF CHECKS ISSUED AND INVESTMENT YIELDS

FOR BONDS BEARING ISSUE DATES FROM DECEMBER 1, 1952, THROUGH MAY 1, 1953

Table showing: (1) Amounts of interest checks paid on United States Savings Bonds of Series H, 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, (a) to maturity, or (b) to extended maturity. Yields are expressed in terms of rate percent per annum, compounded semiannually.

Face value	Maturity value Redemption value ¹ Issue price	\$500 500	\$1,000 1,000	\$5,000 5,000	\$10,000 10,000	Approximate investment yield on face value†	
						(2) From issue date to each interest payment date	(3) From each interest payment date
Period of time bond is held after issue date		(1) Amounts of interest checks for each denomination				(a) To maturity**	
						Percent	Percent
½ year.....		\$2.00	\$4.00	\$20.00	\$40.00	0.90	*3.13
1 year.....		6.25	12.50	62.50	125.00	1.65	*3.18
1½ years.....		6.25	12.50	62.50	125.00	1.93	*3.22
2 years.....		6.25	12.50	62.50	125.00	2.07	*3.27
2½ years.....		6.25	12.50	62.50	125.00	2.15	*3.34
3 years.....		6.25	12.50	62.50	125.00	2.21	*3.41
3½ years.....		6.25	12.50	62.50	125.00	2.25	*3.49
4 years.....		6.25	12.50	62.50	125.00	2.28	*3.58
4½ years.....		8.50	17.00	85.00	170.00	2.40	*3.60
5 years.....		8.50	17.00	85.00	170.00	2.49	*3.63
5½ years.....		8.50	17.00	85.00	170.00	2.57	*3.66
6 years.....		8.50	17.00	85.00	170.00	2.63	*3.69
6½ years.....		8.50	17.00	85.00	170.00	2.69	14.24

Amounts of interest checks and investment yields to maturity on basis of June 1, 1959, revision

7 years.....	\$8.75	\$17.50	\$87.50	\$175.00	2.74	4.39	
7½ years.....	8.75	17.50	87.50	175.00	2.78	4.61	
8 years.....	9.85	19.70	98.50	197.00	2.85	4.82	
8½ years.....	9.85	19.70	98.50	197.00	2.90	5.21	
9 years.....	10.15	20.30	101.50	203.00	2.96	6.09	
9½ years.....	10.15	20.30	101.50	203.00	3.01	12.43	
9 years and 8 months (maturity).....	10.15	20.30	101.50	203.00	3.14	-----	
Period of time bond is held after maturity date		Extended maturity period				(b) To extended maturity**	
½ 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	
1½ 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	
2½ 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	
3½ 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	
4½ 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	
5½ 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	
6½ 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	
7½ 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	
8½ 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	
9½ years.....	9.38	18.75	93.75	187.50	3.39	3.75	
10 years (extended maturity) ³	9.38	18.75	93.75	187.50	3.40	-----	

† 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 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.

† 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.

¹ At all times, except that bond is not redeemable during first 6 months.

³ 19 years and 8 months from issue date.

[Amdt. 1, 26 F.R. 8251, Sept. 1, 1961]

TABLE 4

UNITED STATES SAVINGS BONDS—SERIES H

TABLE OF CHECKS ISSUED AND INVESTMENT YIELDS

FOR BONDS BEARING ISSUE DATES FROM JUNE 1 THROUGH NOVEMBER 1, 1953

Table showing: (1) Amount of interest checks paid on United States Savings Bonds of Series H, 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 semi-annually.

Face value: Maturity value..... Redemption value ¹ Issue price.....	\$500	\$1,000	\$5,000	\$10,000	Approximate investment yield on face value	
	500	1,000	5,000	10,000		
Period of time bond is held after issue date	(1) Amounts of interest checks for each denomination				(2) From issue date to each interest payment date	(3) From each interest payment date to maturity*
					Percent	Percent
1/4 year.....	\$2.00	\$4.00	\$20.00	\$40	0.80	*3.13
1 year.....	6.25	12.50	62.50	125	1.65	*3.18
1 1/2 years.....	6.25	12.50	62.50	125	1.93	*3.22
2 years.....	6.25	12.50	62.50	125	2.07	*3.27
2 1/2 years.....	6.25	12.50	62.50	125	2.15	*3.34
3 years.....	6.25	12.50	62.50	125	2.21	*3.41
3 1/2 years.....	6.25	12.50	62.50	125	2.25	*3.49
4 years.....	6.25	12.50	62.50	125	2.28	*3.58
4 1/2 years.....	8.50	17.00	85.00	170	2.40	*3.60
5 years.....	8.50	17.00	85.00	170	2.49	*3.63
5 1/2 years.....	8.50	17.00	85.00	170	2.57	*3.66
6 years.....	8.50	17.00	85.00	170	2.63	†4.19

Revised amounts of interest checks and investment yields

6 1/2 years.....	\$8.75	\$17.50	\$87.50	\$175	2.69	4.31
7 years.....	8.75	17.50	87.50	175	2.75	4.47
7 1/2 years.....	9.55	19.10	95.50	191	2.81	4.62
8 years.....	9.55	19.10	95.50	191	2.87	4.88
8 1/2 years.....	10.20	20.40	102.00	204	2.93	5.23
9 years.....	10.20	20.40	102.00	204	2.98	6.12
9 1/2 years.....	10.20	20.40	102.00	204	3.03	12.49
9 years and 8 months (maturity)...	10.20	20.40	102.00	204	3.17	-----

* Approximate investment yield on the basis of original (prior to June 1, 1950, 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 to date of 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 4-A—UNITED STATES SAVINGS BONDS—SERIES H
TABLE OF CHECKS ISSUED AND INVESTMENT YIELDS

FOR BONDS BEARING ISSUE DATES FROM JUNE 1 THROUGH NOVEMBER 1, 1953

Table showing: (1) Amounts of interest checks paid on United States Savings Bonds of Series H, 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, (a) to maturity, or (b) to extended maturity. Yields are expressed in terms of rate percent per annum, compounded semiannually.

Face value	Maturity value..... Redemption value ¹ Issue price.....	\$500 500 500	\$1,000 1,000 1,000	\$5,000 5,000 5,000	\$10,000 10,000 10,000	Approximate investment yield on face value†	
						(2) From issue date to each interest payment date	(3) From each interest payment date
Period of time bond is held after issue date		(1) Amounts of interest checks for each denomination				(a) To maturity*	
						Percent	Percent
½ year.....		\$2.00	\$4.00	\$20.00	\$40.00	0.80	3.13
1 year.....		6.25	12.50	62.50	125.00	1.65	3.18
1½ years.....		6.25	12.50	62.50	125.00	1.93	3.22
2 years.....		6.25	12.50	62.50	125.00	2.07	3.27
2½ years.....		6.25	12.50	62.50	125.00	2.15	3.34
3 years.....		6.25	12.50	62.50	125.00	2.21	3.41
3½ years.....		6.25	12.50	62.50	125.00	2.25	3.49
4 years.....		6.25	12.50	62.50	125.00	2.28	3.58
4½ years.....		8.50	17.00	85.00	170.00	2.40	3.60
5 years.....		8.50	17.00	85.00	170.00	2.49	3.63
5½ years.....		8.50	17.00	85.00	170.00	2.57	3.66
6 years.....		8.50	17.00	85.00	170.00	2.63	3.70
Amounts of interest checks and investment yields to maturity on basis of June 1, 1959, revision							
6½ years.....		\$8.75	\$17.50	\$87.50	\$175.00	2.69	4.31
7 years.....		8.75	17.50	87.50	175.00	2.75	4.47
7½ years.....		9.55	19.10	95.50	191.00	2.81	4.62
8 years.....		9.55	19.10	95.50	191.00	2.87	4.88
8½ years.....		10.20	20.40	102.00	204.00	2.93	5.23
9 years.....		10.20	20.40	102.00	204.00	2.98	6.12
9½ years.....		10.20	20.40	102.00	204.00	3.03	12.49
9 years and 8 months (maturity).....		10.20	20.40	102.00	204.00	3.17	-----
Period of time bond is held after maturity date		Extended maturity period				(b) To extended maturity**	
½ 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
1½ 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
2½ 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
3½ 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
4½ 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
5½ 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
6½ 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
7½ 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
8½ 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
9½ years.....		9.38	18.75	93.75	187.50	3.41	3.75
10 years (extended maturity) ³		9.38	18.75	93.75	187.50	3.41	-----

†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 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.

††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.

¹ At all times, except that bond is not redeemable during first 6 months.

³ 19 years and 8 months from issue date.

[Amdt. 1, 26 F.R. 8251, Sept. 1, 1961]

TABLE 5

UNITED STATES SAVINGS BONDS—SERIES H

TABLE OF CHECKS ISSUED AND INVESTMENT YIELDS

FOR BONDS BEARING ISSUE DATES FROM DECEMBER 1, 1963, THROUGH MAY 1, 1964

Table showing: (1) Amount of interest checks paid on United States Savings Bonds of Series H, 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.

Face value	Maturity value.....	\$500	\$1,000	\$5,000	\$10,000	Approximate investment yield on face value	
	Redemption 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*
	Issue price.....	500	1,000	5,000	10,000		
Period of time bond is held after issue date		(1) Amounts of interest checks for each denomination				Percent	Percent
1½ years.....		\$2.00	\$4.00	\$20.00	\$40	0.80	*3.13
1 year.....		6.25	12.50	62.50	125	1.65	*3.18
1¼ years.....		6.25	12.50	62.50	125	1.93	*3.22
2 years.....		6.25	12.50	62.50	125	2.07	*3.27
2¼ years.....		6.25	12.50	62.50	125	2.15	*3.34
3 years.....		6.25	12.50	62.50	125	2.21	*3.41
3¼ years.....		6.25	12.50	62.50	125	2.25	*3.49
4 years.....		6.25	12.50	62.50	125	2.28	*3.58
4¼ years.....		8.50	17.00	85.00	170	2.40	*3.60
5 years.....		8.50	17.00	85.00	170	2.49	*3.63
5¼ years.....		8.50	17.00	85.00	170	2.57	†4.16

Revised amounts of interest checks and investment yield

6 years.....	\$3.75	\$17.50	\$87.50	\$175	2.64	4.25
6¼ years.....	8.75	17.50	87.50	175	2.70	4.38
7 years.....	9.35	18.70	93.50	187	2.77	4.51
7¼ years.....	9.35	18.70	93.50	187	2.83	4.70
8 years.....	9.35	18.70	93.50	187	2.88	5.00
8¼ years.....	10.45	20.90	104.50	209	2.94	5.36
9 years.....	10.45	20.90	104.50	209	3.00	6.27
9¼ years.....	10.45	20.90	104.50	209	3.06	12.80
9 years and 8 months (maturity)...	10.45	20.90	104.50	209	3.19	-----

* 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.

† Revised approximate investment yield from effective date of revision to maturity.

‡ At all times, except that bond is not redeemable during first 6 months.

TABLE 5-A—UNITED STATES SAVINGS BONDS—SERIES H
TABLE OF CHECKS ISSUED AND INVESTMENT YIELDS

FOR BONDS BEARING ISSUE DATES FROM DECEMBER 1, 1953, THROUGH MAY 1, 1954

Table showing: (1) Amounts of interest checks paid on United States Savings Bonds of Series H, 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, (a) to maturity, or (b) to extended maturity. Yields are expressed in terms of rate percent per annum, compounded semiannually.

Face value: (Maturity value..... Redemption value ¹ Issue price.....)	\$500 500 500	\$1,000 1,000 1,000	\$5,000 5,000 5,000	\$10,000 10,000 10,000	Approximate investment yield on face value ²	
					(2) From issue date to each interest payment date	(3) From each interest payment date
Period of time bond is held after issue date	(1) Amounts of interest checks for each denomination				(a) To maturity ³	(b) To extended maturity ⁴
					Percent	Percent
1/4 year.....	\$2.00	\$4.00	\$20.00	\$40.00	0.80	*3.13
1 year.....	6.25	12.50	62.50	125.00	1.65	*3.18
1 1/2 years.....	6.25	12.50	62.50	125.00	1.93	*3.22
2 years.....	6.25	12.50	62.50	125.00	2.07	*3.27
2 1/2 years.....	6.25	12.50	62.50	125.00	2.15	*3.34
3 years.....	6.25	12.50	62.50	125.00	2.21	*3.41
3 1/2 years.....	6.25	12.50	62.50	125.00	2.25	*3.49
4 years.....	6.25	12.50	62.50	125.00	2.28	*3.58
4 1/2 years.....	8.50	17.00	85.00	170.00	2.40	*3.60
5 years.....	8.50	17.00	85.00	170.00	2.49	*3.63
5 1/2 years.....	8.50	17.00	85.00	170.00	2.57	†4.16
Amounts of interest checks and investment yields to maturity on basis of June 1, 1959, revision						
6 years.....	\$9.75	\$17.50	\$87.50	\$175.00	2.64	4.25
6 1/2 years.....	8.75	17.50	87.50	175.00	2.70	4.38
7 years.....	9.35	18.70	93.50	187.00	2.77	4.51
7 1/2 years.....	9.35	18.70	93.50	187.00	2.83	4.70
8 years.....	9.35	18.70	93.50	187.00	2.88	5.00
8 1/2 years.....	10.45	20.90	104.50	209.00	2.94	5.36
9 years.....	10.45	20.90	104.50	209.00	3.00	6.27
9 1/2 years.....	10.45	20.90	104.50	209.00	3.05	12.80
9 years and 8 months (maturity).....	10.45	20.90	104.50	209.00	3.19	-----
Period of time bond is held after maturity date	Extended maturity period					(b) To extended maturity ⁵
1/4 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	3.40	3.75
8 1/2 years.....	9.38	18.75	93.75	187.50	3.41	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	3.42	3.75
10 years (extended maturity) ⁶	9.38	18.75	93.75	187.50	3.43	-----

† 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 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.

† 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.

¹ At all times, except that bond is not redeemable during first 6 months.

² 19 years and 8 months from issue date.

[Amdt. 1, 26 F.R. 8252, Sept. 1, 1961]

TABLE 6

UNITED STATES SAVINGS BONDS—SERIES H

TABLE OF CHECKS ISSUED AND INVESTMENT YIELDS

FOR BONDS BEARING ISSUE DATES FROM JUNE 1 THROUGH NOVEMBER 1, 1964

Table showing: (1) Amount of interest checks paid on United States Savings Bonds of Series H, 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.

Face value	Maturity value.....	\$500	\$1,000	\$5,000	\$10,000	Approximate investment yield on face value	
	Redemption value ¹.....							Issue price.....
		500	1,000	5,000	10,000		
		500	1,000	5,000	10,000		
Period of time bond is held after issue date	(1) Amounts of interest checks for each denomination					(2) From issue date to each interest payment date	(3) From each interest payment date to maturity*
						Percent	Percent
½ year.....		\$2.00	\$4.00	\$20.00	\$40	0.80	*3.13
1 year.....		6.25	12.50	62.50	125	1.65	*3.18
1½ years.....		6.25	12.50	62.50	125	1.93	*3.22
2 years.....		6.25	12.50	62.50	125	2.07	*3.27
2½ years.....		6.25	12.50	62.50	125	2.15	*3.34
3 years.....		6.25	12.50	62.50	125	2.21	*3.41
3½ years.....		6.25	12.50	62.50	125	2.25	*3.49
4 years.....		6.25	12.50	62.50	125	2.28	*3.58
4½ years.....		8.50	17.00	85.00	170	2.40	*3.60
5 years.....		8.50	17.00	85.00	170	2.49	†4.13

Revised amounts of interest checks and investment yields

5½ years.....	\$8.75	\$17.50	\$87.50	\$175	2.58	4.21
6 years.....	8.75	17.50	87.50	175	2.65	4.32
6½ years.....	8.75	17.50	87.50	175	2.71	4.46
7 years.....	9.75	19.50	97.50	195	2.78	4.57
7½ years.....	9.75	19.50	97.50	195	2.85	4.73
8 years.....	9.75	19.50	97.50	195	2.91	5.00
8½ years.....	10.45	20.90	104.50	209	2.97	5.36
9 years.....	10.45	20.90	104.50	209	3.03	6.27
9½ years.....	10.45	20.90	104.50	209	3.08	12.80
9 years and 8 months (maturity).....	10.45	20.90	104.50	209	3.22	-----

* 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.

† Revised approximate investment yield from effective date of revision to maturity.

‡ At all times, except that bond is not redeemable during first 6 months.

TABLE 6-A—UNITED STATES SAVINGS BONDS—SERIES H

TABLE OF CHECKS ISSUED AND INVESTMENT YIELDS

FOR BONDS BEARING ISSUE DATES FROM JUNE 1 THROUGH NOVEMBER 1, 1964

Table showing: (1) Amounts of interest checks paid on United States Savings Bonds of Series H, 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, (a) to maturity, or (b) to extended maturity. Yields are expressed in terms of rate percent per annum, compounded semiannually.

Face value	(Maturity value..... Redemption value 1..... Issue price.....	\$500	\$1,000	\$5,000	\$10,000	Approximate investment yield on face value†	
						(2) From issue date to each interest payment date	(3) From each interest payment date
Period of time bond is held after issue date	(1) Amounts of interest checks for each denomination					(2) From issue date to each interest payment date	(a) To maturity*
						Percent	Percent
½ year.....		\$2.00	\$4.00	\$20.00	\$40.00	0.80	3.18
1 year.....		6.25	12.50	62.50	125.00	1.65	3.18
1½ years.....		6.25	12.50	62.50	125.00	1.98	3.22
2 years.....		6.25	12.50	62.50	125.00	2.07	3.27
2½ years.....		6.25	12.50	62.50	125.00	2.15	3.34
3 years.....		6.25	12.50	62.50	125.00	2.21	3.41
3½ years.....		6.25	12.50	62.50	125.00	2.25	3.49
4 years.....		6.25	12.50	62.50	125.00	2.28	3.58
4½ years.....		8.50	17.00	85.00	170.00	2.40	3.60
5 years.....		8.50	17.00	85.00	170.00	2.49	3.68

Amounts of interest checks and investment yields to maturity on basis of June 1, 1969, revision

Period of time bond is held after maturity date	Extended maturity period						(b) To extended maturity**
5½ years.....	\$8.75	\$17.50	\$87.50	\$175.00		2.58	4.21
6 years.....	8.75	17.50	87.50	175.00		2.65	4.23
6½ years.....	8.75	17.50	87.50	175.00		2.71	4.46
7 years.....	9.75	19.50	97.50	195.00		2.78	4.57
7½ years.....	9.75	19.50	97.50	195.00		2.85	4.73
8 years.....	9.75	19.50	97.50	195.00		2.91	5.00
8½ years.....	10.45	20.90	104.50	209.00		2.97	5.26
9 years.....	10.45	20.90	104.50	209.00		3.08	6.27
9½ years.....	10.45	20.90	104.50	209.00		3.68	12.80
9 years and 8 months (maturity).....	10.45	20.90	104.50	209.00		3.22	

½ 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
1½ 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
2½ 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
3½ 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
4½ years.....	9.37	18.75	93.75	187.50		3.36	3.75
5 years.....	9.38	18.75	93.75	187.50		3.37	3.75
5½ years.....	9.38	18.75	93.75	187.50		3.38	3.75
6 years.....	9.38	18.75	93.75	187.50		3.39	3.75
6½ years.....	9.38	18.75	93.75	187.50		3.40	3.75
7 years.....	9.38	18.75	93.75	187.50		3.40	3.75
7½ years.....	9.38	18.75	93.75	187.50		3.41	3.75
8 years.....	9.38	18.75	93.75	187.50		3.42	3.75
8½ years.....	9.38	18.75	93.75	187.50		3.43	3.75
9 years.....	9.38	18.75	93.75	187.50		3.43	3.75
9½ years.....	9.38	18.75	93.75	187.50		3.44	3.75
10 years (extended maturity) 1.....	9.38	18.75	93.75	187.50		3.44	

† Calculated on the basis of \$1,000 bond.

* Approximate investment yield on the basis of original (prior to June 1, 1969, 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.

‡ Approximate investment yield from effective date of the June 1, 1969, revision to maturity.

** 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 and 8 months from issue date.

TABLE 7

UNITED SAVINGS BONDS—SERIES H

TABLE OF CHECKS ISSUED AND INVESTMENT YIELDS

FOR BONDS BEARING ISSUE DATES FROM DECEMBER 1, 1964, THROUGH MAY 1, 1965

Table showing: (1) Amount of interest checks paid on United States Savings Bonds of Series H, 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.

Face value	(Maturity value.....)	\$500	\$1,000	\$5,000	\$10,000	Approximate investment yield on face value	
	Redemption value ¹.....							Issue price.....
Period of time bond is held after issue date	(1) Amounts of interest checks for each denomination				(2) From issue date to each interest payment date	(3) From each interest payment date to maturity*	
					Percent	Percent	
1/4 year.....	\$2.00	\$4.00	\$20.00	\$40	0.80	3.13	
1 year.....	6.25	12.50	62.50	125	1.65	3.15	
1 1/2 years.....	6.25	12.50	62.50	125	1.93	3.22	
2 years.....	6.25	12.50	62.50	125	2.07	3.27	
2 1/2 years.....	6.25	12.50	62.50	125	2.15	3.34	
3 years.....	6.25	12.50	62.50	125	2.21	3.41	
3 1/2 years.....	6.25	12.50	62.50	125	2.25	3.49	
4 years.....	6.25	12.50	62.50	125	2.28	3.53	
4 1/2 years.....	8.50	17.00	85.00	170	2.40	4.10	

Revised amounts of interest checks and investment yields

5 years.....	\$8.75	\$17.50	\$87.50	\$175	2.50	4.17
5 1/2 years.....	8.75	17.50	87.50	175	2.59	4.26
6 years.....	8.75	17.50	87.50	175	2.66	4.37
6 1/2 years.....	9.65	19.30	96.50	193	2.74	4.46
7 years.....	9.65	19.30	96.50	193	2.81	4.53
7 1/2 years.....	9.65	19.30	96.50	193	2.87	4.75
8 years.....	10.25	20.70	102.50	207	2.94	4.95
8 1/2 years.....	10.25	20.70	102.50	207	3.01	5.31
9 years.....	10.25	20.70	102.50	207	3.06	6.21
9 1/2 years.....	10.25	20.70	102.50	207	3.11	12.68
9 years and 8 months (maturity).....	10.25	20.70	102.50	207	3.24	-----

* Approximate investment yield on the basis of original (prior to June 1, 1965, 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.

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.

TABLE 7-A—UNITED STATES SAVINGS BONDS—SERIES H
TABLE OF CHECKS ISSUED AND INVESTMENT YIELDS

FOR BONDS BEARING ISSUE DATES FROM DECEMBER 1, 1954, THROUGH MAY 1, 1955

Table showing: (1) Amounts of interest checks paid on United States Savings Bonds of Series H, 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, (a) to maturity, or (b) to extended maturity. Yields are expressed in terms of rate percent per annum, compounded semiannually.

Face value	Maturity value..... Redemption value ¹ Issue price.....	\$500	\$1,000	\$5,000	\$10,000	Approximate investment yield on face value ²	
						(2) From issue date to each interest payment date	(3) From each interest payment date
Period of time bond is held after issue date	(1) Amounts of interest checks for each denomination					(a) To maturity*	(b) To extended maturity**
						Percent	Percent
½ year.....		\$2.00	\$4.00	\$20.00	\$40.00	0.80	*3.13
1 year.....		6.25	12.50	62.50	125.00	1.65	*3.18
1½ years.....		6.25	12.50	62.50	125.00	1.93	*3.22
2 years.....		6.25	12.50	62.50	125.00	2.07	*3.27
2½ years.....		6.25	12.50	62.50	125.00	2.15	*3.34
3 years.....		6.25	12.50	62.50	125.00	2.21	*3.41
3½ years.....		6.25	12.50	62.50	125.00	2.25	*3.49
4 years.....		6.25	12.50	62.50	125.00	2.28	*3.58
4½ years.....		8.50	17.00	85.00	170.00	2.40	†4.10
Amounts of interest checks and investment yields to maturity on basis of June 1, 1959, revision							
5 years.....		\$8.75	\$17.50	\$87.50	\$175.00	2.50	4.17
5½ years.....		8.75	17.50	87.50	175.00	2.59	4.26
6 years.....		8.75	17.50	87.50	175.00	2.66	4.37
6½ years.....		9.65	19.30	96.50	193.00	2.74	4.46
7 years.....		9.65	19.30	96.50	193.00	2.81	4.58
7½ years.....		9.65	19.30	96.50	193.00	2.87	4.75
8 years.....		10.35	20.70	103.50	207.00	2.94	4.95
8½ years.....		10.35	20.70	103.50	207.00	3.01	5.31
9 years.....		10.35	20.70	103.50	207.00	3.06	6.21
9½ years.....		10.35	20.70	103.50	207.00	3.11	12.68
9 years and 8 months (maturity).....		10.35	20.70	103.50	207.00	3.24	-----
Period of time bond is held after maturity date	Extended maturity period						(b) To extended maturity**
½ year.....		\$9.37	\$18.75	\$93.75	\$187.50	3.26	3.75
1 year.....		9.37	18.75	93.75	187.50	3.28	3.75
1½ years.....		9.37	18.75	93.75	187.50	3.30	3.75
2 years.....		9.37	18.75	93.75	187.50	3.32	3.75
2½ years.....		9.37	18.75	93.75	187.50	3.33	3.75
3 years.....		9.37	18.75	93.75	187.50	3.34	3.75
3½ years.....		9.37	18.75	93.75	187.50	3.35	3.75
4 years.....		9.37	18.75	93.75	187.50	3.37	3.75
4½ years.....		9.37	18.75	93.75	187.50	3.38	3.75
5 years.....		9.38	18.75	93.75	187.50	3.39	3.75
5½ years.....		9.38	18.75	93.75	187.50	3.40	3.75
6 years.....		9.38	18.75	93.75	187.50	3.40	3.75
6½ 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
7½ 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
8½ 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
9½ years.....		9.38	18.75	93.75	187.50	3.45	3.75
10 years (extended maturity) ³		9.38	18.75	93.75	187.50	3.46	-----

†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 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.

†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.

¹ At all times, except that bond is not redeemable during first 6 months.

² 19 years and 8 months from issue date.

[Amdt. 1, 26 F.R. 8263, Sept. 1, 1961]

TABLE 8

UNITED STATES SAVINGS BONDS—SERIES H

TABLE OF CHECKS ISSUED AND INVESTMENT YIELDS

FOR BONDS BEARING ISSUE DATES FROM JUNE 1 THROUGH NOVEMBER 1, 1955

Table showing: (1) Amount of interest checks paid on United States Savings Bonds of Series H, 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.

Face value	Maturity value.....	\$500	\$1,000	\$5,000	\$10,000	Approximate investment yield on face value	
	Redemption value ¹	500	1,000	5,000	10,000		
	Issue price.....	500	1,000	5,000	10,000		
Period of time bond is held after issue date		(1) Amounts of interest checks for each denomination				(2) From issue date to each interest payment date	(3) From each interest payment date to maturity*
						Percent	Percent
1/4 year.....		\$2.00	\$4.00	\$20.00	\$40	0.80	*3.13
1 year.....		6.25	12.50	62.50	125	1.65	*3.18
1 1/4 years.....		6.25	12.50	62.50	125	1.93	*3.22
2 years.....		6.25	12.50	62.50	125	2.07	*3.27
2 1/4 years.....		6.25	12.50	62.50	125	2.15	*3.34
3 years.....		6.25	12.50	62.50	125	2.21	*3.41
3 1/4 years.....		6.25	12.50	62.50	125	2.25	*3.49
4 years.....		6.25	12.50	62.50	125	2.28	*4.00

Revised amounts of interest checks and investment yields

4 1/4 years.....	\$8.75	\$17.50	\$87.50	\$175	2.41	4.15
5 years.....	8.75	17.50	87.50	175	2.51	4.23
5 1/4 years.....	8.75	17.50	87.50	175	2.59	4.32
6 years.....	9.55	19.10	95.50	191	2.69	4.39
6 1/4 years.....	9.55	19.10	95.50	191	2.77	4.49
7 years.....	9.55	19.10	95.50	191	2.84	4.68
7 1/4 years.....	9.55	19.10	95.50	191	2.89	4.82
8 years.....	10.50	21.00	105.00	210	2.97	5.02
8 1/4 years.....	10.50	21.00	105.00	210	3.03	5.38
9 years.....	10.50	21.00	105.00	210	3.08	6.30
9 1/4 years.....	10.50	21.00	105.00	210	3.13	12.87
9 years and 8 months (maturity) ..	10.50	21.00	105.00	210	3.27	-----

*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.

†Revised approximate investment yield from effective date of revision to maturity.

‡At all times, except that bond is not redeemable during first 6 months

TABLE 8-A—UNITED STATES SAVINGS BONDS—SERIES H

TABLE OF CHECKS ISSUED AND INVESTMENT YIELDS

FOR BONDS BEARING ISSUE DATES FROM JUNE 1 THROUGH NOVEMBER 1, 1955

Table showing: (1) Amounts of interest checks paid on United States Savings Bonds of Series H, 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, (a) to maturity, or (b) to extended maturity. Yields are expressed in terms of rate percent per annum, compounded semiannually.

Face value	Maturity value Redemption value Issue price	\$500	\$1,000	\$5,000	\$10,000	Approximate investment yield on face value†	
						(2) From issue date to each interest payment date	(3) From each interest payment date
Period of time bond is held after issue date		(1) Amounts of interest checks for each denomination				(a) To maturity*	(b) To extended maturity**
						Percent	Percent
½ year.....		\$2.00	\$4.00	\$20.00	\$40.00	0.80	3.13
1 year.....		6.25	12.50	62.50	125.00	1.65	3.18
1½ years.....		6.25	12.50	62.50	125.00	1.93	3.22
2 years.....		6.25	12.50	62.50	125.00	2.07	3.27
2½ years.....		6.25	12.50	62.50	125.00	2.15	3.31
3 years.....		6.25	12.50	62.50	125.00	2.21	3.41
3½ years.....		6.25	12.50	62.50	125.00	2.25	3.49
4 years.....		6.25	12.50	62.50	125.00	2.28	3.49
Amounts of interest checks and investment yields to maturity on basis of June 1, 1959, revision							
4½ years.....		\$8.75	\$17.50	\$87.50	\$175.00	2.41	4.15
5 years.....		8.75	17.50	87.50	175.00	2.51	4.23
5½ years.....		8.75	17.50	87.50	175.00	2.59	4.32
6 years.....		9.55	19.10	95.50	191.00	2.69	4.39
6½ years.....		9.55	19.10	95.50	191.00	2.77	4.49
7 years.....		9.55	19.10	95.50	191.00	2.84	4.63
7½ years.....		9.55	19.10	95.50	191.00	2.89	4.82
8 years.....		10.50	21.00	105.00	210.00	2.97	5.02
8½ years.....		10.50	21.00	105.00	210.00	3.03	5.38
9 years.....		10.50	21.00	105.00	210.00	3.08	6.30
9½ years.....		10.50	21.00	105.00	210.00	3.13	12.87
9 years and 8 months (maturity).....		10.50	21.00	105.00	210.00	3.27	-----
Period of time bond is held after maturity date		Extended maturity period					(b) To extended maturity**
½ year.....		\$9.37	\$18.75	\$93.75	\$187.50	3.29	3.75
1 year.....		9.37	18.75	93.75	187.50	3.31	3.75
1½ years.....		9.37	18.75	93.75	187.50	3.32	3.75
2 years.....		9.37	18.75	93.75	187.50	3.34	3.75
2½ years.....		9.37	18.75	93.75	187.50	3.35	3.75
3 years.....		9.37	18.75	93.75	187.50	3.37	3.75
3½ years.....		9.37	18.75	93.75	187.50	3.38	3.75
4 years.....		9.37	18.75	93.75	187.50	3.39	3.75
4½ years.....		9.37	18.75	93.75	187.50	3.40	3.75
5 years.....		9.38	18.75	93.75	187.50	3.41	3.75
5½ years.....		9.38	18.75	93.75	187.50	3.41	3.75
6 years.....		9.38	18.75	93.75	187.50	3.42	3.75
6½ years.....		9.38	18.75	93.75	187.50	3.43	3.75
7 years.....		9.38	18.75	93.75	187.50	3.44	3.75
7½ years.....		9.38	18.75	93.75	187.50	3.44	3.75
8 years.....		9.38	18.75	93.75	187.50	3.45	3.75
8½ years.....		9.38	18.75	93.75	187.50	3.46	3.75
9 years.....		9.38	18.75	93.75	187.50	3.46	3.75
9½ years.....		9.38	18.75	93.75	187.50	3.47	3.75
10 years (extended maturity) †.....		9.38	18.75	93.75	187.50	3.47	-----

† 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 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.

† 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 and 8 months from issue date.

[Amdt. 1, 26 F.R. 8253, Sept. 1, 1961]

TABLE 9

UNITED STATES SAVINGS BONDS—SERIES H

TABLE OF CHECKS ISSUED AND INVESTMENT YIELDS FOR BONDS BEARING ISSUE DATES FROM
DECEMBER 1, 1955, THROUGH MAY 1, 1956

Table showing: (1) Amount of interest checks paid on United States Savings Bonds of Series H, 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.

Face value	Maturity value.....	\$500	\$1,000	\$5,000	\$10,000	Approximate investment yield on face value	
	Redemption value ¹	500	1,000	5,000	10,000	(2) From issue date to each interest payment date	(3) From each interest payment date to maturity*
	Issue price.....	500	1,000	5,000	10,000		
Period of time bond is held after issue date		(1) Amounts of interest checks for each denomination					
						Percent	Percent
¼ year.....		\$2.00	\$4.00	\$20.00	\$40	0.80	*3.13
1 year.....		6.25	12.50	62.50	125	1.65	*3.18
1½ years.....		6.25	12.50	62.50	125	1.93	*3.22
2 years.....		6.25	12.50	62.50	125	2.07	*3.27
2½ years.....		6.25	12.50	62.50	125	2.15	*3.34
3 years.....		6.25	12.50	62.50	125	2.21	*3.41
3½ years.....		6.25	12.50	62.50	125	2.25	†3.99

Revised amounts of interest checks and investment yields

4 years.....	\$6.50	\$13.00	\$65.00	\$130	2.29	4.13
4½ years.....	8.75	17.50	87.50	175	2.42	4.20
5 years.....	8.75	17.50	87.50	175	2.52	4.28
5½ years.....	8.75	17.50	87.50	175	2.60	4.35
6 years.....	9.80	19.60	98.00	196	2.70	4.45
6½ years.....	9.80	19.60	98.00	196	2.79	4.54
7 years.....	9.80	19.60	98.00	196	2.86	4.66
7½ years.....	9.80	19.60	98.00	196	2.92	4.85
8 years.....	10.55	21.10	105.50	211	3.00	5.04
8½ years.....	10.55	21.10	105.50	211	3.06	5.41
9 years.....	10.55	21.10	105.50	211	3.11	6.33
9½ years.....	10.55	21.10	105.50	211	3.16	12.93
9 years and 8 months (maturity).....	10.55	21.10	105.50	211	3.30	-----

* 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.

† 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 9-A—UNITED STATES SAVINGS BONDS—SERIES H

TABLE OF CHECKS ISSUED AND INVESTMENT YIELDS

FOR BONDS BEARING ISSUE DATES FROM DECEMBER 1, 1965, THROUGH MAY 1, 1966

Table showing: (1) Amounts of interest checks paid on United States Savings Bonds of Series H, 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, (a) to maturity, or (b) to extended maturity. Yields are expressed in terms of rate percent per annum, compounded semiannually.

Face value	Maturity value Redemption value ¹ Issue price	\$500	\$1,000	\$5,000	\$10,000	Approximate investment yield on face value ²	
						(2) From issue date to each interest payment date	(3) From each interest payment date
Period of time bond is held after issue date		(1) Amounts of interest checks for each denomination				(a) To maturity*	(b) To extended maturity**
						Percent	Percent
½ year		\$2.00	\$4.00	\$20.00	\$40.00	0.80	*3.13
1 year		6.25	12.50	62.50	125.00	1.65	*3.18
1½ years		6.25	12.50	62.50	125.00	1.93	*3.22
2 years		6.25	12.50	62.50	125.00	2.07	*3.27
2½ years		6.25	12.50	62.50	125.00	2.15	*3.34
3 years		6.25	12.50	62.50	125.00	2.21	*3.41
3½ years		6.25	12.50	62.50	125.00	2.25	*3.99
Amounts of interest checks and investment yields to maturity on basis of June 1, 1959, revision							
4 years		\$6.50	\$13.00	\$65.00	\$130.00	2.29	4.13
4½ years		8.75	17.50	87.50	175.00	2.42	4.20
5 years		8.75	17.50	87.50	175.00	2.52	4.28
5½ years		8.75	17.50	87.50	175.00	2.60	4.38
6 years		9.80	19.60	98.00	196.00	2.70	4.45
6½ years		9.80	19.60	98.00	196.00	2.79	4.54
7 years		9.80	19.60	98.00	196.00	2.86	4.66
7½ years		9.80	19.60	98.00	196.00	2.92	4.85
8 years		10.55	21.10	105.50	211.00	3.00	5.04
8½ years		10.55	21.10	105.50	211.00	3.06	5.41
9 years		10.55	21.10	105.50	211.00	3.11	6.33
9½ years		10.55	21.10	105.50	211.00	3.16	12.93
9 years and 8 months (maturity)		10.55	21.10	105.50	211.00	3.30	
Period of time bond is held after maturity date		Extended maturity period					(b) To extended maturity**
½ year		\$9.37	\$18.75	\$93.75	\$187.50	3.32	3.75
1 year		9.37	18.75	93.75	187.50	3.34	3.75
1½ years		9.37	18.75	93.75	187.50	3.35	3.75
2 years		9.37	18.75	93.75	187.50	3.36	3.75
2½ years		9.37	18.75	93.75	187.50	3.38	3.75
3 years		9.37	18.75	93.75	187.50	3.39	3.75
3½ years		9.37	18.75	93.75	187.50	3.40	3.75
4 years		9.37	18.75	93.75	187.50	3.41	3.75
4½ years		9.37	18.75	93.75	187.50	3.42	3.75
5 years		9.38	18.75	93.75	187.50	3.43	3.75
5½ years		9.38	18.75	93.75	187.50	3.43	3.75
6 years		9.38	18.75	93.75	187.50	3.44	3.75
6½ years		9.38	18.75	93.75	187.50	3.45	3.75
7 years		9.38	18.75	93.75	187.50	3.46	3.75
7½ years		9.38	18.75	93.75	187.50	3.46	3.75
8 years		9.38	18.75	93.75	187.50	3.47	3.75
8½ years		9.38	18.75	93.75	187.50	3.47	3.75
9 years		9.38	18.75	93.75	187.50	3.48	3.75
9½ years		9.38	18.75	93.75	187.50	3.48	3.75
10 years (extended maturity) ³		9.38	18.75	93.75	187.50	3.49	

¹ Calculated on the basis of \$1,000 bond.

² 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.

³ 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.

¹ At all times, except that bond is not redeemable during first 6 months.

² 19 years and 8 months from issue date.

[Amdt. 1, 26 F.R. 8254, Sept. 1, 1961]

TABLE 10

UNITED STATES SAVINGS BONDS—SERIES H

TABLE OF CHECKS ISSUED AND INVESTMENT YIELDS

FOR BONDS BEARING ISSUE DATES FROM JUNE 1 THROUGH NOVEMBER 1, 1950

Table showing: (1) Amount of interest checks paid on United States Savings Bonds of Series H, 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.

Face value	Maturity value.....	\$500	\$1,000	\$5,000	\$10,000	Approximate investment yield on face value	
	Redemption 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*
	Issue price.....	500	1,000	5,000	10,000		
Period of time bond is held after issue date		(1) Amounts of interest checks for each denomination				Percent	Percent
1/4 year.....		\$2.00	\$4.00	\$20.00	\$40	0.80	*3.18
1 year.....		6.25	12.50	62.50	125	1.65	*3.18
1 1/2 years.....		6.25	12.50	62.50	125	1.93	*3.22
2 years.....		6.25	12.50	62.50	125	2.07	*3.27
2 1/2 years.....		6.25	12.50	62.50	125	2.15	*3.34
3 years.....		6.25	12.50	62.50	125	2.21	13.91

Revised amounts of interest checks and investment yields

3 1/2 years.....	\$6.50	\$13.00	\$65.00	\$130	2.26	4.03
4 years.....	6.50	13.00	65.00	130	2.30	4.17
4 1/2 years.....	8.75	17.50	87.50	175	2.43	4.24
5 years.....	8.75	17.50	87.50	175	2.53	4.33
5 1/2 years.....	9.75	19.50	97.50	195	2.65	4.38
6 years.....	9.75	19.50	97.50	195	2.74	4.45
6 1/2 years.....	9.75	19.50	97.50	195	2.82	4.55
7 years.....	9.75	19.50	97.50	195	2.89	4.68
7 1/2 years.....	9.75	19.50	97.50	195	2.95	4.87
8 years.....	10.60	21.20	106.00	212	3.02	5.07
8 1/2 years.....	10.60	21.20	106.00	212	3.06	5.44
9 years.....	10.60	21.20	106.00	212	3.14	6.36
9 1/2 years.....	10.60	21.20	106.00	212	3.19	12.99
9 years and 8 months (maturity).....	10.60	21.20	106.00	212	3.33	-----

* Approximate investment yield on the basis of original (prior to June 1 1950, 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.

† Revised approximate investment yield from effective date of revision to maturity

‡ At all times, except that bond is not redeemable during first 6 months.

TABLE 10-A—UNITED STATES SAVINGS BONDS—SERIES H

TABLE OF CHECKS ISSUED AND INVESTMENT YIELDS

FOR BONDS BEARING ISSUE DATES FROM JUNE 1 THROUGH NOVEMBER 1, 1959

Table showing: (1) Amounts of interest checks paid on United States Savings Bonds of Series H, 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, (a) to maturity, or (b) to extended maturity. Yields are expressed in terms of rate percent per annum, compounded semiannually.

Face value	Maturity value.....	\$500	\$1,000	\$5,000	\$10,000	Approximate investment yield on face value†	
	Redemption value 1.....					(2) From issue date to each interest payment date	(3) From each interest payment date
	Issue price.....	500	1,000	5,000	10,000		
Period of time bond is held after issue date		(1) Amounts of interest checks for each denomination				(2) Percent	(a) To maturity*
1/4 year.....		\$2.00	\$4.00	\$20.00	\$40.00	0.80	Percent
1 year.....		6.25	12.50	62.50	125.00	1.65	*3.18
1 1/4 years.....		6.25	12.50	62.50	125.00	1.93	*3.22
2 years.....		6.25	12.50	62.50	125.00	2.07	*3.27
2 1/4 years.....		6.25	12.50	62.50	125.00	2.15	*3.34
3 years.....		6.25	12.50	62.50	125.00	2.21	*3.91
Amounts of interest checks and investment yields to maturity on basis of June 1, 1959, revision							
3 1/4 years.....		\$6.50	\$13.00	\$65.00	\$130.00	2.26	4.03
4 years.....		6.50	13.00	65.00	130.00	2.30	4.17
4 1/4 years.....		8.75	17.50	87.50	175.00	2.43	4.24
5 years.....		8.75	17.50	87.50	175.00	2.53	4.33
5 1/4 years.....		9.75	19.50	97.50	195.00	2.65	4.38
6 years.....		9.75	19.50	97.50	195.00	2.74	4.45
6 1/4 years.....		9.75	19.50	97.50	195.00	2.82	4.55
7 years.....		9.75	19.50	97.50	195.00	2.89	4.68
7 1/4 years.....		9.75	19.50	97.50	195.00	2.95	4.87
8 years.....		10.60	21.20	106.00	212.00	3.02	5.07
8 1/4 years.....		10.60	21.20	106.00	212.00	3.08	5.44
9 years.....		10.60	21.20	106.00	212.00	3.14	6.36
9 1/4 years.....		10.60	21.20	106.00	212.00	3.19	12.99
9 years and 8 months (maturity)...		10.60	21.20	106.00	212.00	3.33	
Period of time bond is held after maturity date		Extended maturity period					(b) To extended maturity**
1/4 year.....		\$9.37	\$18.75	\$93.75	\$187.50	3.34	3.75
1 year.....		9.37	18.75	93.75	187.50	3.36	3.75
1 1/4 years.....		9.37	18.75	93.75	187.50	3.37	3.75
2 years.....		9.37	18.75	93.75	187.50	3.39	3.75
2 1/4 years.....		9.37	18.75	93.75	187.50	3.40	3.75
3 years.....		9.37	18.75	93.75	187.50	3.41	3.75
3 1/4 years.....		9.37	18.75	93.75	187.50	3.42	3.75
4 years.....		9.37	18.75	93.75	187.50	3.43	3.75
4 1/4 years.....		9.37	18.75	93.75	187.50	3.44	3.75
5 years.....		9.38	18.75	93.75	187.50	3.44	3.75
5 1/4 years.....		9.38	18.75	93.75	187.50	3.45	3.75
6 years.....		9.38	18.75	93.75	187.50	3.46	3.75
6 1/4 years.....		9.38	18.75	93.75	187.50	3.47	3.75
7 years.....		9.38	18.75	93.75	187.50	3.47	3.75
7 1/4 years.....		9.38	18.75	93.75	187.50	3.48	3.75
8 years.....		9.38	18.75	93.75	187.50	3.48	3.75
8 1/4 years.....		9.38	18.75	93.75	187.50	3.49	3.75
9 years.....		9.38	18.75	93.75	187.50	3.49	3.75
9 1/4 years.....		9.38	18.75	93.75	187.50	3.50	3.75
10 years (extended maturity) 1.....		9.38	18.75	93.75	187.50	3.50	

† 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 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.

† 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.

1 At all times, except that bond is not redeemable during first 6 months.

2 19 years and 8 months from issue date.

[Amdt. 1, 26 P.R. 8264, Sept. 1, 1961]

TABLE 11

UNITED STATES SAVINGS BONDS—SERIES H

TABLE OF CHECKS ISSUED AND INVESTMENT YIELDS

FOR BONDS BEARING ISSUE DATES FROM DECEMBER 1, 1969, THROUGH JANUARY 1, 1967

Table showing: (1) Amount of interest checks paid on United States Savings Bonds of Series H, 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.

Face value	Maturity value.....	\$500	\$1,000	\$5,000	\$10,000	Approximate investment yield on face value	
	Redemption value ¹	500	1,000	5,000	10,000	(2) From issue date to each interest payment date	(3) From each interest date to maturity*
Issue price.....	500	1,000	5,000	10,000			
Period of time bond is held after issue date	(1) Amounts of interest checks for each denomination						
					Percent	Percent	
¼ year.....	\$2.00	\$4.00	\$20.00	\$40	0.80	2.13	
1 year.....	6.25	12.50	62.50	125	1.65	2.18	
1½ years.....	6.25	12.50	62.50	125	1.93	2.22	
2 years.....	6.25	12.50	62.50	125	2.07	2.27	
2½ years.....	6.25	12.50	62.50	125	2.15	2.34	

Revised amounts of interest checks and investment yields

3 years.....	\$6.50	\$12.00	\$65.00	\$120	2.22	3.95
3½ years.....	6.50	12.00	65.00	120	2.28	4.07
4 years.....	6.50	12.00	65.00	120	2.32	4.21
4½ years.....	8.75	17.50	87.50	175	2.44	4.29
5 years.....	8.75	17.50	87.50	175	2.54	4.38
5½ years.....	10.00	20.00	100.00	200	2.66	4.43
6 years.....	10.00	20.00	100.00	200	2.77	4.50
6½ years.....	10.00	20.00	100.00	200	2.85	4.58
7 years.....	10.00	20.00	100.00	200	2.92	4.70
7½ years.....	10.00	20.00	100.00	200	2.99	4.87
8 years.....	10.60	21.20	106.00	212	3.06	5.07
8½ years.....	10.60	21.20	106.00	212	3.12	5.44
9 years.....	10.60	21.20	106.00	212	3.17	6.26
9½ years.....	10.60	21.20	106.00	212	3.22	12.99
9 years and 8 months (maturity)....	10.60	21.20	106.00	212	3.26	-----

* Approximate investment yield on the basis of original (prior to June 1, 1969, 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.

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.

TABLE 11-A—UNITED STATES SAVINGS BONDS—SERIES H

TABLE OF CHECKS ISSUED AND INVESTMENT YIELDS

FOR BONDS BEARING ISSUE DATES FROM DECEMBER 1, 1966, THROUGH JANUARY 1, 1967

Table showing: (1) Amounts of interest checks paid on United States Savings Bonds of Series H, 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, (a) to maturity, or (b) to extended maturity. Yields are expressed in terms of rate percent per annum, compounded semiannually.

Face value:	Maturity value..... Redemption value ¹ Issue price.....	\$500 500 500	\$1,000 1,000 1,000	\$5,000 5,000 5,000	\$10,000 10,000 10,000	Approximate investment yield on face value†	
						(2) From issue date to each interest payment date	(3) From each interest payment date
Period of time bond is held after issue date		(1) Amounts of interest checks for each denomination				(a) To maturity*	(b) To extended maturity*
						Percent	Percent
1/4 year.....		\$2.00	\$4.00	\$20.00	\$40.00	0.80	*3.13
1 year.....		6.25	12.50	62.50	125.00	1.65	*3.18
1 1/2 years.....		6.25	12.50	62.50	125.00	1.93	*3.22
2 years.....		6.25	12.50	62.50	125.00	2.07	*3.27
2 1/2 years.....		6.25	12.50	62.50	125.00	2.15	*3.84

Table 11-A--Continued

Amounts of interest checks and investment yields to maturity on basis of June 1, 1959, revision

1 years.....	\$6.50	\$13.00	\$65.00	\$130.00	2.22	3.95
3/4 years.....	6.50	13.00	65.00	130.00	2.28	4.07
4 years.....	6.50	13.00	65.00	130.00	2.32	4.21
4 1/4 years.....	8.75	17.50	87.50	175.00	2.44	4.29
5 years.....	8.75	17.50	87.50	175.00	2.54	4.38
5 1/4 years.....	10.00	20.00	100.00	200.00	2.66	4.43
6 years.....	10.00	20.00	100.00	200.00	2.77	4.50
6 1/4 years.....	10.00	20.00	100.00	200.00	2.85	4.58
7 years.....	10.00	20.00	100.00	200.00	2.92	4.70
7 1/4 years.....	10.00	20.00	100.00	200.00	2.99	4.87
8 years.....	10.60	21.20	106.00	212.00	3.06	5.07
8 1/4 years.....	10.60	21.20	106.00	212.00	3.12	5.44
9 years.....	10.60	21.20	106.00	212.00	3.17	6.36
9 1/4 years.....	10.60	21.20	106.00	212.00	3.22	12.99
9 years and 9 months (maturity).....	10.60	21.20	106.00	212.00	3.36	-----
Period of time bond is held after maturity date	Extended maturity period					(b) To extended maturity**
1/4 year.....	\$9.37	\$18.75	\$93.75	\$187.50	3.37	3.75
1 year.....	9.37	18.75	93.75	187.50	3.39	3.75
1 1/4 years.....	9.37	18.75	93.75	187.50	3.40	3.75
2 years.....	9.37	18.75	93.75	187.50	3.41	3.75
2 1/4 years.....	9.37	18.75	93.75	187.50	3.42	3.75
3 years.....	9.37	18.75	93.75	187.50	3.43	3.75
3 1/4 years.....	9.37	18.75	93.75	187.50	3.44	3.75
4 years.....	9.37	18.75	93.75	187.50	3.45	3.75
4 1/4 years.....	9.37	18.75	93.75	187.50	3.46	3.75
5 years.....	9.38	18.75	93.75	187.50	3.47	3.75
5 1/4 years.....	9.38	18.75	93.75	187.50	3.47	3.75
6 years.....	9.38	18.75	93.75	187.50	3.48	3.75
6 1/4 years.....	9.38	18.75	93.75	187.50	3.49	3.75
7 years.....	9.38	18.75	93.75	187.50	3.49	3.75
7 1/4 years.....	9.39	18.75	93.75	187.50	3.50	3.75
8 years.....	9.38	18.75	93.75	187.50	3.50	3.75
8 1/4 years.....	9.38	18.75	93.75	187.50	3.51	3.75
9 years.....	9.39	18.75	93.75	187.50	3.51	3.75
9 1/4 years.....	9.38	18.75	93.75	187.50	3.52	3.75
10 years (extended maturity) 1.....	9.38	18.75	93.75	187.50	3.52	-----

¹ Calculated on the basis of \$1,000 bond.

² 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.

³ Approximate investment yield from effective date of the June 1, 1959, revision to maturity.

⁴ Approximate investment yield for the full 10-year extension is 3.75 percent per annum.

⁵ At all times, except that bond is not redeemable during first 6 months.

⁶ 10 years and 3 months from issue date.

[Amdt. 1, 26 F.R. 8255, Sept. 1, 1961]

TABLE 12

UNITED STATES SAVINGS BONDS—SERIES H

TABLE OF CHECKS ISSUED AND INVESTMENT YIELDS

FOR BONDS BEARING ISSUE DATES FEBRUARY 1 THROUGH MAY 1, 1957

Table showing: (1) Amount of interest checks paid on United States Savings Bonds of Series H, 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 semi-annually.

Face value	Maturity value.....	\$500	\$1,000	\$5,000	\$10,000	Approximate investment yield on face value	
	Redemption value ¹	500	1,000	5,000	10,000		
	Issue price.....	500	1,000	5,000	10,000		
Period of time bond is held after issue date		(1) Amounts of interest checks for each denomination				(2) From issue date to each interest payment date	(3) From each interest payment date to maturity*
						Percent	Percent
½ year.....		\$4.00	\$8.00	\$40.00	\$80	1.00	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	3.38
3½ years.....		8.45	16.90	84.50	169	2.92	3.38

Revised amounts of interest checks and investment yields

3 years.....	\$8.70	\$17.40	\$87.00	\$174	3.01	3.92
3½ years.....	8.70	17.40	87.00	174	3.07	3.95
4 years.....	8.70	17.40	87.00	174	3.12	4.00
4½ years.....	8.70	17.40	87.00	174	3.16	4.05
5 years.....	8.70	17.40	87.00	174	3.19	4.11
5½ years.....	9.90	19.80	99.00	198	3.25	4.12
6 years.....	9.90	19.80	99.00	198	3.30	4.16
6½ years.....	9.90	19.80	99.00	198	3.35	4.19
7 years.....	9.90	19.80	99.00	198	3.39	4.23
7½ years.....	9.90	19.80	99.00	198	3.42	4.29
8 years.....	10.50	21.00	105.00	210	3.45	4.31
8½ years.....	10.50	21.00	105.00	210	3.50	4.35
9 years.....	10.50	21.00	105.00	210	3.53	4.42
9½ years.....	11.05	22.10	110.50	221	3.57	4.42
10 year (maturity).....	11.05	22.10	110.50	221	3.61	-----

* Approximate investment yield on the basis of original (prior to June 1, 1950, 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 or revision to maturity.

² At all times, except that bond is not redeemable during first 6 months.

TABLE 13
 UNITED STATES SAVINGS BONDS—SERIES H
 TABLE OF CHECKS ISSUED AND INVESTMENT YIELDS
 FOR BONDS BEARING ISSUE DATES JUNE 1 THROUGH NOVEMBER 1, 1957

Table showing: (1) Amount of interest checks paid on United States Savings Bonds of Series H, 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.

Face value	Maturity value.....	\$500	\$1,000	\$5,000	\$10,000	Approximate investment yield on face value	
	Redemption value ¹	500	1,000	5,000	10,000		
	Issue price.....	500	1,000	5,000	10,000		
Period of time bond is held after issue date	(1) Amounts of interest checks for each denomination				(2) From issue date to each interest payment date	(3) From each interest payment date to maturity*	
					Percent	Percent	
¼ year.....	\$4.00	\$5.00	\$40.00	\$80	1.60	*2.25	
1 year.....	7.25	14.50	72.80	145	2.25	*2.25	
1½ years.....	8.45	16.90	84.80	169	2.62	*2.25	
2 years.....	8.45	16.90	84.80	169	2.80	*2.25	

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) 2.25 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.

TABLE 14

UNITED STATES SAVINGS BONDS—SERIES H

TABLE OF CHECKS ISSUED AND INVESTMENT YIELDS

FOR BONDS BEARING ISSUE DATES DECEMBER 1, 1957, THROUGH MAY 1, 1958

Table showing: (1) Amount of interest checks paid on United States Savings Bonds of Series H, 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.

Face value	Maturity value.....	\$500	\$1,000	\$5,000	\$10,000	Approximate investment yield on face value	
	Redemption 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*
	Issue price.....	500	1,000	5,000	10,000	Percent	Percent
Period of time bond is held after issue date	(1) Amounts of interest checks for each denomination						
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 year.....	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.

‡ At all times, except that bond is not redeemable during first 6 months.

TABLE 15
 UNITED STATES SAVINGS BONDS—SERIES H
 TABLE OF CHECKS ISSUED AND INVESTMENT YIELDS
 FOR BONDS BEARING ISSUE DATES JUNE 1 THROUGH NOVEMBER 1, 1958

Table showing: (1) Amount of interest checks paid on United States Savings Bonds of Series H, 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.

Face value	Maturity value	\$500	\$1,000	\$5,000	\$10,000	Approximate investment yield on face value	
	Redemption value .....							Issue price .....
		500	1,000	5,000	10,000		
		500	1,000	5,000	10,000		
Period of time bond is held after issue date	(1) Amounts of interest checks for each denomination				(2) From issue date to each interest payment date	(3) From each interest payment date to maturity*	
					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	*3.88	

Revised amounts of interest checks and investment yields

1½ 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
2½ 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
3½ 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
4½ 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
5½ 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
6½ 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
7½ 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
8½ 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
9½ 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.

‡ At all times, except that bond is not redeemable during first 6 months.

TABLE 16

UNITED STATES SAVINGS BONDS—SERIES H

TABLE OF CHECKS ISSUED AND INVESTMENT YIELDS

FOR BONDS BEARING ISSUE DATES DECEMBER 1, 1958 THROUGH MAY 1, 1959

Table showing: (1) Amount of interest checks paid on United States Savings Bonds of Series H, 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.

Face value	Maturity value	\$500	\$1,000	\$5,000	\$10,000	Approximate investment yield on face value	
	Redemption value						Issue price
		500	1,000	5,000	10,000		
		500	1,000	5,000	10,000		
Period of time bond is held after issue date	(1) Amounts of interest checks for each denomination					(2) From issue date to each interest payment date	(3) From each interest payment date to maturity*
1/4 year		\$4.00	\$8.00	\$40.00	\$80	Percent 1.60	Percent 3.85

Revised amounts of interest checks and investment yields

	\$500	\$1,000	\$5,000	\$10,000	Percent	Percent
1 year	\$7.50	\$15.00	\$75.00	\$150	2.20	3.91
1 1/2 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 1/2 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 1/2 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 1/2 years	9.45	18.90	94.50	189	3.29	4.14
5 years	9.45	18.90	94.50	189	3.34	4.18
5 1/2 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 1/2 years	10.25	20.50	102.50	205	3.43	4.26
7 years	10.25	20.50	102.50	205	3.52	4.29
7 1/2 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 1/2 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 1/2 years	11.25	22.50	112.50	225	3.60	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.

‡ At all times, except that bond is not redeemable during first 6 months.

PART 338—REGULATIONS GOVERNING TREASURY SAVINGS STAMP AGENTS FOR THE SALE OF UNITED STATES SAVINGS STAMPS AT SCHOOLS¹ [REVISED]

- Sec.
 338.1 Authority for this part.
 338.2 Eligibility for applying for agency.
 338.3 Qualification of agents.
 338.4 Responsibility of agents.
 338.5 Scope of authority of Treasury Savings Stamp Agent.
 338.6 Stamps may be obtained without prepayment.
 338.7 Bases for agents obtaining stamps.
 338.8 Accounting for stamps obtained without prepayment.
 338.9 Records and reports, preparation, maintenance and destruction by agents.
 338.10 Losses in transportation.
 338.11 Action by postmasters in connection with an agent's failure to account.
 338.12 Termination of an agent's qualification.
 338.13 Continuation of existing qualifications of stamp agents.
 338.14 Miscellaneous.

AUTHORITY: §§ 338.1 to 338.14 issued under 49 Stat. 21, as amended, 31 U.S.C. 757c.

SOURCE: §§ 338.1 to 338.14 contained in 1960 Department Circular 1008, 1st Revision, 25 F.R. 7674, Aug. 12, 1960.

§ 338.1 Authority for this part.

The Secretary of the Treasury, pursuant to the authority of the Second Liberty Bond Act, as amended (49 Stat. 21, as amended, 31 U.S.C. 757c), hereby prescribes the regulations in this part for the qualification and control of Treasury Savings Stamp Agents.

§ 338.2 Eligibility for applying for agency.

Any individual is eligible to apply for qualification as a Treasury Savings Stamp Agent to sell United States Savings Stamps (hereinafter referred to as stamps) at a specific school or schools in the United States, its territories and possessions and the Canal Zone, upon being recommended for qualification by (a) the principal or superintendent, or other person in charge of a school, (b) a duly constituted school board, or (c) with the consent of the appropriate school official or board to the sale of

stamps at the subject school, an organization, association or a unit of a State or nationally federated civic, parents', parent-teachers', service, teachers', veterans', or women's organization.

§ 338.3 Qualification of agents.

An eligible applicant seeking to qualify as a Treasury Savings Stamp Agent shall file a duly completed Application-Agreement, Treasury Form PD 2949 (original and two copies), with the local State Director of the Treasury's U.S. Savings Bonds Division. The term "State Director" shall include any director appointed by the U.S. Savings Bonds Division for the District of Columbia or for any territory or possession of the United States or the Canal Zone. If such Application-Agreement is accepted, the State Director will certify it and distribute a copy bearing his certification to (a) the postmaster of the post office, branch or station designated in the application, and (b) the Treasury Savings Stamp Agent, hereinafter referred to as the agent. Upon receipt of such copies, the postmaster and the agent are authorized to perform the functions necessary to effect the sale of stamps as provided herein. An applicant is not authorized to act as or to represent himself to be a Treasury Savings Stamp Agent unless and until he receives a completed copy of his Application-Agreement bearing the certification of the State Director.

§ 338.4 Responsibility of agents.

Each agent will be responsible for the faithful performance of his duties and functions and for fully accounting for all stamps received without prepayment. All stamps obtained pursuant to the provisions of this part, including proceeds of sales thereof, are the property of the United States and shall be held in trust for it by the agent until duly accounted for pursuant to the provisions of this part.

§ 338.5 Scope of authority of Treasury Savings Stamp Agent.

An agent is authorized to sell stamps only at the school or schools designated in the agent's Application-Agreement, and in accordance with the provisions of this part. Agents may sell stamps only for cash and at their face value. Qualification as a Treasury Savings Stamp Agent does not authorize an individual to act in any other agency capacity for or on behalf of the Treasury Department.

¹ This is to facilitate the carrying out of the Treasury's School Savings Program as administered by the Savings Bonds Division of the Treasury Department.

§ 332.6 *Reimbursement may be obtained without prepayment.*

Reimbursement may be obtained by the postmaster of the post office without prepayment for stamps of various denominations to meet the requirements of the stamp day for any one stamp day. The stamp day shall be the day of the week designated by the appropriate postal office as the day when U.S. postage stamps may be purchased by public sale or by the agent's fixed credit agent. The agent's fixed credit agent shall be authorized by the post office to obtain stamps of various denominations in the agent's fixed credit account. Reimbursement shall be made by the post office under the provisions of § 332.7.

§ 332.7 *Rules for agents obtaining stamps.*

(a) *General.* (1) If an agent's stamp requirements for a stamp day have been established by previous sales experience the agent may elect to obtain and account for his stamp supplies on one of two bases designated, (i) a consignment basis and (ii) a fixed credit basis; Provided, however, that the Treasury may place a limit on the amount of the fixed credit of any agent(s) and it may at any time, or from time to time, require any fixed credit agent(s) to render a full accounting or to change from a fixed credit to a consignment basis.

(2) If an agent's stamp requirements for a stamp day have not been satisfactorily established by previous sales experience the agent shall be required to obtain and account for his stamp supplies on a consignment basis until such sales experience is duly established at which time he may, as provided in subparagraph (1) of this paragraph, elect to change to a fixed credit basis.

(b) *Obtaining stamps on the consignment basis.* Under the consignment basis an agent shall (1) obtain a supply of stamps on each stamp day, or on the business day preceding such day, and (2) duly account in full (as provided in § 332.8) for all such stamps not later than the second business day following the day the stamps were to be sold.

(c) *Fixed credit basis.* An agent operating on the fixed credit basis shall (1) obtain a supply of stamps for any one stamp day and use the proceeds of sales thereof to replenish such supply for subsequent stamp day sales and (2) duly account in full for the amount of the stamps covered by the fixed credit, not

later than the second business day following the stamp day or the second business day following the stamp day. The Treasury may at any time or from time to time limit or adjust the fixed credit of any agent, may require a full or partial accounting by a fixed credit agent, and may require any fixed credit agent to change to a consignment basis for obtaining and accounting for stamps. A fixed credit agent may render a rendering of an increase (supported by evidence of sale) of the stamps he may obtain on the fixed credit basis and he may elect to change to a consignment basis for obtaining stamps.

§ 332.8 *Accounting for stamps obtained without prepayment.*

(a) *Receipts given by agents for stamps obtained.* A receipt form supplied by the post office shall be signed by the agent to cover all stamps he actually obtains at any one time without prepayment. The agent shall be satisfied that the amount stated on the receipt is correct before signing it. These forms shall be retained by the post office until a full accounting for the stamps is made by the agent.

(b) *Full accounting for stamps.* Stamps obtained without prepayment must be accounted for in full at such time or times as are prescribed in § 332.7. Such accounting shall be in the form of unsold stamps or cash, or both, in the aggregate amount of the full value of stamps recorded on the related post office receipt form signed by the agent. When such accounting is made the postal employee receiving same will mark the related receipt form "canceled" and date and sign such notation. The form shall then be immediately given to the agent. Should such receipt form be unavailable at the time of such accounting the postal employee shall appropriately note the facts of the accounting and unavailability of the receipt and date and sign such notation on Treasury Form PD 2950 (see § 332.9(b)). The form should be retained by the agent.

(c) *Partial accounting for stamps.* This paragraph covers each situation where an agent renders any accounting for stamps and such accounting is for less than the full amount of stamps obtained without prepayment. However, it does not include transactions whereby stamps are purchased by "fixed credit agents" with proceeds of stamp sales for the purpose of replenishing supplies of

stamps for sale on other stamp days. An accounting shall be in the form of unsold stamps or cash, or both. If an agent renders an accounting that is less than the total amount of the stamps obtained by him without prepayment, the postal employee to whom the accounting is made shall appropriately note and date the facts on the related receipt previously given by the agent and require the agent to endorse the notation. The receipt will be retained by the post office until a full accounting is made. A similar notation, duly dated, shall be made and signed by the postal employee on Treasury Form PD 2950 which form shall be retained by the agent as prescribed in § 338.9. (When the stamps are fully accounted for the postal employee will date, cancel, sign and return the receipt to the agent as prescribed in the paragraph (b) of this section.) If the original related receipt form given by the agent is unavailable at the time of a partial accounting the postal employee shall appropriately date, note and sign the facts of the accounting and unavailability of the receipt on Treasury Form PD 2950 which form shall be retained by the agent (see § 338.9(b)).

§ 338.9 Records and reports, preparation, maintenance and destruction by agents.

(a) *Receipts by agents for stamps obtained without prepayment.* Section 338.8 covers the preparation and distribution of receipts for stamps obtained by agents without prepayment. A receipt duly canceled and returned to an agent shall be retained by him one calendar month after the month in which it is returned after which the agent may retain or destroy the receipt as he may elect.

(b) *Record of transportation of stamps and proceeds thereof to post office.* Each agent shall keep a record, in duplicate, by calendar month, of unsold stamps and/or the proceeds of stamp sales (including proceeds of sales used by "fixed credit agents" for the purchase of additional stamps) shipped or otherwise delivered during the month to the post office. A Treasury Form PD 2950 is provided for this purpose. Entries shall be made by the agent on Form PD 2950 at the time each shipment or delivery is made. The agent shall take the duplicate copy of Form PD 2950 with him each time he makes a full or partial account-

ing to the post office for stamps that he obtained without prepayment (this does not include purchases of additional stamps with the proceeds of stamp sales by "fixed credit agents"). The original and the duplicate copy of this form shall be retained one calendar month after the date of the last shipment recorded thereon, after which the agent may retain or destroy them: *Provided, however,* That when (1) unsold stamps or the proceeds of stamp sales are lost, stolen or destroyed in transit, or (2) the agent does not duly account for stamps (when and as required under the provisions of § 338.8 (b) or (c)), the Form PD 2950 (both copies) shall be retained by the agent until one calendar month after the deficiency is removed, unless the form is delivered to the Treasury; *And provided further,* That if a post office is unable to return to the agent his post office receipt form covering stamps obtained without prepayment at the time a full accounting therefor is made, the Form PD 2950 duly noted and signed by the postal employee shall be retained for three months after such accounting.

(c) *Other.* Other records prepared and maintained by and for the agent's own use may be disposed of at the discretion of the agent: *Provided, however,* That any records, affidavits, etc., that are prepared in connection with a loss which may be the subject of a claim to the Treasury for relief shall be retained as provided in § 338.10(d).

§ 338.10 Losses in transportation.

(a) *General.* The Government Losses in Shipment Act, as amended (5 U.S.C. 134-134h), provides protection against losses arising from shipments of valuables made at the risk of the United States, if the shipments are made in accordance with prescribed regulations. The term "shipment" as used herein is defined (in the same manner as provided in the Government Losses in Shipment Act, as amended) to mean "the transportation or the effecting of transportation of valuables without limitation as to the means or facilities used * * *." The transportation of stamps from the post office to the school and of unsold stamps and/or cash from the school to the post office by or in the possession of a Treasury Savings Stamp Agent acting in his official capacity are shipments of valuables at the risk of the United States. Accordingly, an agent may be relieved of

his accountability for stamps if they are lost, stolen or destroyed in shipment (see paragraph (d) of this section).

(b) *Preparation for transportation.* The amount of stamps and/or proceeds thereof being transported from or to the post office must be established, prior to transportation, by actual count by the agent. The agent's receipt given at the post office for stamps obtained without prepayment will ordinarily constitute an adequate record of the amount of stamps being transported by the agent to the school.

(c) *Procedure for transportation and delivery.* An agent must transport and deliver the stamps and/or the proceeds thereof in person, using due care to prevent loss, theft or destruction in transit. The agent's trip may be made on foot or by private or public transportation facilities.

(d) *Report of losses and presentation of claims for relief.* Losses occurring during the transportation by an agent of stamps or the proceeds thereof shall be promptly reported by the agent to (1) the State Director who certified the agent's Application-Agreement and (2) the post office. Local police authorities should also be notified if the loss is occasioned by theft. If prompt recovery of the loss does not seem possible, the agent should supplement the report of loss by presenting his claim for relief to the State Director who, in turn, will present it for consideration by the Treasury Department. The agent's claim should be supported by the appropriate duplicate copy of Form PD 2950; the report of any investigation made; action taken or expected to be taken and of any results obtained or expected; statements by the agent as to the circumstances and cause of the loss; and, if available, statements or affidavits of any witnesses to the incident causing the loss. The foregoing data need not be furnished if it has previously been furnished to or obtained by the Treasury's Secret Service. Stamp agents should bear the foregoing requirements in mind so that in the event of a loss, they may be in a position to obtain data for justifying a claim for relief from the loss. Unless the records referred to herein have been turned over to the Treasury they should be retained, notwithstanding the provisions of § 338.9 hereof, until one calendar month after

the claim is settled. An agent will be relieved of liability for a loss occurring during his transportation of stamps or the proceeds thereof, unless it arose as a result of his failure to comply with the provisions of this part and instructions issued hereunder.

§ 338.11 *Action by postmasters in connection with an agent's failure to account.*

Postmasters should promptly report any failure of an agent to account when due, in whole or in part, for stamps supplied to the agent without prepayment. Such reports should be made to the State Director of the U.S. Savings Bonds Division who certified the respective agent's Application-Agreement.

§ 338.12 *Termination of an agent's qualification.*

The Secretary of the Treasury, the Fiscal Assistant Secretary of the Treasury, the National Director or a State Director of the U.S. Savings Bonds Division may terminate the qualification of a Treasury Savings Stamp Agent at any time, by written notice to the agent, in which event a copy of such notice will be sent to the post office concerned. A qualified agent may withdraw from and discontinue his agency by giving an appropriate written notice to the office of the State Director of the U.S. Savings Bonds Division who certified the agent's Application-Agreement: *Provided, however,* That the agent will be obligated to make a full accounting for all stamps received by him without prepayment.

§ 338.13 *Continuation of existing qualifications of stamp agents.*

Any person who is a qualified agent at the effective date of the revision of this part may continue to act under such qualification subject to the terms and conditions of this revision.

§ 338.14 *Miscellaneous.*

The Secretary of the Treasury reserves the right, in his discretion, to waive or modify any provision or provisions of the regulations of this part and to provide supplementary instructions for operations hereunder. Information as to any such actions shall be promptly furnished to agents concerned.

PART 339—EXCHANGE OFFERING OF UNITED STATES SAVINGS BONDS SERIES H [ADDED]

5-c.

339.0 Exchange offering of Series H bonds for certain Series E, F and J bonds.

339.1 Exchange of certain Series E, F and J bonds with the privilege of deferral of Federal income tax.

339.2 Exchanges without tax deferral.

339.3 General provisions.

AUTHORITY: §§ 339.0 to 339.3 issued under sec. 22, 49 Stat. 21, as amended, sec. 25, 78 Stat. 621; 31 U.S.C. 757c, 757e-1.

SOURCE: §§ 339.0 to 339.3 contained in 1959 Department Circular 1036, 25 F.R. 407, Jan. 19, 1960.

§ 339.0 Exchange offering of Series H bonds for certain Series E, F and J bonds.

The Secretary of the Treasury pursuant to the authority of the Second Liberty Bond Act, as amended, hereby offers to the people of the United States, effective as of January 1, 1960, Series H bonds in exchange for United States Savings Bonds of Series E, F and J, without regard to the annual limitation on holdings for Series H bonds, as hereinafter set forth. The Series H bonds offered hereunder are identical in all respects with the Series H bonds offered in Department Circular No. 905, Second Revision, dated September 23, 1959 (and reference should be made to that circular for the terms of these bonds) except as otherwise specifically provided in this circular. This offering will continue until terminated by the Secretary of the Treasury.

§ 339.1 Exchange of certain Series E, F and J bonds with the privilege of deferral of Federal income tax.

(a) *Applicability.* This section shall apply only to taxpayers who have not reported the increment in value (which will hereinafter be referred to as interest) on the bonds described in paragraph (c) (1) of this section for Federal income tax purposes.

(b) *Deferral of income tax.* Pursuant to the provisions of section 1037(a) of the Internal Revenue Code of 1954 the Secretary of the Treasury hereby grants the owners of bonds to whom this section is applicable the privilege of exchanging them for Series H bonds and of continuing to defer the reporting of the interest on the bonds exchanged (ex-

cept interest referred to in paragraph (d) (5) of this section for Federal income tax purposes to the taxable year in which the Series H bonds received in exchange are disposed of, are redeemed, or have reached final maturity, whichever is earlier.¹

(c) *Description of bonds and definitions—(1) Description of bonds.* This section shall apply to:

(i) All outstanding Series E and J bonds; and

(ii) All Series F bonds with issue dates on and after January 1, 1948, provided that such bonds are received not later than six months from the month of maturity by an agency authorized to accept subscriptions for exchange.

(2) *Definitions.* (i) "Owner(s)" means an owner of any of the above described bonds, except commercial banks in their own right (as distinguished from a representative or fiduciary capacity) and nonresident aliens who are residents of an area with respect to which the Treasury Department restricts or regulates delivery of checks drawn against funds of the United States or any agency or instrumentality thereof. The term includes a registered owner whether or not a natural person, either co-owner (but only the "principal co-owner" if Series H bonds in a different form of registration are requested), a surviving beneficiary, or any other person who would be entitled to reissue under the regulations governing United States Savings Bonds,² such as, but not limited to, any person entitled to succeed to the estate of a deceased owner.

(ii) "Commercial banks" means banks accepting demand deposits.

(iii) "Principal coowner" means a co-owner who purchased the bonds (submitted for exchange) with his own funds, or received the bonds as a gift, legacy or inheritance or as a result of judicial proceedings and had them reissued in coownership form, provided he has received no contribution in money or

¹ The interest paid semiannually by check on all Series H bonds, whether issued in exchange under this or any other section, or otherwise, is subject to the Federal income tax for the taxable year in which it is received.

² The regulations are set forth in Department Circular No. 530, current revision.

money's worth from the other coowner for designating him on the bonds.

(d) *Rules governing the exchange.*

(1) Subscriptions for exchange properly completed and duly executed in accordance with the instructions on exchange subscription form PD 3253, together with the bonds, any cash difference (see subparagraph (4) of this paragraph), and any supporting evidence which may be required under the regulations governing United States Savings Bonds,³ may be presented or forwarded to any authorized agency.⁴

(2) A Series H bond issued upon exchange will be registered in the name of the owner of the bond submitted in any authorized form of registration, provided the "principal coowner", as defined in subparagraph (c) (2) of this section, is named as owner or coowner.

(3) The only authorized denominations of Series H bonds, which are the same as their issue prices and maturity values, are \$500, \$1,000, \$5,000 and \$10,000. Accordingly, the total current redemption value of the bonds submitted for exchange in any one transaction must amount to \$500 or more.

(4) If the bonds submitted for exchange have a total current redemption value in an even multiple of \$500, Series H bonds must be requested in that exact amount. If the total current redemption value is in excess of \$500, but not an even multiple of \$500, the owner has the option of furnishing cash necessary to obtain Series H bonds of the next higher \$500 multiple, or of receiving payment of the difference between the total current redemption value and the next lower multiple of \$500. For example, under the rules prescribed in this circular, if the

bonds submitted for exchange in one transaction have a total current redemption value of \$4,253.33, the owner may elect to:

(i) Receive \$4,000 in Series H bonds and the amount of the difference, \$253.33, or

(ii) Pay the difference, \$246.67, necessary to obtain \$4,500 in Series H bonds.⁵

(5) Any amount paid to the owner as a cash adjustment (as in (i) of the above example) must be treated as income for Federal income tax purposes for the year in which it is received up to an amount not in excess of the total interest on the bonds exchanged.⁶

(6) Each Series H bond issued under this section will be stamped "EX" or "EXCH" to show that it was issued upon exchange and will bear a legend showing how much of the issue price thereof represents interest on the Series E, F or J bonds exchanged therefor, which must be treated as income for Federal income tax purposes for the year in which the Series H bond is redeemed, is disposed of or finally matures, whichever is earlier.

(7) The Series H bonds (which only the Federal Reserve Banks or Branches or the Office of the Treasurer of the United States are authorized to issue) will be dated as of the first day of the month in which the bonds, together with the subscription and any necessary cash difference and supporting evidence, are accepted for exchange by an authorized agency.

§ 339.2 Exchanges without tax deferral.

Owners of Series E, F and J bonds who (a) have reported the increment in value (interest) on their bonds for Federal income tax purposes, or (b) are tax exempt under the provisions of the Internal

³ For example, a beneficiary named on Series E, F or J bonds would have to submit proof of the death of the registered owner in order to exchange such bonds for Series H bonds.

⁴ Paying agents authorized to pay Series E bonds have been authorized by the Secretary of the Treasury to accept and handle exchange subscriptions submitted by natural persons whose names are inscribed on the face of the Series E, F or J bonds as owners or coowners in their own right. However, as agents of subscribers they may forward any exchange subscription to a Federal Reserve Bank or Branch or the Office of the Treasurer of the United States, Washington 25, D. C., for acceptance and handling.

⁵ If a paying agent accepts a subscription solely for the purpose of forwarding it, or if the owner forwards it direct, to a Federal Reserve Bank or Branch or to the Office of the Treasurer of the United States, the remittance for the amount of the difference, by check or other form of exchange (which will be accepted subject to collection), should be drawn to the order of the Federal Reserve Bank or the Treasurer of the United States, as the case may be, and must accompany the subscription and the bonds to be exchanged.

⁶ The amount, if any, paid to the owner in excess of the interest is a repayment on account of the purchase price of the bonds exchanged, not income.

Revenue Code of 1954 and the regulations issued thereunder, may exchange their bonds for Series H bonds without regard to the annual limitation on holdings for the latter. These exchanges will be handled in the same manner and will be governed by the rules prescribed for exchanges under § 339.1, except that any amount of interest received as a cash adjustment which has been previously reported for Federal income tax purposes need not be accounted for, and the Series H bonds may be registered in the name of the owner or coowner of the bonds submitted in exchange in any authorized form of registration, and will not bear the legend referred to in paragraph (d) (6) of § 339.1.⁷ No Federal income tax deferral of any kind will result from exchanges under this section.

§ 339.3 General provisions.

(a) *Regulations.* All Series H bonds issued under this circular shall be subject to the regulations prescribed from time to time by the Secretary of the Treasury to govern United States Savings Bonds, except as otherwise provided hereunder. The present regulations are set forth in Treasury Department Circular

⁷ Series F bonds matured prior to January 1, 1960 (which are not eligible for exchange under this circular under any conditions), and Series F bonds which become ineligible for exchange under this circular because of failure to present them for that purpose not later than six months from the month of maturity, may be exchanged under the provisions of § 332.7(b) of Department Circular No. 905, Second Revision.

lar No. 530, current revision, copies of which may be obtained on application to the Treasury Department or to any Federal Reserve Bank or Branch.

(b) *Reservation as to issue of bonds.* The Secretary of the Treasury reserves the right to reject any exchange subscription 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.

(c) *Previous circulars; preservation of existing rights.* The provisions of Treasury Department Circulars Nos. 530, 653 and 905 as currently revised are hereby modified and amended to the extent that they are not in accordance with this circular: *Provided, however,* That nothing contained in this circular shall limit or be construed to limit or restrict any existing rights which owners of United States Savings Bonds have acquired under such circulars.

(d) *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 exchanges under this circular.

(e) *Reservation as to terms of circular.* The Secretary of the Treasury may at any time or from time to time supplement or amend the terms of this circular, or of any amendments or supplements thereto.

PART 340—REGULATIONS GOVERNING THE SALE OF TREASURY BONDS THROUGH COMPETITIVE BIDDING [ADDED]

- Sec.
 340.0 Authority for sale of Treasury bonds through competitive bidding.
 340.1 Public notice—description of bonds—terms of offer.
 340.2 Denominations and exchanges.
 340.3 Taxation.
 340.4 Acceptance as security for public deposits.
 340.5 Notice of intent to bid.
 340.6 Submission of bids.
 340.7 Deposits—retention—return.
 340.8 Acceptance of bids.
 340.9 Bids—revocations—rejections—postponements—reoffers.
 340.10 Payment for and delivery of bonds.
 340.11 Failure to complete transaction.
 340.12 Reservations as to terms of circular.

AUTHORITY: §§ 340.0 to 340.12 issued under R.S. 3706; 40 Stat. 288, 290, 1309; 48 Stat. 343; 50 Stat. 481; 31 U.S.C. 738a, 739, 752, 752a, 753, 754, 754a and 754b.

SOURCE: §§ 340.0 to 340.12 contained in 1962 Department Circular, Public Debt Series No. 22-62, 27 F.R. 12481, Dec. 19, 1962.

§ 340.0 Authority for sale of Treasury bonds through competitive bidding.

(a) The Secretary of the Treasury may, from time to time, by public notice, offer Treasury bonds for sale and invite bids therefor. The bonds so offered and the bids made will be subject to the terms and conditions and the rules and regulations herein set forth, except as they may be modified in the public notice or notices issued by the Secretary in connection with particular offerings.¹ The bonds will be subject also to the general rules and regulations of the Treasury Department, now or hereafter prescribed, governing United States securities. They will be issued pursuant to the authority of the Second Liberty Bond Act, as amended.

¹ These regulations do not apply to Treasury bills, which are governed by Department Circular No. 418, Revised, and do not constitute a specific offering of bonds.

(b) The terms "public notice," "notices," or "announcement" as used in this part mean the "Public Notice of Invitation to Bid" on Treasury bonds and any supplementary or amendatory notices or announcements with respect thereto, including, but not limited to any statement released to the press by the Secretary of the Treasury and notices sent to those who have filed notices of intent to bid or who have filed bids.

§ 340.1 Public notice—description of bonds—terms of offer.

When bonds are offered for sale through competitive bidding, bids therefor will be invited through the form of a public notice or notices issued by the Secretary of the Treasury. The notice or notices will either fix the coupon rate of interest to be borne by the bonds or prescribe the conditions under which bidders may specify the rate and will set forth the terms and conditions of the bonds, including maturities, call features, if any, and the terms and conditions of the offer, including the amount of the issue for which bids are invited, the date and closing hour for receipt of bids, and the date on which the bonds will be delivered and payment for any accepted bid must be completed. When so specified in the public notice, it shall be a condition of each bid that, if accepted by the Secretary of the Treasury, the bidder will make a bona fide reoffering to the investing public.

§ 340.2 Denominations and exchanges.

Bearer bonds with interest coupons attached, and bonds registered as to principal and interest, will be available in denominations of \$500, \$1,000, \$5,000, \$10,000, \$100,000, and \$1,000,000. Provisions will be made for the interchange of bonds of different denominations and of bearer and registered bonds, and for the transfer of registered bonds.

§ 340.3 Taxation.

The income derived from the bonds will be subject to all taxes imposed under the Internal Revenue Code of 1954. The bonds will be subject to estate, inheritance, gift or other excise taxes, whether Federal or State, but will be 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.

§ 340.4 Acceptance as security for public deposits.

The bonds will be acceptable to secure deposits of public moneys.

§ 340.5 Notice of intent to bid.

Any individual, or organization, syndicate, or other group which intends to submit a bid, must, when required by the public notice, give written notice of such intent on Form PD 3555 at the place and within the time specified in the public notice. The filing of such notice will not constitute a commitment to bid.

§ 340.6 Submission of bids.

(a) *General.* Bids will be received only at the place specified and not later than the time designated in the public notice. Each bid must be submitted on the official form referred to in the public notice and should be enclosed and sealed in the special envelope provided by the Treasury Department. Forms and envelopes may be obtained from any Federal Reserve Bank or Branch or the Bureau of the Public Debt, Treasury Department, Washington 25, D.C. Bids shall be irrevocable.

(b) *Bidding.* Bids, except noncompetitive bids when authorized, must be expressed as a percentage of the principal amount in not to exceed five decimals, e.g., 100.01038 percent. Provisions relating to the coupon rate of interest on the bonds, if not set forth in the public notice, will be made in a supplemental announcement. The public notice will indicate the timing of any such announcement. If the bidders are required to specify the coupon rate, each bidder shall specify a single coupon rate of interest, which shall be a multiple of $\frac{1}{8}$ of 1 percent but not in excess of $4\frac{1}{4}$ percent. The Secretary of the Treasury may limit the premium above or the discount below par.

(c) *Group bids.* A syndicate or other group submitting a bid must act through a representative who must be a member of the group. The representative must warrant to the Secretary of the Treasury that he has all necessary power and authority to act for each member and to bind the members jointly and severally. In addition to whatever other data may be required by the Secretary of the Treasury, in the case of a syndicate, the representative must file, within one hour after the time for opening of bids,

at the place specified in the public notice for receipt of bids a final statement of the composition of the syndicate membership and the amount of each member's underwriting participation.

§ 340.7 Deposits—retention—return.

Each bid must be accompanied by a deposit in the amount specified in the public notice. The deposit of any successful bidder will be retained as security for the performance of his obligation and will be applied toward payment of the bonds. All other deposits will be returned immediately. No interest will be allowed on account of any deposits.

§ 340.8 Acceptance of bids.

(a) *Opening of bids.* Bids will be opened at the time and place specified in the public notice.

(b) *Method of determining accepted bids.* The lowest basis cost of money² computed from the date of the bonds to the date of maturity will be used in determining successful bids.

(c) *Acceptance of successful bid.* The Secretary of the Treasury, or his representative, will notify any successful bidder of acceptance in the manner and form specified in the public notice.

§ 340.9 Bids — revocations — rejections—postponements—reoffers.

The Secretary of the Treasury, in his discretion, may (a) revoke the public notice of invitation to bid at any time before opening bids, (b) return all bids unopened either at or prior to the time specified for their opening, (c) reject any or all bids, (d) postpone the time for presentation and opening of bids, and (e) waive any immaterial or obvious defect in any bid. Any action the Secretary of the Treasury may take in these respects shall be final. In the event of a postponement, known bidders will be advised thereof and their bids returned unopened.

²In cases where bidders are required to specify the coupon rate, the lowest basis cost of money will be determined by reference to a specially prepared table of bond yields, a copy of which will be made available to all prospective bidders upon written request to the Federal Reserve Bank of New York, or the Bureau of the Public Debt, Treasury Department, Washington 25, D.C. Straight-line interpolation will be applied if necessary.

§ 340.10 Payment for and delivery of bonds.

Payment for the bonds, including accrued interest, if any, must be made in immediately available funds on the date and at the place specified in the invitation. Delivery of bonds under this section will be made at the risk and expense of the United States at such place or places in the United States as may be provided in the invitation. Interim receipts, if necessary, will be issued pending delivery of the definitive bonds.

§ 340.11 Failure to complete transaction.

If any successful bidder shall fail to pay in full for the bonds on the date and at the place specified in the invitation, the money deposited by or in behalf of such bidder shall be forfeited to the Treasury Department.

§ 340.12 Reservations as to terms of circular.

The Secretary of the Treasury reserves the right, at any time, or from time to time, to amend, repeal, supplement, revise or withdraw all or any of the provisions of this part.

PART 341—REGULATIONS GOVERNING UNITED STATES RETIREMENT PLAN BONDS [ADDED]

Sec.

- 341.0 Offering of bonds.
- 341.1 Description of bonds.
- 341.2 Registration.
- 341.3 Purchase of bonds.
- 341.4 Proof of purchase.
- 341.5 Limitation on holdings.
- 341.6 Nontransferability.
- 341.7 Judicial proceedings.
- 341.8 Payment or redemption during lifetime of owner.
- 341.9 Payment or redemption after death of owner.
- 341.10 Reissue.
- 341.11 Use of power of attorney.
- 341.12 Lost, stolen, or destroyed bonds.
- 341.13 Taxation.
- 341.14 Certifying officers.
- 341.15 General provisions.

AUTHORITY: §§ 341.1 to 341.15 issued under R.S. 3706; 40 Stat. 288, 290, 1309; 48 Stat. 343; 50 Stat. 481; 31 U.S.C. 738a, 739, 752, 752a, 753, 754a, 754b.

SOURCE: §§ 341.1 to 341.15 contained in 1963 Department Circular, Public Debt Series No. 1-63, 28 F.R. 405, Jan. 16, 1963.

§ 341.0 Offering of bonds.

The Secretary of the Treasury, under the authority of the Second Liberty Bond Act, as amended, and pursuant to the Self-Employed Individuals Tax Retirement Act of 1962, offers for sale, effective as of January 1, 1963, bonds of the United States, designated as United States Retirement Plan Bonds. The bonds will be available for investment only to (a) bond purchase plans and (b) pension and profit-sharing plans, as described in sections 405 and 401, respectively, of the Internal Revenue Code of 1954. This offering of bonds will continue until terminated by the Secretary of the Treasury.

§ 341.1 Description of bonds.

(a) *Investment yield (interest).* United States Retirement Plan Bonds, hereinafter sometimes referred to as Retirement Plan Bonds, will be issued at par. The investment yield (interest) on the bonds will be 3¾ percent per annum, compounded semiannually, as set forth in the table of redemption values appended to this part. Such interest will be paid only upon redemption of the bonds. The accrual of interest will continue until the bonds have been redeemed or have reached maturity, which-

ever is earlier, in accordance with the regulations in this part.

(b) *Term.* The maturity date of any bond issued under this circular shall be indeterminate, but unless sooner redeemed in accordance with the regulations in this part, its investment yield will cease on the interest accrual date coinciding with, or, where no such coincidence occurs, the interest accrual date next preceding, the first day of the sixtieth (60th) month following the date of death of the person in whose name it is registered.

(c) *Denominations—issue date.* Retirement Plan Bonds will be available only in registered form and in denominations of \$50, \$100, \$500, and \$1,000. At the time of issue, the issuing agent will enter in the upper right-hand portion of the bond the issue date (which shall be the first day of the month and year in which payment of the purchase price is received by an authorized issuing agent), and will imprint the agent's validating stamp in the lower right-hand portion. The issue date, as distinguished from the date in the agent's validating stamp, will determine the date from which interest will begin to accrue on the bond. A Retirement Plan Bond shall be valid only if an authorized issuing agent receives payment therefor, duly inscribes, dates, stamps, and delivers it.

§ 341.2 Registration.

(a) *General.* The registration of Retirement Plan Bonds is limited to the names of natural persons in their own right, whether adults or minors, in either single ownership or beneficiary form. A bond registered in beneficiary form will be inscribed substantially as follows (for example): "John A. Doe payable on death to (or P.O.D.) Richard B. Roe." No more than one beneficiary may be designated on a bond.

(b) *Inscription.* The inscription on the face of each bond will show the name, address, date of birth, and the social security account number of the registered owner, as well as information as to whether he is a self-employed individual or an employee, and the amount he contributed (if any) out of his own funds toward the purchase price of the bond. In the case of any self-employed individual (who is treated as an employee for the purpose of sections 405 and 401 of the

Internal Revenue Code of 1954), this amount would be that portion of the purchase price he contributed (if any) as an employee and which he will not take into account in determining the amount deductible for Federal income tax purposes. The name of the beneficiary, if one is to be designated, will also be shown in the inscription.

§ 341.3 Purchase of bonds.

(a) *Agencies.* Retirement Plan Bonds may be purchased over-the-counter or by mail from Federal Reserve Banks and Branches and the Office of the Treasurer of the United States, Washington 25, D.C. Customers of commercial banks and trust companies may be able to arrange for the purchase of the bonds through such institutions, but only the Federal Reserve Banks and Branches and the Treasurer's Office are authorized to act as official agencies, and the date of receipt of the application and payment by an official agency will govern the dating of the bonds issued.

(b) *Applications.* Applications for the purchase of Retirement Plan Bonds should be made on Form PD 3550, accompanied by a remittance to cover the purchase price. Personal checks will be accepted, subject to collection. Checks, or other forms of exchange, should be drawn to the Federal Reserve Bank or Treasurer of the United States, as the case may be. Checks payable by endorsement are not acceptable.

(c) *Delivery.* Delivery of bonds will be made 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 the registered owner temporarily resides abroad, the bonds will be delivered to such address in the United States as the purchaser directs.

§ 341.4 Proof of purchase.

At the time a Retirement Plan Bond is issued, the issuing agent will furnish therewith to the purchaser, and in cases where the purchaser is different from the person in whose name the bond is inscribed, to the registered owner as well, proof of the purchase on Form PD 3550. The form will show the names and addresses of the purchaser and of

the registered owner, the latter's date of birth, social security account number and his classification (i.e., self-employed individual or employee), the number of bonds issued, a description thereof by issue date, serial numbers, denominations, and registration, together with information as to the amount of his contributions (if any) toward the purchase price of the bonds.

§ 341.5 Limitation on holdings.

The limit on the amount of any Retirement Plan Bonds issued during any one calendar year that may be purchased in the name of any one person as registered owner is \$5,000 (face value).

§ 341.6 Nontransferability.

United States Retirement Plan Bonds are not transferable, and may not be sold, discounted or pledged as collateral for a loan or as security for the performance of an obligation, or for any other purpose.

§ 341.7 Judicial proceedings.

No judicial determination will be recognized which would give effect to an attempted voluntary transfer inter vivos of a Retirement Plan Bond. Otherwise, a claim against a registered owner will be recognized when established by valid judicial proceedings, but in no case will payment be made to the purchaser at a sale under a levy or to the officer authorized to levy upon the property of the owner under appropriate process to satisfy a money judgment unless or until the bond has become eligible for redemption pursuant to the regulations in this part. Neither the Treasury Department nor any of its agencies 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 the bond.

§ 341.8 Payment or redemption during lifetime of owner.

(a) *At age 59½ or thereafter.* A Retirement Plan Bond will be redeemable at its current redemption value upon the request of the registered owner (or a person recognized as entitled to act on his behalf), provided he is 59½ years of age or older. The owner's age will be determined from the date of birth shown on the face of the bond, provided, however, that the Secretary of the Treasury

reserves the right in any case or class of cases to require proof, in the form of a duly certified copy of his birth certificate, that the owner has attained the age of 59½ years. If such evidence is unavailable, one of the following documents may be furnished in lieu thereof:

- (1) Church records of birth or baptism.
- (2) Hospital birth record or certificate.
- (3) Physician's or midwife's birth record.
- (4) Certification of Bible or other family record.
- (5) Military, naturalization or immigration records.
- (6) Other evidence of probative value.

Similar documentary evidence will also be required to support any claim made by an owner that the date of birth shown on his bond is incorrect.

(b) *Prior to age 59½ years.* A Retirement Plan Bond will be paid at its then current redemption value upon a registered owner's request (or by a person recognized as entitled to act on his behalf) prior to his attainment of age 59½ years upon submission of a physician's statement or any similar evidence showing that the owner has become disabled to such an extent that he is unable to engage in any substantial, gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or to be of long-continued and indefinite duration. The following are examples of impairments which would ordinarily be considered as preventing substantial, gainful activity:

- (1) Loss of use of two limbs.
- (2) Certain progressive diseases which have resulted in the physical loss or atrophy of a limb, such as diabetes, multiple sclerosis, or Buerger's disease.
- (3) Diseases of the heart, lungs, or blood vessels which have resulted in major loss of heart or lung reserve as evidenced by X-ray, electrocardiogram, or other objective findings, so that despite medical treatment breathlessness, pain, or fatigue is produced on slight exertion, such as walking several blocks, using public transportation, or doing small chores.
- (4) Cancer which is inoperable and progressive.
- (5) Damage to the brain or brain ab-

normality which has resulted in severe loss of judgment, intellect, orientation, or memory.

(6) Mental diseases (e.g., psychosis or severe psychoneurosis) requiring continued institutionalization or constant supervision of the individual.

(7) Loss or diminution of vision to the extent that the affected individual has a central visual acuity of no better than 20/200 in the better eye after best correction, or has a limitation in the fields of vision such that the widest diameter of the visual fields subtends an angle no greater than 20 degrees.

(8) Permanent and total loss of speech.

(9) Total deafness uncorrectible by a hearing aid.

In any case coming under the provisions of this paragraph, the evidence referred to above must be submitted to the Bureau of the Public Debt, Division of Loans and Currency, Washington 25, D.C., for approval before any bonds may be paid. If, after review of the evidence, the Secretary of the Treasury is satisfied that the owner's disability has been established, a letter will be furnished authorizing payment of his Retirement Plan Bonds. This letter must be presented each time any of the owner's bonds are submitted for payment to a Federal Reserve Bank or Branch or to the Office of the Treasurer of the United States.

(c) *Requests for payment*—(1) *By owner.* When redemption of any Retirement Plan Bond is desired by the registered owner under paragraph (a) of this section, it should be presented, with the request for payment on the back of the bond signed and duly certified, to a Federal Reserve Bank or Branch or to the Office of the Treasurer of the United States, Washington 25, D.C. If payment is requested under paragraph (b) of this section, the letter described therein should accompany the bond.

(2) *By person other than owner.* When redemption of any Retirement Plan Bond is desired by the legal guardian, committee conservator, or similar representative of the owner's estate under paragraph (a) of this section, it should be presented, with the request signed as described below, to a Federal Reserve Bank or Branch or to the Office of the Treasurer of the United States.

If payment is requested under paragraph (b) of this section, the letter described therein should accompany the bond.¹ The request for payment, in either case, should be signed by the representative in his fiduciary capacity before an authorized certifying officer, and must be supported by a certificate or a certified copy of the letters of the appointment from the court making the appointment, under seal, or other proof of qualification if the appointment was not made by a court. 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 the presentation of the bond for payment.

(d) *Partial redemption.* A Retirement Plan Bond in a denomination greater than \$50 (face value) which is otherwise eligible for redemption may be redeemed in part, at current redemption value, upon the request of the registered owner (or a person recognized as entitled to act on his behalf), but only in amounts corresponding to authorized denominations. In any case in which partial redemption is desired, before the request for payment is signed, the phrase "to the extent of \$---- (face value) and reissue of the remainder" should be appended to the request. Upon partial redemption of the bond, the remainder will be reissued as of the original issue date. No partial redemption of a bond will be made after the death of the owner in whose name it is registered.

§ 341.9 Payment or redemption after death of owner.

(a) *Order of precedence where owner not survived by beneficiary.* If the registered owner of a Retirement Plan Bond dies before it has been presented and surrendered for payment, and there is no beneficiary shown thereon, or if the designated beneficiary predeceased the owner, the bond shall be paid in the following order of precedence:

(1) To the duly appointed executor or administrator of the estate of the owner, who should sign the request for payment on the back of the bond in his representative capacity before an authorized certifying officer, such request to be supported by a court certificate or a certified copy of his letters of appointment, under seal of the court, which should show that the appointment is in full force and effect, and be dated within six months of its presentation;

(2) If no legal representative of the deceased registered owner's estate has been or will be appointed, to the widow or widower of the owner;

(3) If none of the above, to the child or children of the owner and the descendants of deceased children by representation;

(4) If none of the above, to the parents of the owner, or the survivor of them;

(5) If none of the above, to other next-of-kin of the owner, as determined by the laws of the domicile of such owner at the time of his death.

In any case coming under the provisions of this paragraph, a duly certified copy of the registered owner's death certificate will ordinarily be required. Proof of death of the beneficiary, if any, will be required where he predeceased the owner. Payment of bonds under subparagraph (1) of this paragraph will be made by a Federal Reserve Bank or Branch or by the Office of the Treasurer of the United States, Washington 25, D.C. Payment of bonds under subparagraphs (2) to (5) of this paragraph will be made upon receipt of applications on Form PD 3565, together with the bonds and supporting evidence, by the Bureau of the Public Debt, Division of Loans and Currency, Washington 25, D.C.

(b) *Order of precedence where beneficiary survived owner.* If the registered owner of a Retirement Plan Bond dies before it has been presented and surrendered for payment, and the beneficiary shown thereon survived the owner, the bond shall be paid in the following order of precedence:

(1) To the designated beneficiary upon his presentation and surrender of the bond with the request for payment signed and duly certified, such payment to be made to the exclusion of any other person who may have been named beneficiary by the registered owner in a bond purchase plan, or under a pension or profit-sharing plan;

¹ In any case in which a legal representative has not been appointed for the estate of a registered owner who has attained the age of 59½ years, or who has become disabled, a person seeking payment of a bond on the owner's behalf should furnish a complete statement of the circumstances to the Bureau of the Public Debt, Division of Loans and Currency, Washington 25, D.C. Appropriate instructions will then be furnished.

(2) If the designated beneficiary survived the registered owner but failed to present the bond for payment during his own lifetime, payment will be made in the order of precedence specified in subparagraphs (1) to (5) of paragraph (a) of this section to the legal representative, surviving spouse, children, parents, or next-of-kin of such beneficiary, and in the manner provided therein.

In any case coming under the provisions of this paragraph, a duly certified copy of the registered owner's death certificate will ordinarily be required. Proof of death of the beneficiary will also be required where he survived the owner but failed to present the bond for payment during his own lifetime. Payment of a bond to a designated beneficiary will be made by Federal Reserve Bank or Branch or by the Treasurer of the United States, Washington 25, D.C.

(c) *Ownership of redemption proceeds.* The orders of precedence set forth in paragraphs (a) and (b) of this section, except in cases where redemption is made for the account of a registered owner, are for the Department's convenience in discharging its obligation on a Retirement Plan Bond. The discharge of the obligation in accordance therewith shall be final so far as the Department is concerned, but those provisions do not otherwise purport to determine ownership of the redemption proceeds of a bond.

§ 341.10 Reissue.

(a) *Additon or change of beneficiary.* A Retirement Plan Bond will be reissued to add a beneficiary in the case of a single ownership bond, or to eliminate or substitute a beneficiary in the case of a bond registered in beneficiary form upon the owner's request on Form PD 3564. No consent will be required to support any reissue transaction from a beneficiary whose name is to be removed from the registration of a Retirement Plan Bond. If the registered owner dies after the bond has been presented and surrendered for reissue, upon receipt of notice thereof by the agency to which the request for reissue was submitted, such request shall be treated as ineffective, provided the notice of death is received by the Federal Reserve Bank or Branch or the Office of the Treasurer of the United States, Washington 25, D.C., to which the request was sent, in sufficient time to withhold delivery, by mail or otherwise, of the reissued bond.

(b) *Error in issue—change of name.* Reissue of a Retirement Plan Bond will be made where an error in issue has occurred, as well as in cases where the owner's name has been changed by marriage, divorce, annulment, order of court, or in any other legal manner, upon appropriate request, supported by satisfactory evidence. Information as to the procedure to be followed in securing such reissue may be obtained from a Federal Reserve Bank or the Office of the Treasurer of the United States, Washington 25, D.C.

§ 341.11 Use of power of attorney.

No designation of an attorney, agent, or other representative to request payment or reissue or behalf of the owner, beneficiary, or other person entitled under § 341.9, other than as provided in the regulations in this part, will be recognized.

§ 341.12 Lost, stolen, or destroyed bonds.

If a Retirement Plan Bond is lost, stolen, or destroyed, a substitute may be issued upon identification of the bond and proof of its loss, theft, or destruction. A description of the bond by denomination, serial number, issue date and registration should be furnished at the time the report of loss, theft, or destruction is made. Such reports should be sent to the Bureau of the Public Debt, Division of Loans and Currency, Washington 25, D.C. Full instructions for obtaining substitute bonds will then be given.

§ 341.13 Taxation.

The tax treatment provided under section 405 of the Internal Revenue Code of 1954 shall apply to all Retirement Plan Bonds. The bonds are subject to estate, inheritance, 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, municipality, or any local taxing authority. Inquiries concerning the application of any Federal tax to these bonds should be directed to the District Director of Internal Revenue of the taxpayer's district or to the Internal Revenue Service, Washington 25, D.C.

§ 341.14 Certifying officers.

Officers authorized to certify requests for payment or for any other transac-

tion involving Retirement Plan Bonds include:

(a) *Post offices.* Any postmaster, acting postmaster, or inspector-in-charge, or other post office official or clerk designated for that purpose. 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. Signatures of these officers should be authenticated by a legible imprint of the post office dating stamp.

(b) *Banks and trust companies.* Any officer of a Federal Reserve Bank or Branch, or of a bank or trust company chartered under the laws of the United States or those of any State, Commonwealth, or Territory of the United States, as well as any employees of such bank or trust company expressly authorized to act for that purpose, who should sign over the title "Designated Employee." Certifications by any of these officers or designated employees should be authenticated by either a legible imprint of the corporate seal, or, where the institution is an authorized issuing agent for United States Savings Bonds, Series E, by a legible imprint of its dating stamp.

(c) *Issuing agents of Series E savings bonds.* Any officer of a corporation or any other organization which is an authorized issuing agent for United States Savings Bonds, Series E. All certifications by such officers must be authenticated by a legible imprint of the issuing agent's dating stamp.

(d) *Foreign countries.* In a foreign country requests 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 imprint of the corporate seal or is certified to the Treasury Department. If such an officer is not available, requests 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.

(e) *Special provisions.* The Commissioner of the Public Debt, the Chief of the Division of Loans and Currency, or any Federal Reserve Bank or Branch is authorized to make special provision for certification in any particular case or class of cases where none of the officers authorized above is readily accessible.

§ 341.15 General provisions.

(a) *Regulations.* All Retirement Plan Bonds shall be subject to the general regulations prescribed by the Secretary with respect to United States securities, which are set forth in Treasury Department Circular No. 300, current revision, to the extent applicable. Copies of the general regulations may be obtained upon request from any Federal Reserve Bank or Branch or the Office of the Treasurer of the United States.

(b) *Reservation as to issue of bonds.* The Secretary of the Treasury reserves the right to reject any application for the purchase of Retirement Plan Bonds, in whole or in part, and to refuse to issue or permit to be issued 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.

(c) *Additional requirements.* In any case or any class of cases arising under this part the Secretary of the Treasury may require such additional evidence as may in his judgment be necessary, and may require a bond of indemnity, with or without surety, where he may consider such bond necessary for the protection of the United States.

(d) *Waiver of requirements.* The Secretary of the Treasury reserves the right, in his discretion, to waive or modify any provision or provisions of this circular 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.

(e) *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, reissue, and payment

of Retirement Plan Bonds.

(f) *Reservation as to terms of circular.* The Secretary of the Treasury may at any time, or from time to time, supplement or amend the terms of this part, or any amendments or supplements thereto.

TABLE OF REDEMPTION VALUES PROVIDING AN INVESTMENT YIELD OF 3½ PERCENT PER ANNUM FOR BONDS BEARING ISSUE DATES BEGINNING JANUARY 1, 1963

Table shows how the Retirement Plan Bonds bearing issue dates beginning January 1, 1963, by denomination, increase in redemption value during successive half-year periods following issue. The redemption values have been determined to provide an investment yield of 3.75 percent¹ per annum, compounded semiannually, on the purchase price from issue date to the beginning of each half-year period. The period to maturity is indeterminate in accordance with the provisions of §341.1(b).²

Issue price.....	\$50.00	\$100.00	\$500.00	\$1,000.00
Period after issue date	Redemption values during each half-year period (Values increase on first day of period shown)			
First ½ year.....	\$50.00	\$100.00	\$500.00	\$1,000.00
½ to 1 year.....	50.94	101.88	509.38	1,018.75
1 to 1½ years.....	51.89	103.79	518.93	1,037.85
1½ to 2 years.....	52.87	105.73	528.66	1,057.31
2 to 2½ years.....	53.86	107.71	538.57	1,077.14
2½ to 3 years.....	54.87	109.73	548.67	1,097.33
3 to 3½ years.....	55.90	111.79	558.95	1,117.91
3½ to 4 years.....	56.94	113.89	569.43	1,138.87
4 to 4½ years.....	58.01	116.02	580.11	1,160.22
4½ to 5 years.....	59.10	118.20	590.99	1,181.98
5 to 5½ years.....	60.21	120.41	602.07	1,204.14
5½ to 6 years.....	61.34	122.67	613.36	1,226.72
6 to 6½ years.....	62.49	124.97	624.86	1,249.72
6½ to 7 years.....	63.66	127.31	636.57	1,273.15
7 to 7½ years.....	64.85	129.70	648.51	1,297.02
7½ to 8 years.....	66.07	132.13	660.67	1,321.34
8 to 8½ years.....	67.31	134.61	673.06	1,346.11
8½ to 9 years.....	68.57	137.14	685.68	1,371.35
9 to 9½ years.....	69.85	139.71	698.53	1,397.07
9½ to 10 years.....	71.16	142.33	711.63	1,423.26
10 to 10½ years.....	72.50	144.99	724.97	1,449.95
10½ to 11 years.....	73.86	147.71	738.57	1,477.13
11 to 11½ years.....	75.24	150.48	752.42	1,504.83
11½ to 12 years.....	76.65	153.30	766.52	1,533.05
12 to 12½ years.....	78.09	156.18	780.90	1,561.79
12½ to 13 years.....	79.55	159.11	795.54	1,591.07
13 to 13½ years.....	81.05	162.09	810.45	1,620.91
13½ to 14 years.....	82.56	165.13	825.65	1,651.30
14 to 14½ years.....	84.11	168.23	841.13	1,682.26
14½ to 15 years.....	85.69	171.38	856.90	1,713.80
15 to 15½ years.....	87.30	174.59	872.97	1,745.94
15½ to 16 years.....	88.93	177.87	889.34	1,778.67
16 to 16½ years.....	90.60	181.20	906.01	1,812.02
16½ to 17 years.....	92.30	184.60	923.00	1,846.00
17 to 17½ years.....	94.03	188.06	940.31	1,880.61
17½ to 18 years.....	95.79	191.59	957.94	1,915.87
18 to 18½ years.....	97.59	195.18	975.90	1,951.80
18½ to 19 years.....	99.42	198.84	994.20	1,988.39
19 to 19½ years.....	101.28	202.57	1,012.84	2,025.67
19½ to 20 years.....	103.18	206.37	1,031.83	2,063.66
20 to 20½ years ²	105.12	210.23	1,051.17	2,102.35

¹ Based on redemption values of \$1,000 bond.

² At a future date prior to January 1, 1983 (20 years after issue date of the first bonds) this table will be extended to show redemption values for periods of holding of 20½ years and beyond.

SUBCHAPTER C—OFFICE OF THE TREASURER OF THE UNITED STATES**PART 359—SETTLEMENTS BY THE
TREASURER OF THE UNITED STATES,
IN ADVANCE OF RECLAMATION,
WITH PAYEES OR SPECIAL ENDOR-
SEES OF LOST OR STOLEN CHECKS,
WHICH HAVE BEEN PAID ON
FORGED ENDORSEMENTS**

Sec.

359.2 Settlement of claim. [Revised]**§ 359.2 Settlement of claim.**

The Treasurer of the United States upon receipt of an appropriate claim is authorized to make a settlement in favor of a payee or a special endorsee and to issue a check to him, when in the judgment of the Treasurer the facts in the case establish:

(a) That the check has been lost or stolen without the fault of the payee or special endorsee.

(b) That the check has thereafter been negotiated and paid by the Treasurer on a forged endorsement of the payee's or special endorsee's name.

(c) That the payee or special endorsee has not participated either directly or indirectly in the proceeds of such negotiation or payment.

(d) That reclamation has been or may be delayed more than ten days, or be unsuccessful.

[24 F.R. 3533, May 2, 1959]

PART 361—DISTRIBUTION OF UNCIRCULATED COINS FOR COLLECTION PURPOSES (REVISED)

§ 361.9 Distribution of sets of uncirculated coins.

The Treasurer of the United States is authorized to furnish during each calendar year, to persons applying therefor, sets of uncirculated coins minted during the preceding year upon receipt of an amount equal to the face value of the coins included in each set and the charges described below. These sets will consist ordinarily of one of each of the coins, other than commemorative and proof coins, struck at each of the coinage mints during the preceding year. The Treasurer of the United States, with the approval of the Secretary of the Treasury, shall prescribe a fee for each set of uncirculated coins, such fee to be based, insofar as practical, upon the estimated direct and indirect cost to the Government of the special work involved in assembling, packaging, handling, arranging for delivery, etc., in supplying sets of uncirculated coins. Each person who applies for sets of uncirculated coins shall pay the postage or other transportation expenses incidental to their delivery and shall deliver to the Treasurer with the application an amount equal to the face value of the coins included in each set, the amount of the handling fee, and the amount of the postage or other transportation expenses incidental to their delivery. No more than eighty sets of uncirculated coins will be furnished for each order, subject to the right of the Treasurer to limit quantities to be furnished any one applicant in order to assure an equitable distribution of the available supply of the coins. The right is reserved to discontinue the sale of sets of uncirculated coins without notice. Further information relative to the distribution of sets of uncirculated coins may be obtained by addressing the Treasurer of the United States, Cash Division, Washington 25, D.C.

(R.S. 161, 65 Stat. 290; 5 U.S.C. 22, 5 U.M.C. 140) [24 F.R. 7523, Sept. 18, 1959]

PART 365—ISSUE OF SUBSTITUTES OF LOST, DESTROYED, MUTILATED AND DEFACED CHECKS DRAWN ON THE TREASURER OF THE UNITED STATES [REVISED]

Sec.

- 365.1 Introductory.
 365.2 Advice of nonreceipt or loss.
 365.3 Request for substitute check: requirements for undertaking of indemnity; execution of applications in foreign countries.
 365.4 Issuance of substitute check.
 365.5 Receipt or recovery of original check.
 365.6 Removal of stoppage of payment.

AUTHORITY: §§ 365.1 to 365.6 issued under R.S. 3646, as amended; 31 U.S.C. 528; and Treasury Department Order No. 177-16, dated December 18, 1957, 22 F.R. 10761.

SOURCE: §§ 365.1 to 365.6, contained in Department Circular 1001, Revised, August, 1962.

§ 365.1 Introductory.

This part, governing the issuance of substitutes of checks drawn on the Treasurer of the United States, other than those drawn by officers or employees of the Post Office Department, is prescribed pursuant to the provisions of section 3646 of the Revised Statutes of 1873, as amended (31 U.S.C. 528), and of Treasury Department Order No. 177-16, dated December 18, 1957, 22 F.R. 10761, and shall be effective immediately.

§ 365.2 Advice of nonreceipt or loss.

(a) In the event of the nonreceipt, loss, or destruction of a check drawn on the Treasurer of the United States, or the mutilation or defacement of such a check to an extent which renders it nonnegotiable, the owner, better to protect his interest, should immediately notify the drawer, describing the check, stating the purpose for which it was issued, giving, if possible, its date, number and amount, and requesting that payment be stopped. If the name or address of the drawer is not known the request for stoppage of payment should be sent to the Treasurer of the United States, stating the purpose for which the check was issued, the name of the department or agency authorizing the payment and if possible, the date, number and amount of the check. In cases involving mutilated or defaced checks, the owner should enclose the mutilated or defaced check with his communication to the drawer or Treasurer.

(b) Upon receipt of advice from an owner as to the nonreceipt, loss, destruction, mutilation, or defacement of a check, the drawer will, if appropriate, transmit the owner's letter (together with the mutilated or defaced check in cases involving such checks) to the Treasurer of the United States, Washington 25, D.C., or other bank through which the check is payable, as the case may be, together with a request by the drawer for stoppage of payment which includes a certification as to the accuracy of the check description and that it was properly issued.

(c) If the check, which is the basis of the owner's claim, is determined to be outstanding, the Treasurer's Office will furnish the claimant an appropriate application form for obtaining a substitute check. However, the execution of an application will not be required in the event the original written statement submitted by the claimant substantially meets the requirements of the prescribed application form.

§ 365.3 Request for substitute check: requirements for undertaking of indemnity; execution of applications in foreign countries.

(a) An undertaking of indemnity on Form 2244 or Form 2244b in a penal sum equal to the amount of the check or, in an appropriate case, an application on Form 2244a, or an application substantially containing the same information as Form 2244a, must be executed by the claimant, as may be required by the Treasurer of the United States, and submitted to the Treasurer of the United States, Washington 25, D.C.

(b) Unless the Treasurer of the United States deems that an undertaking of indemnity is essential in the public interest, no undertaking of indemnity shall be required in the following classes of cases:

(1) If the Treasurer of the United States is satisfied that the loss, theft, destruction, mutilation, or defacement occurred without fault of the owner or holder and while the check was in the custody or control of the United States or of a person duly authorized as an agent of the United States, including the Postal Service when carrying mail for an officer, employee, agent, or agency of the United States when performing services in connection with an official function of the United States, but not

including the Postal Service when otherwise acting solely in its capacity as a public carrier of the mail, or while it was in the course of shipment effected pursuant to and in accordance with regulations issued under the provisions of the Government Losses in Shipment Act, as amended;

(2) If substantially the entire check is presented and surrendered by the owner or holder and the Treasurer of the United States is satisfied as to the identity of the check presented and that any missing portions are not sufficient to form the basis of a valid claim against the United States;

(3) If the Treasurer of the United States is satisfied that the original check is not negotiable and cannot be made the basis of a valid claim against the United States;

(4) If the amount of the check is not more than \$200.00 and the check has not been endorsed by the payee;

(5) If the owner or holder is the United States or an officer or employee thereof in his official capacity, a State, the District of Columbia, a Territory or possession of the United States, a municipal corporation or political subdivision of any of the foregoing, a corporation the entire capital of which is owned by the United States, a foreign government, or a Federal Reserve Bank.

(c) An application executed in a foreign country other than by an officer or an employee of the United States or a member of the Armed Forces of the United States, shall be sworn to before (1) a diplomatic or consular officer of the United States, or (2) an officer of the United States Army, Navy, Air Force, Marine Corps, or Coast Guard, or (3) an official of such foreign country authorized by law to administer oaths generally, and such foreign official shall affix his official seal, if any, and a diplomatic or consular officer of the United States shall certify that the foreign official who administered

the oath was duly authorized under the laws of such foreign country so to act.

§ 365.4 Issuance of substitute check.

Upon approval of the undertaking of indemnity, application or statement of claim by the Treasurer of the United States and upon certification of that fact to the Chief Disbursing Officer of the United States, the Chief Disbursing Officer or his designee shall issue to the claimant a substitute check showing such information as may be necessary to identify the original check.

§ 365.5 Receipt or recovery of original check.

(a) If the original check is received or recovered by the owner after he has requested the drawer or the Treasurer of the United States to stop payment on the original check but before a substitute check has been received, he should immediately advise the drawer or the Treasurer, as the case may be, and hold such check until receipt of instructions with respect to the negotiability of such check.

(b) If the original check is received or recovered by the owner after a substitute has been received by him, the original shall not be cashed, but shall be immediately forwarded to the Treasurer of the United States, Washington 25, D.C. Under no circumstances should both the original and substitute checks be cashed.

§ 365.6 Removal of stoppage of payment.

Requests for removal of stoppage of payment shall be addressed by the drawer to the Treasurer of the United States, or other bank through which the check is payable, as the case may be. No request for removal of stoppage of payment shall be accepted by the Treasurer of the United States or other bank through which the check is payable, after issuance of a substitute check has been approved.

PART 368—ISSUE OF SUBSTITUTES OF LOST, STOLEN, DESTROYED, MUTILATED AND DEFACED CHECKS OF THE UNITED STATES DRAWN ON ACCOUNTS MAINTAINED IN DEPOSITORY BANKS IN FOREIGN COUNTRIES OR UNITED STATES TERRITORIES OR POSSESSIONS [ADDED]

Sec.

368.1 Introductory.

DELEGATION OF AUTHORITY

368.2 Delegation of authority to issue substitute checks.

ACTION TO BE TAKEN BY CLAIMANTS

- 368.3 Advice of nonreceipt or loss.
- 368.4 Undertaking of indemnity.
- 368.5 Exception to requirement of undertaking of indemnity Form 2244.
- 368.6 Recovery of original check.
- 368.7 Cases requiring settlement action.
- 368.8 Inquiries.
- 368.9 Amendments and waivers.

AUTHORITY: §§ 368.1 to 368.9 issued under R.S. 3646, as amended; 31 U.S.C. 528.

SOURCE: §§ 368.1 to 368.9 contained in 1960 Department Circular No. 1055, 25 F.R. 10869, Nov. 16, 1960.

§ 368.1 Introductory.

This part, prescribed pursuant to the provisions of section 3646 of the Revised Statutes, as amended (31 U.S.C. 528), governs the issuance of substitutes of checks of the United States drawn on United States dollar or foreign currency accounts, other than those drawn by officers or employees of the Post Office Department, maintained with designated depositories in foreign countries or territories or possessions of the United States, including the Panama Canal Zone. Checks of the United States drawn on such depositories are hereinafter referred to as "depository checks".

DELEGATION OF AUTHORITY

§ 368.2 Delegation of authority to issue substitute checks.

Pursuant to authority contained in section 3646 of the Revised Statutes, as amended, and subject to such procedural requirements as may be prescribed by the Treasury Department, there is hereby delegated to heads of departments and agencies whose disbursing officers issue depository checks, authority to authorize officers or employees of their respective departments or agencies to issue substi-

tutes of such checks, prior to the close of the fiscal year next following the fiscal year in which the checks are issued, and to receive and approve undertakings to indemnify the United States in such cases. The Commissioner of Accounts, Treasury Department, is hereby delegated authority to issue substitutes of depository checks drawn by the Chief Disbursing Officer, Treasury Department, or by officers disbursing under delegation from the Chief Disbursing Officer, and to receive and approve undertakings of indemnity in such cases. The authority delegated to the Commissioner of Accounts may be redelegated by him to such disbursing officers.

ACTION TO BE TAKEN BY CLAIMANTS

§ 368.3 Advice of nonreceipt or loss.

The payee or owner of a depository check which is not received, or which has been lost, stolen, destroyed or mutilated or defaced to such an extent that it is rendered non-negotiable, should immediately notify the disbursing officer who issued such check or the administrative agency exercising jurisdiction over such disbursing officer, over his signature and current address, giving information as to the circumstances of the loss, theft or destruction of the check and whether it was endorsed, and also requesting that payment of the check be stopped. A claimant who is one other than the payee of the check, should present a statement in support of his ownership of the check. If the check has been mutilated or defaced, it should be forwarded to the issuing disbursing officer with request for the issuance of a substitute.

§ 368.4 Undertaking of indemnity.

(a) If the check is found to be outstanding and unpaid and it appears that the proceeds are due the claimant, the disbursing officer will request the claimant to execute an undertaking of indemnity, Form 2244, in a penal sum equal to the amount of the check (or checks).

(b) Except in the circumstances set forth below, a corporate surety authorized by the Secretary of the Treasury to act as an acceptable surety on bonds in favor of the United States or two responsible individual sureties will be required on the undertaking of indemnity. It will be the responsibility of the claimant in a foreign country to secure a certification as to the financial sufficiency of the individual sureties executed by one

of the persons listed in, and in the manner prescribed by, the instruction appearing under the Certificate as to Sureties on the face of Form 2244.

(c) Where the amount of the original check (or checks) is \$200 or less, or the equivalent in foreign currency, one financially responsible individual surety may be accepted.

(d) Unless it is determined that the requirement of sureties is essential in the public interest, sureties will not be required under the following circumstances:

(1) If the officer authorized to issue a substitute check is satisfied that the loss, theft, destruction, mutilation or defacement of the original check occurred without fault of the owner or holder and while the check was in the custody or control of the United States or of a person duly authorized as an agent of the United States when performing services in connection with an official function of the United States;

(2) If substantially the entire check is presented and surrendered by the owner or holder and the disbursing officer is satisfied as to the identity of the check presented and that any missing portions are not sufficient to form the basis of a valid claim against the United States;

(3) If the owner or holder is the United States or an officer or employee thereof in his official capacity, a state, the District of Columbia, a territory or possession of the United States, a municipal corporation or political subdivision of any of the foregoing, a corporation the entire capital of which is owned by the United States, a foreign government or agency thereof, a foreign central bank, or a Federal Reserve Bank.

§ 368.5 Exception to requirement of undertaking of indemnity Form 2244.

Notwithstanding the provisions of section 368.4, if in any case involving a financially responsible claimant it is impracticable to obtain the execution of Standard Form 2244, with or without sureties, the officer or employee responsible for handling the claim, in his discretion, may accept an undertaking of indemnity in the form of a written statement or letter, substantially as follows:

In consideration of the issuance of a substitute check in lieu of _____

(Check description)

and the payment of the substitute check, the undersigned undertakes and agrees to save harmless and indemnify the United States of America, its officers and agents, of and from any and all liability, loss, expense, claim, and demand whatsoever, arising in any manner by reason of or on account of said original check (or checks) or the stoppage or payment thereof, or the issue or payment of the substitute check (or checks), to replace the same.

The undertaking of indemnity should be appropriately witnessed, and if it is executed on behalf of a corporation or other business organization, the individual executing the same should furnish proof of his authority to so act. In appropriate cases, a foreign language translation of the foregoing letter of indemnity may be accepted.

§ 368.6 Recovery of original check.

(a) If the claimant recovers an original check after he has furnished advice of non-receipt but before receipt of a substitute check, he should immediately notify the disbursing officer or agency concerned and hold the check until receipt of advice from the disbursing officer or agency concerned regarding the negotiability of such original check.

(b) In the event the substitute check has been received prior to the recovery of the original check, the original check should be returned immediately to the disbursing officer.

(c) Under no circumstances should the claimant attempt to cash both the original and substitute check.

§ 368.7 Claims requiring settlement action.

There are certain types of claims on which the disbursing officer will not be authorized to take final action. These include (a) claims on original checks which have been outstanding more than one full fiscal year following the fiscal year in which the checks were issued, and (b) claims involving doubtful questions of law and fact. In such cases the disbursing officer will obtain information and supporting papers, including an undertaking of indemnity, from the claimant and transmit such data to the Claims Division, General Accounting Office, for settlement action.

§ 368.8 Inquiries.

Claimants should direct any inquiries regarding the application of these regulations to the department or agency or disbursing officer concerned.

§ 368.9 Amendments and waivers.

The Treasury Department may waive, withdraw or amend at any time or from time to time any or all of the foregoing regulations.

CHAPTER IV—SECRET SERVICE
DEPARTMENT OF THE TREASURY

- Part*
402 **Reproduction of Canceled United States Internal Revenue Stamps. [Corrected]**
405 **Illustration of War Savings Bonds and Stamps. [Corrected]**

PART 402—REPRODUCTION OF CANCELED UNITED STATES INTERNAL REVENUE STAMPS [CORRECTED]**§ 402.1 Reproductions authorized.**

CORRECTION OF CFR: The citation of authority for § 402.1 appearing on page 552 of this volume is corrected to read "(Secs. 474, 492, 62 Stat. 706, 710; 18 U.S.C. 474, 492)".

PART 405—ILLUSTRATION OF WAR SAVINGS BONDS AND STAMPS [CORRECTED]

§ 405.1 Illustrations authorized. (a) Authority is hereby given to make, hold, dispose of and use illustrations of War Savings Bonds and War Savings Stamps for publicity purposes in connection with the campaign for the sale of War Savings Bonds and Stamps: *Provided:* That illustrations of stamps are of a size less than three-quarters or more than one and one-half, in linear dimension, of each part of such stamp.

* * * * *

CORRECTION OF CFR: § 405.1(a) appearing at page 553 of this volume is incorrectly set forth. The correction set forth above was noted at 25 F.R. 1007, Feb. 5, 1960.

CHAPTER V—FOREIGN ASSETS CONTROL

DEPARTMENT OF THE TREASURY

Part

- 500 Foreign assets control regulations. [Amended]
- 515 Cuban assets control regulations. [Added; Revised]

PART 500—FOREIGN ASSETS CONTROL REGULATIONS

Subpart A—Relation of This Chapter to Other Laws and Regulations

Sec.
500.101 Relation of this chapter to other laws and regulations including 8 CFR Ch. II. [Amended]

Subpart B—Prohibitions

500.204 Importation of and dealings in certain merchandise. [Revised]

Subpart C—General Definitions

- 500.316 License. [Revised]
- 500.321 United States; continental United States. [Revised]
- 500.322 Authorized trade territory; member of the authorized trade territory. [Amended]
- 500.331 Merchandise. [Added]

Subpart E—Licenses and Authorizations

- 500.505 Certain persons in the United States unblocked. [Revised]
- 500.518 Payments for living, traveling, and similar personal expenses in the United States. [Revised]
- 500.521 Certain remittance for necessary living expenses. [Revised]
- 500.525 Certain transfers by operation of law. [Revised]
- 500.538 Transportation of merchandise affected by § 500.204. [Revised]

Subpart F—Reports

500.601 Records. [Revised]

Subpart A—Relation of This Chapter to Other Laws and Regulations

§ 500.101 Relation of this chapter to other laws and regulations including 8 CFR Ch. II.

* * * * *

(b) No license or authorization contained in or issued pursuant to this chapter shall be deemed to authorize any transaction to the extent that it is prohibited by reason of the provisions of any law or statute other than Section

5(b) of the Trading with the Enemy Act, as amended, or any proclamation, order or regulation other than those contained in or issued pursuant to this chapter or pursuant to section 620(a) of the Foreign Assistance Act of 1961. [Paragraph (b) amended, 27 F.R. 1116, Feb. 7, 1962]

Subpart B—Prohibitions

§ 500.204 Importation of and dealings in certain merchandise.

(a) Except as specifically authorized by the Secretary of the Treasury (or any person, agency, or instrumentality designated by him) by means of regulations, or rulings, instructions, licenses, or otherwise, no person subject to the jurisdiction of the United States may purchase, transport, import, or otherwise deal in or engage in any transaction with respect to any merchandise outside the United States if such merchandise is:

(1) Merchandise the country of origin of which is China (except Formosa) or North Korea. Articles which are the growth, produce, or manufacture of China (except Formosa) or North Korea shall be deemed for the purposes of this chapter to be merchandise whose country of origin is China (except Formosa) or North Korea notwithstanding that they may have been subjected to one or any combination of the following in another country: (i) Grading; (ii) testing; (iii) checking; (iv) shredding; (v) slicing; (vi) peeling or splitting; (vii) scraping; (viii) cleaning; (ix) washing; (x) soaking; (xi) drying; (xii) cooling, chilling, or refrigerating; (xiii) roasting; (xiv) steaming; (xv) cooking; (xvi) curing; (xvii) combining of fur skins into plates; (xviii) blending; (xix) flavoring; (xx) preserving; (xxi) pickling; (xxii) smoking; (xxiii) dressing; (xxiv) salting; (xxv) dyeing; (xxvi) bleaching; (xxvii) tanning; (xxviii) packing; (xxix) canning; (xxx) labeling; (xxxi) carding; (xxxii) combing; (xxxiii) pressing;

(xxiv) any process similar to any of the foregoing. Any article wheresoever manufactured shall be deemed for the purposes of this chapter to be merchandise whose country of origin is China (except Formosa) or North Korea, if there shall have been added to such article any embroidery, needle point, petit point, lace, or any other article of adornment which is the product of China (except Formosa) or North Korea notwith-

standing that such addition to the merchandise may have occurred in a country other than China (except Formosa) or North Korea.

(2) Merchandise specified in this subparagraph, howsoever processed, unless such merchandise originated in a country named as excepted for that type of merchandise and is imported directly from that country:

<i>Type of merchandise</i>	<i>Exceptions</i>
(1) All merchandise, not elsewhere specified in this paragraph, if prior to Dec. 17, 1950, imports thereof into the United States were chiefly of Chinese origin within the meaning of this chapter, and	None.
(ii) All of the following specified types of merchandise:	
Aniseed	Mexico, Spain, Turkey.
Aniseed oil.....	None.
Antiques, Chinese type (other than Chinese porcelain which qualifies within the provisions of par. 1811 of the Tariff Act of 1930 and which is decorated with the armorial bearings, crests, monograms, cyphers, or badges of European or American families or societies or bearing motifs based thereon, or with European or American political, memorial, or Masonic scenes or devices or with European or American figures, ships, or other scenes, or with motifs or inscriptions in English, Latin, or any other European language).	None.
Bamboo, split.....	None.
Beverages, Chinese type.....	None.
Braids, straw.....	Italy, Japan.
Bristles, hog, including such bristles in knots or other processed condition.	None.
Brushes, paint (including parts thereof) regardless of value, containing hog bristles, if any such bristle is more than one and one half inches in total length or more than one and one quarter inches in length out of the ferrule.	None.
Carpet wool, Tibetan and Nepalese types.....	None.
Cashmere	Iran.
Cassia	Indonesia.
Cassia oil.....	None.
Cinnamon oil.....	Ceylon, Seychelles.
Drugs, Chinese type.....	None.
Eggs, poultry:	
Whole in the shell, other than chicken.....	None.
Whole, dried.....	None.
Albumen, dried.....	None.
Yolks, dried.....	None.
Feathers and down, Asiatic.....	Burma, India, Taiwan, Thailand, and those areas of Vietnam which are not under Communist control.
Firecrackers	None.
Floor coverings, grass and straw, including seagrass mats and squares.	Japan.
Foodstuffs, Chinese type.....	None.
Fur skins:	
Goat and kid.....	Argentina, Ethiopia (including Eritrea), Iran, Iraq.

<i>Type of merchandise</i>	<i>Exceptions</i>
Kollinsky	Republic of Korea.
Weasel	Canada.
Gallnuts, including tannic acid, other than Aleppo.....	None.
Garments, Chinese type.....	None.
Ginger root, candied or otherwise prepared or preserved.....	None.
Hair, human:	
Raw, Asiatic.....	None.
Nets and netting.....	None.
Hats, unfinished:	
Manilla hemp (Abaca).....	None.
Palm leaf.....	Mexico, Philippines.
Straw	Brazil, Dominican Republic, Italy, Japan, Philippines.
(Unfinished hats of the following types are not included: Lindu, Lintao, Macorra, Panama, Pandan, Raffia, Toquilla, and Yeddo.)	
Jade, stones, cut but not set and suitable for use in jewelry..	None.
Medicines, prepared, Chinese type.....	None.
Menthol, natural and synthetic (other than racemic).....	Brazil.
Musk	None.
Peppermint oil, including cornmint oil.....	Argentina, Brazil.
Silk piece goods, tussah and muga.....	None.
Silk, tussah and muga.....	None.
Sophora Japonica, including Rutin.....	None.
Tea, Chinese type.....	Formosa.
Tung oil.....	Argentina, Brazil, Paraguay.
Walnuts	France, Iran, Italy, Turkey.
Yak hair.....	None.

(3) Merchandise specified in this subparagraph, howsoever processed, if such merchandise is or has been located in or transported from or through Hong Kong, Macao, or any country not in the authorized trade territory.

Type of Merchandise

Agar-agar.
 Bamboo:
 Bags, baskets and other manufactures, excluding furniture.
 Poles and sticks.
 Brocades and brocade articles.
 Camphor, natural and synthetic.
 Camphor oil, natural and synthetic.
 Cane webbing.
 Carpet wool.
 Carpets.
 Castor bean.
 Castor oil.
 Chinaware, other than Dresdenware and Meissenware.
 Citronella oil.
 Cotton manufactures.
 Cotton waste.
 Earthenware.
 Embroideries and embroidered articles.
 Hair, animal.
 Hair nets, regardless of the material from which made.
 Handkerchiefs.

Hardwood manufactures, including furniture other than bentwood furniture.
 Hats, paper.
 Hides, buffalo, including India water buffalo.
 Ivory manufactures.
 Lace and lace articles.
 Linen manufactures, excluding wearing apparel other than wearing apparel made in whole or in part of brocade, embroidery or lace.
 Ores and metals:
 Antimony.
 Bismuth.
 Quicksilver.
 Molybdenum.
 Tin.
 Tungsten.
 Peanuts and peanut products.
 Ramie.
 Rugs.
 Seagrass and straw manufactures, excluding floor covering.
 Sesame, oil and seed.
 Shoes, leather-soled with non-leather uppers, except ladies' high-heel shoes.
 Silk:
 Raw and manufactures other than Western style suits and Indian saris.
 Waste.
 Skins, deer and goat.
 Stones, semiprecious and manufactures thereof, including jewelry.
 Tapestries, including needlework tapestries.
 Tapioca, including tapioca flour.

(4) Merchandise specified in this subparagraph, howsoever processed, if such merchandise is or has been located in or transported from or through Hong Kong or Macao.

Type of Merchandise

- Edible marine products.
- Feather manufactures.
- Fish, live.
- Glass, sheet (window).
- Graphite.
- Honey.
- Poultry, including pigeons, frozen or otherwise prepared or preserved.

CODIFICATION: § 500.204 was revised, 24 F.R. 13, Jan. 1, 1959, and subsequently amended, 25 F.R. 1910, March 4, 1960, as follows:

1. In paragraph (a)(2), the text immediately preceding the table was amended and the item "peppermint oil, including cornmint oil" was added in alphabetical sequence.
2. In paragraph (a)(4), the item "fish, live" was added in alphabetical sequence.

§ 500.316 License.

Except as otherwise specified, the term "license" shall mean any license or authorization contained in or issued pursuant to this chapter.
[28 F.R. 6973, July 9, 1963]

Subpart C—General Definitions

§ 500.321 United States; continental United States.

The term "United States" means the United States and all areas under the jurisdiction or authority thereof including the Panama Canal Zone and the Trust Territory of the Pacific Islands. The term "continental United States" means the states of the United States and the District of Columbia.
[24 F.R. 1984, Mar. 18, 1959]

§ 500.322 Authorized trade territory; member of the authorized trade territory.

(a)

(1) North, South, and Central America, including the Caribbean region, except Cuba;
[Subparagraph (1) amended, 28 F.R. 6973, July 9, 1963]

(5) Afghanistan, Bhutan, Federation of Malaya, Burma, Cambodia, Ceylon, Taiwan, Hong Kong, India, Iran, Iraq, Israel, Japan, Jordan, Kuwait, Laos, Lebanon, Macao, Muscat and Oman, Nepal, Pakistan, Saudi Arabia, South Korea, Syrian Arab Republic, Thailand, Viet-Nam (except those areas under Communist control) and Yemen;
[Subparagraph (5) amended, 28 F.R. 6973, July 9, 1963]

§ 500.331 Merchandise.

The term "merchandise" means all goods, wares and chattels of every description without limitation of any kind.
[24 F.R. 1984, Mar. 18, 1959]

Subpart E—Licenses and Authorizations

§ 500.505 Certain persons in the United States unblocked.

The following are hereby licensed as unblocked nationals:

(a) Any individual in the United States except an individual who on or after the "effective date" was in, or who, on or since such date, has acted or purported to act directly or indirectly for the benefit of or on behalf of any designated foreign country.

(b) Any individual in the United States who has been paroled into the United States pursuant to section 212 (d) (5) of the Immigration and Nationality Act by the Attorney General: *Provided*, That this subsection shall not apply:

(1) To any individual who after such parole has acted or purported to act directly or indirectly for the benefit of or on behalf of any designated foreign country; or,

(2) To any individual whose parole has been revoked, after the date of such revocation.

(c) Any partnership, association, corporation or other organization which is a national of a designated foreign country solely by reason of the interest of persons licensed by this section.

[28 F.R. 6233, June 30, 1962]

§ 500.518 Payments for living, traveling, and similar personal expenses in the United States.

(a) Payments and transfers of credit in the United States from blocked accounts in domestic banking institutions held in the name of an individual within the United States to or upon the order of such individual are hereby authorized provided the following terms and conditions are complied with:

(1) Such payments and transfers of credit may be made only for the living, traveling, and similar personal expenses in the United States of such individual or his family; and

(2) The total of all such payments and transfers of credit made under this section from the accounts of such individual may not exceed \$250 in any one calendar month.

(b) This section does not authorize any payment or transfer from an account in which a specially designated national has an interest.

[28 F.R. 6973, July 9, 1963]

§ 500.521 Certain remittances for necessary living expenses.

(a) Remittances by any person to any individual who is a resident of a foreign country and is within that foreign country are hereby authorized on the following terms and conditions:

(1) Such remittances are made only for the necessary living expenses of the payee and his household and do not exceed \$100 in any one calendar month to any one household;

(2) Such remittances are not made from a blocked account other than from an account in a banking institution within the United States in the name of, or in which the beneficial interest is held by, the payee or members of his household;

(3) Such remittances are not made from a blocked account which is blocked pursuant to Executive Order No. 8389, as amended;

(4) If the payee is within any designated foreign country, such remittances must be made through a domestic bank and any domestic bank is authorized to effect such remittances which, however, may be effected only by the payment of the dollar amount of the remittance to a domestic bank for credit to a blocked account in the name of a banking institution within such country.

(b) This section does not authorize any remittance to, or for the benefit of, a specially designated national who is not within a designated foreign country.

(c) This section does not authorize any remittance to an individual for the purpose of defraying the expenses of a person not constituting part of his household.

(d) As used in this section, the term "household" shall mean:

(1) Those individuals sharing a common dwelling as a family; or

(2) Any individual not sharing a common dwelling with others as a family.

[28 F.R. 6974, July 9, 1963]

§ 500.525 Certain transfers by operation of law.

(a) The following transfers by operation of law are hereby authorized:

(1) Any transfer of any dower, curtesy, community property, or other interest of any nature whatsoever provided that such transfer arises solely as a consequence of the existence or change of marital status;

(2) Any transfer to any person by intestate succession;

(3) Any transfer to any person as administrator, executor, or other fiduciary by reason of any testamentary disposition; and

(4) Any transfer to any person as administrator, executor, or fiduciary by reason of judicial appointment or approval in connection with any testamentary disposition or intestate succession.

(b) Except to the limited extent authorized by § 500.523 or by any other license or authorization contained in or issued pursuant to this chapter no transfer to any person by intestate succession and no transfer to any person as administrator, executor, or other fiduciary by reason of any testamentary disposition, and no transfer to any person as administrator, executor, or fiduciary by reason of judicial appointment or approval in connection with any testamentary disposition or intestate succession shall be deemed to terminate the interest of the decedent in the property transferred if the decedent was a designated national.

(c) This section does not authorize any dealings in property by any person.

[25 F.R. 1910, Mar. 4, 1960]

§ 500.538 Transportation of merchandise affected by § 500.204.

(a) To the extent that the transportation of merchandise is prohibited by § 500.204, such transportation by carriers is authorized except as provided in paragraph (b) of this section.

(b) This section does not authorize the transportation to any place other than the United States of merchandise specified in § 500.204(a) (1) nor the transportation to any place other than the United States of any merchandise specified in § 500.204(a) (2), (3), or (4) from or through Hong Kong, Macao, or any country not in the authorized trade territory.

[24 F.R. 1984, Mar. 18, 1959]

Subpart F—Reports**§ 500.601 Records.**

Every person engaging in any transaction subject to the provisions of this chapter shall keep a full and accurate record of each such transaction engaged in by him, regardless of whether such transaction is effected pursuant to license or otherwise, and such record shall be available for examination for at least two years after the date of such transaction.

[24 F.R. 1984, Mar. 18, 1959]

PART 515—CUBAN ASSETS CONTROL REGULATIONS [ADDED; REVISED]

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Sec.

515.101 Relation of this part to other laws and regulations.

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- 515.540 Passengers baggage.
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- 515.801 Licensing.
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- 515.806 Rule making.
- 515.807 Delegation by the Secretary of the Treasury.
- 515.808 Customs procedures; merchandise specified in § 500.204.

AUTHORITY: §§ 515.101–515.808 issued under § 620(a); 75 Stat. 445; Proclamation 3447; Sec. 5, 40 Stat. 415, as amended; 50 U.S.C., App. 5; E.O. 9193, July 6, 1942, 7 F.R. 5205, 3 CFR, Cum. Supp., p. 1174; E.O. 9989, Aug. 20, 1948, 13 F.R. 4891, 3 CFR, 1948–1948 Comp., p. 748.

SOURCE: §§ 515.101 to 515.808 appear at 28 F.R. 6974, July 9, 1963; 28 F.R. 7427, July 20, 1963; 28 F.R. 7941, Aug. 3, 1963.

Prior Amendments

1962: 27 F.R. 1116, Feb. 7; 27 F.R. 2765, Mar. 24; 27 F.R. 4554, May 12.

Subpart A—Relation of This Part to Other Laws and Regulations

§ 515.101 Relation of this part to other laws and regulations.

The Cuban Import Regulations issued on February 6, 1962, as amended, are hereby revoked and the following Regulations are hereby adopted in place thereof controlling all financial and commercial transactions involving Cuba or nationals thereof, provided that the revocation of the Cuban Import Regulations shall not be deemed to authorize any unlicensed importation prohibited by the Cuban Import Regulations and all penalties, forfeitures, and liabilities under such Regulations or any other applicable laws or regulations shall continue and may be enforced as if such revocation had not been made.

(a) This part is independent of 8 CFR Ch. II. The prohibitions contained in this part are in addition to the prohibitions contained in 8 CFR Ch. II. No license or authorization contained in or issued pursuant to 8 CFR Ch. II shall be deemed to authorize any transaction prohibited by this part, nor shall any license or authorization issued pursuant to any other provision of law (except this part) be deemed to authorize any transaction so prohibited.

(b) No license or authorization contained in or issued pursuant to this part shall be deemed to authorize any transaction to the extent that it is prohibited by reason of the provisions of any law or any statute other than paragraph (2) of Proclamation 3447, issued under § 620(a), P.L. 87–195, or section 5(b) of the Trading With the Enemy Act, as amended, or any proclamation, order or regulation other than those contained in or issued pursuant to this part.

Subpart B—Prohibitions

§ 515.201 Transactions involving designated foreign countries or their nationals; effective date.

(a) All of the following transactions are prohibited, except as specifically authorized by the Secretary of the Treasury (or any person, agency, or instrumentality designated by him) by means of regulations, rulings, instructions, licenses, or otherwise, if either such transactions are by, or on behalf of, or pur-

suant to the direction of a foreign country designated under this part, or any national thereof, or such transactions involve property in which a foreign country designated under this part, or any national thereof, has at any time on or since the effective date of this section had any interest of any nature whatsoever, direct or indirect:

(1) All transfers of credit and all payments between, by, through, or to any banking institution or banking institutions wheresoever located, with respect to any property subject to the jurisdiction of the United States or by any person (including a banking institution) subject to the jurisdiction of the United States;

(2) All transactions in foreign exchange by any person within the United States; and

(3) The exportation or withdrawal from the United States of gold or silver coin or bullion, currency or securities, or the earmarking of any such property, by any person within the United States.

(b) All of the following transactions are prohibited, except as specifically authorized by the Secretary of the Treasury (or any person, agency, or instrumentality designated by him) by means of regulations, rulings, instructions, licenses, or otherwise, if such transactions involve property in which any foreign country designated under this part, or any national thereof, has at any time on or since the effective date of this section had any interest of any nature whatsoever, direct or indirect:

(1) All dealings in, including, without limitation, transfers, withdrawals, or exportations of, any property or evidences of indebtedness or evidences of ownership of property by any person subject to the jurisdiction of the United States; and

(2) All transfers outside the United States with regard to any property or property interest subject to the jurisdiction of the United States.

(c) Any transaction for the purpose or which has the effect of evading or avoiding any of the prohibitions set forth in paragraphs (a) or (b) of this section is hereby prohibited.

(d) For the purposes of this part, the term "foreign country designated under this part" and the term "designated foreign country" mean Cuba and the term "effective date" and the term "effective date of this section" mean with respect to

Cuba, or any national thereof, 12:01 a.m., e.s.t., July 8, 1963.

§ 515.202 Transactions with respect to securities registered or inscribed in the name of a designated national.

Unless authorized by a license expressly referring to this section, the acquisition, transfer (including the transfer on the books of any issuer or agent thereof), disposition, transportation, importation, exportation, or withdrawal of, or the endorsement or guaranty of signatures on or otherwise dealing in any security (or evidence thereof) registered or inscribed in the name of any designated national is prohibited irrespective of the fact that at any time (either prior to, on, or subsequent to the "effective date") the registered or inscribed owner thereof may have, or appears to have, assigned, transferred or otherwise disposed of any such security.

§ 515.203 Effect of transfers violating the provisions of this part.

(a) Any transfer after the "effective date" which is in violation of any provision of this part or of any regulation, ruling, instruction, license, or other direction or authorization thereunder and involves any property in which a designated national has or has had an interest since such "effective date" is null and void and shall not be the basis for the assertion or recognition of any interest in or right, remedy, power or privilege with respect to such property.

(b) No transfer before the "effective date" shall be the basis for the assertion or recognition of any right, remedy, power, or privilege with respect to, or interest in, any property in which a designated national has or has had an interest since the "effective date" unless the person with whom such property is held or maintained had written notice of the transfer or by any written evidence had recognized such transfer prior to such "effective date."

(c) Unless otherwise provided, an appropriate license or other authorization issued by or pursuant to the direction or authorization of the Secretary of the Treasury before, during or after a transfer shall validate such transfer or render it enforceable to the same extent as it would be valid or enforceable but for the provisions of section 5(b) of the Trading With the Enemy Act, as amended, and

this part and any ruling, order, regulation, direction or instruction issued hereunder.

(d) Transfers of property which otherwise would be null and void, or unenforceable by virtue of the provisions of this section shall not be deemed to be null and void, or unenforceable pursuant to such provisions, as to any person with whom such property was held or maintained (and as to such person only) in cases in which such person is able to establish each of the following:

(1) Such transfer did not represent a willful violation of the provisions of this part by the person with whom such property was held or maintained;

(2) The person with whom such property was held or maintained did not have reasonable cause to know or suspect, in view of all the facts and circumstances known or available to such person, that such transfer required a license or authorization by or pursuant to the provisions of this part and was not so licensed or authorized or if a license or authorization did purport to cover the transfer, that such license or authorization had been obtained by misrepresentation or the withholding of material facts or was otherwise fraudulently obtained; and

(3) Promptly upon discovery that:

(i) Such transfer was in violation of the provisions of this part or any regulation, ruling, instruction, license or other direction or authorization thereunder, or

(ii) Such transfer was not licensed or authorized by the Secretary of the Treasury, or

(iii) If a license did purport to cover the transfer, such license had been obtained by misrepresentation or the withholding of material facts or was otherwise fraudulently obtained;

the person with whom such property was held or maintained filed with the Treasury Department, Washington, D.C., a report in triplicate setting forth in full the circumstances relating to such transfer. The filing of a report in accordance with the provisions of this paragraph shall not be deemed to be compliance or evidence of compliance with subparagraphs (1) and (2) of this section.

(e) Unless licensed or authorized by § 515.504 or otherwise licensed or authorized pursuant to this chapter any attachment, judgment, decree, lien, execu-

tion, garnishment, or other judicial process is null and void with respect to any property in which on or since the "effective date" there existed the interest of a designated foreign country or national thereof.

(f) For the purpose of this section the term "property" includes gold, silver, bullion, currency, coin, credit, securities (as that term is defined in section 2(1) of the Securities Act of 1933, as amended), bills of exchange, notes, drafts, acceptances, checks, letters of credit, book credits, debts, claims, contracts, negotiable documents of title, mortgages, liens, annuities, insurance policies, options and futures in commodities, and evidences of any of the foregoing. The term "property" shall not, except to the extent indicated, be deemed to include chattels or real property.

§ 515.204 Importation of and dealings in certain merchandise.

(a) Except as specifically authorized by the Secretary of the Treasury (or any person, agency, or instrumentality designated by him) by means of regulations, rulings, instructions, licenses, or otherwise, no person subject to the jurisdiction of the United States may purchase, transport, import, or otherwise deal in or engage in any transaction with respect to any merchandise outside the United States if such merchandise:

(1) Is of Cuban origin; or

(2) Is or has been located in or transported from or through Cuba; or

(3) Is made or derived in whole or in part of any article which is the growth, produce or manufacture of Cuba.

Subpart C—General Definitions

§ 515.301 Foreign country.

The term "foreign country" also includes, but not by way of limitation:

(a) The state and the government of any such territory on or after the "effective date" as well as any political subdivision, agency, or instrumentality thereof or any territory, dependency, colony, protectorate, mandate, dominion, possession or place subject to the jurisdiction thereof,

(b) Any other government (including any political subdivision, agency, or instrumentality thereof) to the extent and only to the extent that such government exercises or claims to exercise control, authority, jurisdiction or sovereignty

over territory which on the "effective date" constituted such foreign country.

(c) Any person to the extent that such person is, or has been, or to the extent that there is reasonable cause to believe that such person is, or has been, since the "effective date," acting or purporting to act directly or indirectly for the benefit or on behalf of any of the foregoing, and

(d) Any territory which on or since the "effective date" is controlled or occupied by the military, naval or police forces or other authority of such foreign country.

§ 515.302 National.

(a) The term "national" shall include:

(1) A subject or citizen of, or any person who has been within, a foreign country, whether domiciled or resident therein or otherwise, at any time on or since the "effective date."

(2) Any partnership, association, corporation, or other organization, organized under the laws of, or which on or since the "effective date" had or has had its principal place of business in a foreign country, or which on or since such effective date was or has been controlled by, or a substantial part of the stock, shares, bonds, debentures, notes, drafts, or other securities or obligations of which, was or has been owned or controlled by, directly or indirectly, a foreign country and/or one or more nationals thereof as defined in this section.

(3) Any person to the extent that such person is or has been, since the "effective date" acting or purporting to act directly or indirectly for the benefit or on behalf of any national of a foreign country.

(4) Any other person who there is reasonable cause to believe is a "national" as defined in this section.

(b) The Secretary of the Treasury retains full power to determine that any person is or shall be deemed to be a "national" within the meaning of this section, and to specify the foreign country of which such person is or shall be deemed to be a national.

§ 515.303 Nationals of more than one foreign country.

(a) Any person who by virtue of any provision in this chapter is a national of more than one foreign country shall be deemed to be a national of each of such foreign countries.

(b) In any case in which a person is a national of two or more designated foreign countries, as defined in this chapter, a license or authorization with respect to nationals of one of such designated foreign countries shall not be deemed to apply to such person unless a license or authorization of equal or greater scope is outstanding with respect to nationals of each other designated foreign country of which such person is a national.

(c) In any case in which the combined interests of two or more designated foreign countries, as defined in this chapter, and/or nationals thereof are sufficient in the aggregate to constitute control or ownership of 25 per centum or more of the stock, shares, bonds, debentures, notes, drafts, or other securities or obligations of a partnership, association, corporation or other organization, but such control or a substantial part of such stock, shares, bonds, debentures, notes, drafts, or other securities or obligations is not held by any one such foreign country and/or national thereof, such partnership, association, corporation or other organization shall be deemed to be a national of each of such foreign countries.

§ 515.304 [Reserved]

§ 515.305 Designated national.

For the purposes of this part, the term "designated national" shall mean Cuba and any national thereof including any person who is a specially designated national.

§ 515.306 Specially designated national.

(a) The term "specially designated national" shall mean:

(1) Any person who is determined by the Secretary of the Treasury to be a specially designated national.

(2) Any person who on or since the "effective date" has acted for or on behalf of the Government or authorities exercising control over a designated foreign country, or

(3) Any partnership, association, corporation or other organization which on or since the "effective date" has been owned or controlled directly or indirectly by the Government or authorities exercising control over a designated foreign country or by any specially designated national.

§ 515.307 Unblocked national.

Any person licensed as an "unblocked national" shall, while so licensed, be re-

garded as a person within the United States who is not a national of any designated foreign country: *Provided, however*, That the licensing of any person as an "unblocked national" shall not be deemed to suspend in any way the requirements of any section of this chapter relating to reports, or the production of books, documents, and records specified therein.

§ 515.308 Person.

The term "person" means an individual, partnership, association, corporation, or other organization.

§ 515.309 Transactions.

The phrase "transactions which involve property in which a designated foreign country, or any national thereof, has any interest of any nature whatsoever, direct or indirect," includes, but not by way of limitation (a) any payment or transfer to such designated foreign country or national thereof, (b) any export or withdrawal from the United States to such designated foreign country, and (c) any transfer of credit, or payment of an obligation, expressed in terms of the currency of such designated foreign country.

§ 515.310 Transfer.

The term "transfer" shall mean any actual or purported act or transaction, whether or not evidenced by writing, and whether or not done or performed within the United States, the purpose, intent, or effect of which is to create, surrender, release, transfer, or alter, directly or indirectly, any right, remedy, power, privilege, or interest with respect to any property and without limitation upon the foregoing shall include the making, execution, or delivery of any assignment, power, conveyance, check, declaration, deed, deed of trust, power of attorney, power of appointment, bill of sale, mortgage, receipt, agreement, contract, certificate, gift, sale, affidavit, or statement; the appointment of any agent, trustee, or other fiduciary; the creation or transfer of any lien; the issuance, docketing, filing, or the levy of or under any judgment, decree, attachment, execution, or other judicial or administrative process or order, or the service of any garnishment; the acquisition of any interest of any nature whatsoever by reason of a judgment or decree of any foreign country; the fulfillment

of any condition, or the exercise of any power of appointment, power of attorney, or other power.

§ 515.311 Property; property interests.

Except as defined in § 515.203(f) for the purposes of that section the terms "property" and "property interest" or "property interests" shall include, but not by way of limitation, money, checks, drafts, bullion, bank deposits, savings accounts, debts, indebtedness obligations, notes, debentures, stocks, bonds, coupons, any other financial securities, bankers' acceptances, mortgages, pledges, liens or other rights in the nature of security, warehouse receipts, bills of lading, trust receipts, bills of sale, any other evidences of title, ownership or indebtedness, powers of attorney, goods, wares, merchandise, chattels, stocks on hand, ships, goods on ships, real estate mortgages, deeds of trust, vendors' sales agreements, land contracts, real estate and any interest therein, leaseholds, ground rents, options, negotiable instruments, trade acceptances, royalties, book accounts, accounts payable, judgments, patents, trademarks, copyrights, contracts or licenses affecting or involving patents, trademarks or copyrights, insurance policies, safe deposit boxes and their contents, annuities, pooling agreements, contracts of any nature whatsoever, and any other property, real, personal, or mixed, tangible or intangible, or interest or interests therein, present, future or contingent.

§ 515.312 Interest.

The term "interest" when used with respect to property shall mean an interest of any nature whatsoever, direct or indirect.

§ 515.313 Property subject to the jurisdiction of the United States.

(a) The phrase "property subject to the jurisdiction of the United States" includes, without limitation, securities, whether registered or bearer, issued by:

(1) The United States or any State, district, territory, possession, county, municipality, or any other subdivision or agency or instrumentality of any thereof; or

(2) Any person within the United States whether the certificate which evidences such property or interest is physically located within or outside the United States.

(b) The phrase "property subject to the jurisdiction of the United States" also includes, without limitation, securities, whether registered or bearer, by whomsoever issued, if the instrument evidencing such property or interest is physically located within the United States.

§ 515.314 Banking institution.

The term "banking institution" shall include any person engaged primarily or incidentally in the business of banking, of granting or transferring credits, or of purchasing or selling foreign exchange or procuring purchases and sellers thereof, as principal or agent, or any person holding credits for others as a direct or incidental part of his business, or any broker; and, each principal, agent, home office, branch or correspondent of any person so engaged shall be regarded as a separate "banking institution."

§ 515.315 [Reserved]

§ 515.316 License.

Except as otherwise specified, the term "license" shall mean any license or authorization contained in or issued pursuant to this part.

§ 515.317 General license.

A general license is any license or authorization the terms of which are set forth in this part.

§ 515.318 Specific license.

A specific license is any license or authorization issued pursuant to this part but not set forth in this part.

§ 515.319 Blocked account.

The term "blocked account" shall mean an account in which any designated national has an interest, with respect to which account payments, transfers or withdrawals or other dealings may not be made or effected except pursuant to an authorization or license authorizing such action. The term "blocked account" shall not be deemed to include accounts of unblocked nationals.

§ 515.320 Domestic bank.

The term "domestic bank" shall mean any branch or office within the United States of any of the following which is not a national of a designated foreign country: any bank or trust company incorporated under the banking laws of

the United States or of any state, territory, or district of the United States, or any private bank or banker subject to supervision and examination under the banking laws of the United States or of any state, territory or district of the United States. The Secretary of the Treasury may also authorize any other banking institution to be treated as a "domestic bank" for the purpose of this definition or for the purpose of any or all sections of this part.

§ 515.321 United States; continental United States.

The term "United States" means the United States and all areas under the jurisdiction or authority thereof including the Panama Canal Zone and the Trust Territory of the Pacific Islands. The term "continental United States" means the states of the United States and the District of Columbia.

§ 515.322 Authorized trade territory; member of the authorized trade territory.

(a) The term "authorized trade territory" shall include:

(1) North, South, and Central America, including the Caribbean region except Cuba;

(2) Africa;

(3) Oceania, including Indonesia and the Philippines;

(4) Andorra, Austria, Belgium, Denmark, Eire, the Federal Republic of Germany, and the Western sector of Berlin, Finland, France (including Monaco), Greece, Iceland, Italy, Liechtenstein, Luxembourg, the Netherlands, Norway, Portugal, San Marino, Spain, Sweden, Switzerland, Turkey, the United Kingdom and Yugoslavia;

(5) Afghanistan, Bhutan, Federation of Malaya, Burma, Cambodia, Ceylon, Taiwan, Hong Kong, India, Iran, Iraq, Israel, Japan, Jordan, Kuwait, Laos, Lebanon, Macao, Muscat and Oman, Nepal, Pakistan, Saudi Arabia, South Korea, Syrian Arab Republic, Thailand, Viet-Nam (except those areas under Communist control) and Yemen;

(6) Any colony, territory, possession, or protectorate of any country included within this paragraph; but the term shall not include the United States.

(b) The term "member of the authorized trade territory" shall mean any of the foreign countries or political subdivisions comprising the authorized trade territory.

§ 515.323 Occupied area.

The term "occupied area" shall mean any territory occupied by a designated foreign country which was not occupied by such country prior to the "effective date" of this part.

§ 515.324 [Reserved]

§ 515.325 National securities exchange.

The term "national securities exchange" shall mean an exchange registered as a national securities exchange under section 6 of the Securities Exchange Act of 1934 (48 Stat. 885, 15 U.S.C. 78f).

§ 515.326 Custody of safe deposit boxes.

Safe deposit boxes shall be deemed to be in the "custody" not only of all persons having access thereto but also of the lessors of such boxes whether or not such lessors have access to such boxes. The foregoing shall not in any way be regarded as a limitation upon the meaning of the term "custody."

§ 515.327 Blocked estate of a decedent.

The term "blocked estate of a decedent" shall mean any decedent's estate in which a designated national has an interest. A person shall be deemed to have an interest in a decedent's estate if he (a) was the decedent; (b) is a personal representative; or (c) is a creditor, heir, legatee, devisee, distributee, or beneficiary.

§ 515.328 [Reserved]

§ 515.329 Person subject to the jurisdiction of the United States.

(a) The term "person subject to the jurisdiction of the United States" includes:

(1) Any person, wheresoever located who is a citizen or resident of the United States;

(2) Any person actually within the United States;

(3) Any corporation organized under the laws of the United States or of any state, territory, possession, or district of the United States; and

(4) Any partnership, association, corporation, or other organization wheresoever organized or doing business which is owned or controlled by persons specified in subparagraph (1), (2), or (3) of this paragraph.

§ 515.330 Person within the United States.

(a) The term "person within the United States," includes:

(1) Any person, wheresoever located, who is a resident of the United States;

(2) Any person actually within the United States;

(3) Any corporation organized under the laws of the United States or of any state, territory, possession, or district of the United States; and

(4) Any partnership, association, corporation, or other organization, wheresoever organized, or doing business, which is owned or controlled by any person or persons specified in subparagraph (1), (2) or (3) of this paragraph.

§ 515.331 Merchandise.

The term "merchandise" means all goods, wares and chattels of every description without limitation of any kind.

Subpart D—Interpretations

§ 515.401 Reference to amended sections.

Reference to any section of this part or to any regulation, ruling, order, instruction, direction or license issued pursuant to this part shall be deemed to refer to the same as currently amended unless otherwise so specified.

§ 515.402 Effect of amendment of sections of this part or of other orders, etc.

Any amendment, modification, or revocation of any section of this part or of any order, regulation, ruling, instruction, or license issued by or under the direction of the Secretary of the Treasury pursuant to section 3(a) or 5(b) of the Trading With the Enemy Act, as amended, or pursuant to Proclamation 3447, shall not unless otherwise specifically provided be deemed to affect any act done or omitted to be done, or any suit or proceeding had or commenced in any civil or criminal case, prior to such amendment, modification, or revocation, and all penalties, forfeitures, and liabilities under any such section, order, regulation, ruling, instruction or license shall continue and may be enforced as if such amendment, modification, or revocation had not been made.

§ 515.403 Termination and acquisition of the interest of a designated national.

(a) Except as provided in § 515.525, whenever a transaction licensed or authorized by or pursuant to this part results in the transfer of property (including any property interest) away from a designated national, such property shall no longer be deemed to be property in which a designated national has or has had an interest unless there exists in such property an interest of a designated national, the transfer of which has not been effected pursuant to license or other authorization.

(b) Unless otherwise specifically provided in a license or authorization contained in or issued pursuant to this part, if property (including any property interest) is transferred to a designated national such property shall be deemed to be property in which there exists the interest of a designated national.

§ 515.404 Transactions between principal and agent.

A transaction between any person within the United States and any principal, agent, home office, branch, or correspondent, outside the United States of such person is a transaction prohibited by § 515.201 to the same extent as if the parties to the transaction were in no way affiliated or associated with each other.

§ 515.405 Exportation of securities, currency, checks, drafts and promissory notes.

Section 515.201 prohibits the exportation of securities, currency, checks, drafts and promissory notes to a designated foreign country.

§ 515.406 Drafts under irrevocable letters of credit; documentary drafts.

Section 515.201 prohibits the presentation, acceptance or payment of:

(a) Drafts or other orders for payment drawn under irrevocable letters of credit issued in favor or on behalf of any designated national;

(b) Drafts or other orders for payment, in which any designated national has on or since the "effective date" had any interest, drawn under any irrevocable letter of credit; and

(c) Documentary drafts in which any designated national has on or since the "effective date" had any interest.

§ 515.407 Administration of blocked estates of decedents.

Section 515.201 prohibits all transactions incident to the administration of the blocked estate of a decedent, including the appointment and qualification of personal representatives, the collection and liquidation of assets, the payment of claims, and distribution to beneficiaries. Attention is directed to § 515.523 which authorizes certain transactions in connection with the administration of blocked estates of decedents.

§ 515.408 Access to certain safe deposit boxes prohibited.

Section 515.201 prohibits access to any safe deposit box within the United States in the custody of any designated national or containing any property in which any designated national has any interest or which there is reasonable cause to believe contains property in which any such designated national has any interest. Attention is directed to § 515.517 which authorizes access to such safe deposit boxes under certain conditions.

§ 515.409 Certain payments to a designated foreign country and nationals through third countries.

Section 515.201 prohibits any request or authorization made by or on behalf of a bank or other person within the United States to a bank or other person outside of the United States as a result of which request or authorization such latter bank or person makes a payment or transfer of credit either directly or indirectly to a designated national.

Subpart E—Licenses and Authorizations

§ 515.501 [Reserved]

§ 515.502 Effect of subsequent license or authorization.

(a) No license or other authorization contained in this part or otherwise issued by or under the direction of the Secretary of the Treasury pursuant to section 3(a) or 5(b) of the Trading With the Enemy Act, as amended, or section 620(a), Public Law 87-195, or Proclamation 3447, shall be deemed to authorize or validate any transaction effected prior to the issuance thereof, unless such license or other authorization specifically so provides.

(b) No regulation, ruling, instruction, or license authorizes a transaction prohibited under this part unless the regulation, ruling, instruction, or license is issued by the Treasury Department and specifically refers to this part. No regulation, ruling, instruction or license referring to this part shall be deemed to authorize any transaction prohibited by Part 500 of this chapter unless the regulation, ruling, instruction or license specifically refers to Part 500.

§ 515.503 Exclusion from licenses and authorizations.

The Secretary of the Treasury reserves the right to exclude from the operation of any license or from the privileges therein conferred or to restrict the applicability thereof with respect to particular persons, transactions or property or classes thereof. Such action shall be binding upon all persons receiving actual notice or constructive notice thereof.

§ 515.504 Certain judicial proceedings with respect to property of designated nationals.

(a) Subject to the limitations of paragraphs (b), (c) and (d) of this section judicial proceedings are authorized with respect to property in which on or since the "effective date" there has existed the interest of a designated national.

(b) A judicial proceeding is authorized by this section only if it is based upon a cause of action which accrued prior to the "effective date".

(c) This section does not authorize or license:

(1) The entry of any judgment or of any decree or order of similar or analogous effect upon any judgment book, minute book, journal or otherwise, or the docketing of any judgment in any docket book, or the filing of any judgment roll or the taking of any other similar or analogous action.

(2) Any payment or delivery out of a blocked account based upon a judicial proceeding nor does it authorize the enforcement or carrying out of any judgment or decree or order of similar or analogous effect with regard to any property in which a designated national has an interest.

(d) If a judicial proceeding relates to property in which there exists the interest of any designated national other than a person who would not have been a designated national except for his re-

lationship to an occupied area, such proceeding is authorized only if it is based upon a claim in which no person other than any of the following has had an interest since the "effective date":

(1) A citizen of the United States;

(2) A corporation organized under the laws of the United States or any State, territory or possession thereof, or the District of Columbia;

(3) A natural person who is and has been since the "effective date" a resident of the United States and who has not been a specially designated national;

(4) A legal representative (whether or not appointed by a court of the United States) or successor in interest by inheritance, devise, bequest, or operation of law, who falls within any of the categories specified in subparagraphs (1), (2), and (3) of this paragraph but only to the same extent that their principals or predecessors would be qualified by such subparagraphs.

§ 515.505 Certain persons in the United States unblocked.

(a) Except as provided in paragraph (b) of this section the following are hereby licensed as unblocked nationals:

(1) Any individual resident in and within the United States except an individual who on or after the "effective date" has acted or purported to act directly or indirectly for the benefit of or on behalf of a designated country.

(2) Any partnership, association, corporation, or other organization which is a national of a designated foreign country solely by reason of the interest of persons licensed by this section.

(b) This section does not license as an unblocked national any person who is a specially designated national.

§ 515.506 Certain persons in authorized trade territory unblocked.

(a) Except as provided in paragraph (b) of this section the following are hereby licensed as unblocked nationals:

(1) Any individual in the authorized trade territory except an individual who on or after the "effective date" was in, or who on or since such date, has acted or purported to act directly or indirectly for the benefit of or on behalf of a designated foreign country.

(2) Any partnership, association, corporation, or other organization which is a national of a designated foreign country solely by reason of the interest of persons licensed by this section.

(b) This section does not license as an unblocked national any person who is a specially designated national.

§ 515.507 Individuals who are citizens of, and residing only in the United States, unblocked.

(a) Any individual who is a citizen of the United States, residing only in the United States, and who is a national of a designated foreign country solely by reason of having been formerly domiciled or resident therein is hereby licensed as an unblocked national.

(b) This section does not license as an unblocked national any individual citizen of the United States who is a national of a designated foreign country by reason of any fact other than his former domicile or residence in such country.

§ 515.508 Payments to blocked accounts in domestic banks.

(a) Any payment or transfer of credit to a blocked account in a domestic bank in the name of any designated national is hereby authorized providing such payment or transfer shall not be made:

(1) From any blocked account in a domestic bank; or

(2) From any other blocked account if such payment or transfer represents, directly or indirectly, a transfer of the interest of a designated national to any other country or person.

(b) This section does not authorize:

(1) Any payment or transfer to any blocked account held in a name other than that of the designated national who is the ultimate beneficiary of such payment or transfer; or

(2) Any foreign exchange transaction including, but not by way of limitation, any transfer of credit, or payment of an obligation, expressed in terms of the currency of any foreign country.

(c) This section does not authorize any payment or transfer of credit comprising an integral part of a transaction which cannot be effected without the subsequent issuance of a further license.

(d) This section does not authorize the crediting of the proceeds of the sale of securities held in a blocked account or a subaccount thereof, or the income derived from such securities to a blocked account or subaccount under any name or designation which differs from the name or designation of the specific blocked account or subaccount in which such securities were held.

§ 515.509 Entries in certain accounts for normal service charges.

(a) Any banking institution within the United States is hereby authorized to:

(1) Debit any blocked account with such banking institution (or with another office within the United States of such banking institution) in payment or reimbursement for normal service charges owed to such banking institution by the owner of such blocked account.

(2) Make book entries against any foreign currency account maintained by it with a banking institution in a designated foreign country for the purpose of responding to debits to such account for normal service charges in connection therewith.

(b) As used in this section, the term "normal service charge" shall include charges in payment or reimbursement for interest due; cable, telegraph, or telephone charges; postage costs; custody fees; small adjustment charges to correct bookkeeping errors; and, but not by way of limitation, minimum balance charges, account carrying charges, notary and protest fees, and charges for reference books, photostats, credit reports, transcripts of statements, registered mail insurance, stationery and supplies, check books, and other similar items.

§ 515.510 Payments to the United States, States and political subdivisions.

(a) The payment from any blocked account to the United States or any agency or instrumentality thereof or to any State, territory, district, county, municipality or other political subdivision in the United States, of customs duties, taxes, and fees payable thereto by the owner of such blocked account is hereby authorized.

(b) This section also authorizes transactions incident to the payment of customs duties, taxes, and fees from blocked accounts, such as the levying of assessments, the creation and enforcement of liens, and the sale of blocked property in satisfaction of liens for customs duties, taxes, and fees.

§ 515.511 Transactions by certain business enterprises.

(a) Except as provided in paragraphs (b), (c) and (d) of this section any partnership, association, corporation or other organization which on the "effective date" was actually engaged in a

commercial, banking or financial business within the United States and which is a national of a designated foreign country, is hereby authorized to engage in all transactions ordinarily incidental to the normal conduct of its business activities within the United States.

(b) This section does not authorize any transaction which would require a license if such organization were not a national of a designated foreign country.

(c) This section does not authorize any transaction by a specially designated national.

(d) Any organization engaging in business pursuant to this section shall not engage in any transaction, pursuant to this section or any other license or authorization contained in this part, which, directly or indirectly, substantially diminishes or imperils the assets of such organization or otherwise prejudicially affects the financial position of such organization.

(e) No dealings with regard to any account shall be evidence that any person having an interest therein is actually engaged in commercial, banking or financial business within the United States.

§ 515.512 [Reserved]

§ 515.513 Purchase and sale of certain securities.

(a) The bona fide purchase and sale of securities on a national securities exchange by banking institutions within the United States for the account, and pursuant to the authorization, of nationals of a designated foreign country and the making and receipt of payments, transfers of credit, and transfers of such securities which are necessary incidents of any such purchase or sale are hereby authorized provided the following terms and conditions are complied with:

(1) In the case of the purchase of securities, the securities purchased shall be held in an account in a banking institution within the United States in the name of the national whose account was debited to purchase such securities; and

(2) In the case of the sale of securities, the proceeds of the sale shall be credited to an account in the name of the national for whose account the sale was made and in the banking institution within the United States which held the securities for such national.

(b) This section does not authorize the crediting of the proceeds of the sale

of securities held in a blocked account or a subaccount thereof, to a blocked account or subaccount under any name or designation which differs from the name or designation of the specific blocked account or subaccount in which such securities were held.

(c) Securities issued or guaranteed by the Government of the United States or any State, territory, district, county, municipality, or other political subdivision thereof (including agencies and instrumentalities of the foregoing) need not be purchased or sold on a national securities exchange, but purchases or sales of such securities shall be made at market value and pursuant to all other terms and conditions prescribed in this section.

§ 515.514 Payment of dividends and interest on and redemption and collection of securities.

(a) The payment to, and receipt by, a banking institution within the United States of funds or other property representing dividends or interest on securities held by such banking institution in a blocked account is hereby authorized provided the funds or other property are credited to or deposited in a blocked account in such banking institution in the name of the national for whose account the securities were held. Notwithstanding § 515.202, this paragraph authorizes the foregoing transactions although such securities are registered or inscribed in the name of any designated national and although the national in whose name the securities are registered or inscribed may not be the owner of such blocked account.

(b) The payment to, and receipt by, a banking institution within the United States of funds payable in respect of securities (including coupons) presented by such banking institution to the proper paying agents within the United States for redemption or collection for the account and pursuant to the authorization of nationals of a designated country is hereby authorized provided the proceeds of the redemption or collection are credited to a blocked account in such banking institution in the name of the national for whose account the redemption or collection was made.

(c) The performance of such other acts, and the effecting of such other transactions, as may be necessarily incident to any of the foregoing, are also hereby authorized.

(d) This section does not authorize the crediting of the proceeds of the redemption or collection of securities (including coupons) held in a blocked account or a subaccount thereof, or the income derived from such securities to a blocked account or subaccount under any name or designation which differs from the name or designation of the specific blocked account or subaccount in which such securities were held.

(e) This section does not authorize any issuer or other obligor, with respect to a security, who is a designated national, to make any payment, transfer or withdrawal.

§ 515.515 Transfers of securities to blocked accounts in domestic banks.

(a) Transactions ordinarily incident to the transfer of securities from a blocked account in the name of any person to a blocked account in the same name in a domestic bank are hereby authorized provided the following terms and conditions are complied with:

(1) Such securities shall not be transferred from any blocked account in a domestic bank; and

(2) Such securities shall not be transferred from any other blocked account if such transfer represents, directly or indirectly, a transfer of the interest of a designated national to any other country or person.

(b) This section does not authorize the transfer of securities held in a blocked account or subaccount thereof to a blocked account or subaccount under any name or designation which differs from the name or designation of the specific blocked account or subaccount in which such securities were held.

§ 515.516 Voting and soliciting of proxies on securities.

Notwithstanding § 515.202, the voting and the soliciting of proxies or other authorizations is authorized with respect to the voting of securities issued by a corporation organized under the laws of the United States or of any State, territory, or district thereof, in which a designated national has any interest.

§ 515.517 Access to safe deposit boxes under certain conditions.

(a) Access to any safe deposit box leased to a designated national or containing property in which any designated national has an interest, and the deposit

therein or removal therefrom of any property is hereby authorized, provided the following terms and conditions are complied with:

(1) Access shall be permitted only in the presence of an authorized representative of the lessor of such box; and

(2) In the event that any property in which any designated national has any interest is to be removed from such box, access shall be permitted only in the presence of an authorized representative of a banking institution within the United States, which may be the lessor of such box, which shall receive such property into its custody immediately upon removal from such box and which shall hold the same in a blocked account under an appropriate designation indicating the interest therein of designated nationals.

(b) The terms and conditions set forth in paragraph (a) of this section shall not apply to access granted to a representative of the Office of Alien Property pursuant to any rule, regulation or order of such Office.

§ 515.518 Payments for living, traveling, and similar personal expenses in the United States.

(a) Payments and transfers of credit in the United States from blocked accounts in domestic banking institutions held in the name of an individual within the United States to or upon the order of such individual are hereby authorized provided the following terms and conditions are complied with:

(1) Such payments and transfers of credit may be made only for the living, traveling, and similar personal expenses in the United States of such individual or his family; and

(2) The total of all such payments and transfers of credit made under this section from the accounts of such individual may not exceed \$250 in any one calendar month.

(b) This section does not authorize any payment or transfer from an account in which a specially designated national has an interest.

§ 515.519 Limited payments from accounts of United States citizens abroad.

(a) Payments and transfers of credit from blocked accounts for expenditures within the United States or the authorized trade territory of any citizen of the

United States who is within any foreign country are hereby authorized provided the following terms and conditions are complied with:

(1) Such payments and transfers shall be made only from blocked accounts in the name of, or in which the beneficial interest is held by, such citizen or his family; and

(2) The total of all such payments and transfers made under this section shall not exceed \$1,000 in any one calendar month for any such citizen or his family.

(b) This section does not authorize any remittance to a designated foreign country or, any payment, transfer, or withdrawal which could not be effected without a license by a person within the United States who is not a national of a designated foreign country.

§ 515.520 Payments from accounts of United States citizens in employ of United States in foreign countries and certain other persons.

(a) Banking institutions within the United States are hereby authorized to make all payments, transfers and withdrawals from accounts in the name of citizens of the United States while such citizens are within any foreign country in the course of their employment by the Government of the United States.

(b) Banking institutions within the United States are also hereby authorized to make all payments, transfers and withdrawals from accounts in the name of members of the armed forces of the United States and of citizens of the United States accompanying such armed forces in the course of their employment by any organization acting on behalf of the Government of the United States while such persons are within any foreign country.

(c) This section is deemed to apply to the accounts of members of the armed forces of the United States and of citizens of the United States accompanying such armed forces in the course of their employment by the Government of the United States or by any organization acting on its behalf even though they are captured or reported missing.

§ 515.521 Certain remittances for necessary living expenses.

(a) Remittances by any person to any individual who is a resident of a foreign country and is within that foreign country are hereby authorized on the following terms and conditions:

(1) Such remittances are made only for the necessary living expenses of the payee and his household and do not exceed \$100 in any one calendar month to any one household;

(2) Such remittances are not made from a blocked account other than from an account in a banking institution within the United States in the name of, or in which the beneficial interest is held by, the payee or members of his household.

(3) Such remittances are not made from a blocked account which is blocked pursuant to Executive Order No. 8389, as amended;

(4) If the payee is within a designated foreign country, such remittances must be made through a domestic bank and any domestic bank is authorized to effect such remittances which, however, may be effected only by the payment of the dollar amount of the remittance to a domestic bank for credit to a blocked account in the name of a banking institution within such country.

(b) This section does not authorize any remittance to, or for the benefit of, a specially designated national who is not within a designated foreign country.

(c) This section does not authorize any remittance to an individual for the purpose of defraying the expenses of a person not constituting part of his household.

(d) As used in this section, the term "household" shall mean:

(1) Those individuals sharing a common dwelling as a family; or

(2) Any individual not sharing a common dwelling with others as a family.

§ 515.522 Certain remittances to United States citizens in foreign countries.

(a) Remittances by any person through any domestic bank to any individual who is a citizen of the United States within any foreign country are hereby authorized and any domestic bank is authorized to effect such remittances, on the following terms and conditions:

(1) Such remittances do not exceed \$1,000 in any one calendar month to any payee and his household and are made only for the necessary living and traveling expenses of the payee and his household, except that an additional sum not exceeding \$1,000 may be remitted once to such payee if such sum will be used for the purpose of enabling the payee or

his household to return to the United States;

(2) Such remittances are not made from a blocked account other than from an account in a banking institution within the United States in the name of, or in which the beneficial interest is held by, the payee or members of his household.

(b) This section does not authorize any remittance to an individual for the purpose of defraying the expenses of a person not constituting part of his household.

(c) As used in this section, the term "household" shall mean:

(1) Those individuals sharing a common dwelling as a family; or

(2) Any individual not sharing a common dwelling with others as a family.

§ 515.523 Transactions incident to the administration of decedents' estates.

(a) The following transactions are authorized in connection with the administration of the assets in the United States of any blocked estate of a decedent:

(1) The appointment and qualification of a personal representative;

(2) The collection and preservation of such assets by such personal representative and the payment of all costs, fees and charges in connection therewith; and

(3) The payment by such personal representative of funeral expenses and expenses of the last illness.

(b) In addition to the authorization contained in paragraph (a) of this section, all other transactions incident to the administration of assets situated in the United States of any blocked estate of a decedent are authorized if:

(1) The decedent was not a national of a designated foreign country at the time of his death;

(2) The decedent was a citizen of the United States and a national of a designated foreign country at the time of his death solely by reason of his presence in a designated foreign country as a result of his employment by, or service with the United States Government; or

(3) The gross value of the assets within the United States does not exceed \$5,000.

(c) Any property or interest therein distributed pursuant to this section to a designated national shall be regarded for the purpose of this chapter as property in which such national has an inter-

est and shall accordingly be subject to all the pertinent sections of this chapter. Any payment or distribution of any funds, securities or other choses in action to a designated national shall be made by deposit in a blocked account in a domestic bank or with a public officer, agency, or instrumentality designated by a court having jurisdiction of the estate. Any such deposit shall be made in one of the following ways:

(1) In the name of the national who is the ultimate beneficiary thereof;

(2) In the name of a person who is not a national of a designated foreign country in trust for the national who is the ultimate beneficiary; or

(3) Under some other designation which clearly shows the interest therein of such national.

(d) Any distribution of property authorized pursuant to this section may be made to a trustee of any testamentary trust or to the guardian of an estate of a minor or of an incompetent.

(e) This section does not authorize:

(1) Any designated national to act as personal representative or co-representative of any estate;

(2) Any designated national to represent, directly or indirectly, any person who has an interest in an estate;

(3) Any designated national to take distribution of any property as the trustee of any testamentary trust or as the guardian of an estate of a minor or of an incompetent; or

(4) Any transaction which could not be effected if no designated national had any interest in such estate.

(f) Any payment or distribution authorized by this section may be deposited in a blocked account in a domestic bank or with a public officer, agency, or instrumentality designated by the court having jurisdiction of the estate in one of the ways prescribed in paragraph (c) (1), (2) or (3) of this section, but this section does not authorize any other transaction directly or indirectly at the request, or upon the instructions of any designated national.

§ 515.524 Payment from, and transactions in the administration of certain trusts and estates.

(a) Any bank or trust company incorporated under the laws of the United States, or of any State, territory, or district of the United States, or any private bank subject to supervision and examina-

tion under the banking laws of any State of the United States, acting as trustee of any trust administered in the United States or as legal representative of any estate of an infant or incompetent administered in the United States in which trust or estate one or more persons who are nationals of a designated foreign country have an interest, beneficial or otherwise, or are co-trustees or co-representatives, is hereby authorized to engage in the following transactions:

(1) Payments of distributive shares of principal or income to all persons legally entitled thereto upon the condition prescribed in paragraph (b) of this section.

(2) Other transactions arising in the administration of such trust or estate which might be engaged in if no national of a designated foreign country were a beneficiary, co-trustee or co-representative of such trust or estate upon the condition prescribed in paragraph (b) of this section.

(b) Any payment or distribution of any funds, securities or other choses in action to a national of a designated foreign country under this section shall be made by deposit in a blocked account in a domestic bank in the name of the national who is the ultimate beneficiary thereof.

(c) Any payment or distribution into a blocked account in a domestic bank in the name of any such national of a designated foreign country who is the ultimate beneficiary of and legally entitled to any such payment or distribution is authorized by this section, but this section does not authorize such trustee or legal representative to engage in any other transaction at the request, or upon the instructions, of any beneficiary, co-trustee or co-representative of such trust or estate or other person who is a national of any designated foreign country.

§ 515.525 Certain transfers by operation of law.

(a) The following are hereby authorized:

(1) Any transfer of any dower, curtesy, community property, or other interest of any nature whatsoever, provided that such transfer arises solely as a consequence of the existence or change of marital status;

(2) Any transfer to any person by intestate succession;

(3) Any transfer to any person as administrator, executor, or other fiduciary

by reason of any testamentary disposition; and

(4) Any transfer to any person as administrator, executor, or fiduciary by reason of judicial appointment or approval in connection with any testamentary disposition or intestate succession.

(b) Except to the limited extent authorized by § 515.523 or by any other license or authorization contained in or issued pursuant to this part no transfer to any person by intestate succession and no transfer to any person as administrator, executor, or other fiduciary by reason of any testamentary disposition, and no transfer to any person as administrator, executor, or fiduciary by reason of judicial appointment or approval in connection with any testamentary disposition or intestate succession shall be deemed to terminate the interest of the decedent in the property transferred if the decedent was a designated national.

§ 515.526 Transactions involving blocked life insurance policies.

(a) The following transactions are hereby authorized:

(1) The payment of premiums and interest on policy loans with respect to any blocked life insurance policy;

(2) The issuance, servicing or transfer of any blocked life insurance policy in which the only blocked interest is that of one or more of the following:

(i) A member of the armed forces of the United States or a person accompanying such forces (including personnel of the American Red Cross, and similar organizations);

(ii) An officer or employee of the United States; or

(iii) A citizen of the United States resident in a designated foreign country; and

(3) The issuance, servicing or transfer of any blocked life insurance policy in which the only blocked interest (other than that of a person specified in subparagraph (2) of this paragraph) is that of a beneficiary.

(b) Paragraph (a) of this section does not authorize:

(1) Any payment to the insurer from any blocked account except a blocked account of the insured or beneficiary, or

(2) Any payment by the insurer to a national of a designated foreign country unless payment is made by deposit in a blocked account in a domestic bank in

the name of the national who is the ultimate beneficiary thereof.

(c) The application, in accordance with the provisions of the policy or the established practice of the insurer of the dividends, cash surrender value, or loan value, of any blocked life insurance policy is also hereby authorized for the purpose of:

- (1) Paying premiums;
- (2) Paying policy loans and interest thereon;
- (3) Establishing paid-up insurance; or
- (4) Accumulating such dividends or values to the credit of the policy on the books of the insurer.

(d) As used in this section:

(1) The term "blocked life insurance policy" shall mean any life insurance policy or annuity contract, or contract supplementary thereto, in which there is a blocked interest.

(2) Any interest of a national of a designated foreign country shall be deemed to be a "blocked interest."

(3) The term "servicing" shall mean the following transactions with respect to any blocked life insurance policy;

(i) The payment of premiums, the payment of loan interest, and the repayment of policy loans;

(ii) The effecting by a life insurance company or other insurer of loans to an insured;

(iii) The effecting on behalf of an insured of surrenders, conversions, modifications, and reinstatements; and

(iv) The exercise or election by an insured of nonforfeiture options, optional modes of settlement, optional disposition of dividends, and other policy options and privileges not involving payment by the insurer.

(4) The term "transfer" shall mean the change of beneficiary, or the assignment or pledge of the interest of an insured in any blocked life insurance policy subsequent to the issuance thereof.

(e) This section does not authorize any transaction with respect to any blocked life insurance policy issued by a life insurance company or other insurer which is a national of a designated foreign country or which is not doing business or effecting insurance in the United States.

§ 515.527 Certain transactions with respect to United States patents, trademarks, and copyrights.

(a) There are hereby authorized:

(1) The filing in the United States Patent Office of applications for letters

patent and for trademarks registration;

(2) The making and filing in the United States Copyright Office of applications for registration or renewal of copyrights;

(3) The prosecution in the United States Patent Office of applications for letters patent and for trademarks registration;

(4) The receipt of letters patent or trademark registration certificates or copyright registration or renewal certificates granted pursuant to any such applications in which any designated national has at any time on or since the "effective date" had any interest.

(b) This section further authorizes, subject to the terms and conditions prescribed in paragraphs (c) and (d) of this section, the execution and recording of any instrument recordable in the United States Patent Office or the United States Copyright Office which affects title to or grants any interest in, including licenses under, any United States letters patent, trademark registration, copyright or renewal thereof, or application therefor, in which a designated national, who is such a national solely by reason of his relationship to an occupied area, has at any time on or since the "effective date" had any interest, or which constitutes or evidences a transaction made by, or on behalf of, or pursuant to the direction of or with such a designated national, or if any of the parties to such instrument is such a designated national.

(c) Any such instrument the recording or the execution and recording of which is authorized by paragraph (b) of this section shall be recorded in the United States Patent Office or in the United States Copyright Office within ninety days of the date of execution thereof or ninety days from the "effective date" whichever is the longer period, or within such further time as may be allowed by the Secretary of the Treasury. The person presenting such instrument for recording shall file therewith in the United States Patent Office or United States Copyright Office a statement that such instrument is being recorded in accordance with the provisions of this section.

(d) Any such instrument the recording or the execution and recording of which is authorized by paragraph (b) of this section may be set aside by the Secretary of the Treasury at any time

within a period of three years from the date of recording except that the Secretary of the Treasury may in his discretion reduce such period of time with respect to any such instrument after the recording thereof, and further, the patents, trademarks, interests, applications, or rights thereunder so transferred may be vested by the Secretary of the Treasury.

(e) This section also authorizes the payment from blocked accounts or otherwise, of fees currently due to the United States Government in connection with any transactions authorized by this section.

(f) This section further authorizes the payment from blocked accounts or otherwise of the reasonable and customary fees and charges currently due to attorneys or representatives within the United States in connection with the transactions referred to in paragraphs (a), (b), and (e) of this section, provided that such payment shall not exceed (1) \$100 for the preparation, filing, and prosecution of any letters patent; or (2) \$50 for the preparation, filing and prosecution of any application for a trademark registration; or (3) \$25 for the securing and registration of any copyright; or (4) \$35 for the preparation and filing of any amendment to a pending application for letters patent or for a trademark registration.

(g) This section also authorizes the payment of a nominal consideration not exceeding one dollar, to any party to an instrument executed or recorded hereunder with respect to the property affected by such instrument, as long as such instrument is subject to being set aside in accordance with paragraph (d) of this section.

§ 515.528 Certain transactions with respect to blocked foreign patents, trademarks and copyrights authorized.

(a) The following transactions by any person who is not a designated national are hereby authorized:

(1) The filing and prosecution of any application for a blocked foreign patent, trademark or copyright, or for the renewal thereof;

(2) The receipt of any blocked foreign patent, trademark or copyright;

(3) The filing and prosecution of opposition or infringement proceedings with respect to any blocked foreign pat-

ent, trademark, or copyright, and the prosecution of a defense to any such proceedings;

(4) The payment of fees currently due to the government of any foreign country, either directly or through an attorney or representative, in connection with any of the transactions authorized by subparagraphs (1), (2), and (3) of this paragraph or for the maintenance of any blocked foreign patent, trademark or copyright; and

(5) The payment of reasonable and customary fees currently due to attorneys or representatives in any foreign country incurred in connection with any of the transactions authorized by subparagraphs (1), (2), (3) or (4) of this paragraph.

(b) Payments effected pursuant to the terms of paragraph (a) (4) and (5) of this section may not be made from any blocked account.

(c) As used in this section the term "blocked foreign patent, trademark, or copyright" shall mean any patent, petty patent, design patent, trademark or copyright issued by any foreign country, in which a designated foreign country or national thereof has an interest, including any patent, petty patent, design patent, trademark, or copyright issued by a designated foreign country.

§ 515.529 Powers of attorney.

(a) No power of attorney, whether granted before or after the "effective date" shall be invalid by reason of any of the provisions of this part with respect to any transaction licensed by or pursuant to the provisions of this part.

(b) This section does not authorize any transaction pursuant to a power of attorney if such transaction is prohibited by § 515.201 and is not otherwise licensed or authorized by or pursuant to this part.

(c) This section does not authorize the creation of any power of attorney in favor of any person outside of the United States or the exportation from the United States of any power of attorney.

§ 515.530 Exportation of powers of attorney or instructions relating to certain types of transactions.

(a) The exportation to any foreign country of powers of attorney or other instruments executed or issued by any person within the United States who is not a national of a designated foreign

country, which are limited to authorizations or instructions to effect transactions incident to the following, are hereby authorized upon the condition prescribed in paragraph (b) of this section:

(1) The representation of the interest of such person in a decedent's estate which is being administered in a designated foreign country and the collection of the distributive share of such person in such estate;

(2) The maintenance, preservation, supervision or management of any property located in a designated foreign country in which such person has an interest; and

(3) The conveyance, transfer, release, sale or other disposition of any property specified in subparagraph (1) of this paragraph or any real estate or tangible personal property if the value thereof does not exceed the sum of \$5,000 or its equivalent in foreign currency.

(b) No instrument which authorizes the conveyance, transfer, release, sale or other disposition of any property may be exported under this section unless it contains an express stipulation that such authority may not be exercised if the value of such property exceeds the sum of \$5,000 or the equivalent thereof in foreign currency.

(c) As used in this section, the term "tangible personal property" shall not include cash, bullion, deposits, credits, securities, patents, trademarks, or copyrights.

§ 515.531 Payment of certain checks and drafts.

(a) Any banking institution within the United States is hereby authorized to make payments from blocked accounts with such banking institution:

(1) Of checks and drafts drawn or issued prior to the "effective date" provided:

(i) The amount involved in any one payment, acceptance, or debit does not exceed \$500; or

(ii) The check or draft was within the United States in process of collection by a domestic bank on or prior to the "effective date."

(b) This section does not authorize any payment to a designated foreign country or any designated national thereof except payments into a blocked account in a domestic bank, unless such

designated national is otherwise licensed to receive such payment.

(c) The authorization contained in this section shall expire at the close of business on August 8, 1963.

§ 515.532 Completion of certain securities transactions.

(a) Banking institutions within the United States are hereby authorized to complete, on or before July 12, 1963 purchases and sales made prior to the "effective date" of securities purchased or sold for the account of a designated foreign country or any designated national thereof provided the following terms and conditions are complied with, respectively:

(1) The proceeds of such sale are credited to a blocked account in a banking institution in the name of the person for whose account the sale was made; and

(2) The securities so purchased are held in a blocked account in a banking institution in the name of the person for whose account the purchase was made.

(b) This section does not authorize the crediting of the proceeds of the sale of securities held in a blocked account or a subaccount thereof, to a blocked account or subaccount under any name or designation which differs from the name or designation of the specific blocked account or subaccount in which such securities were held.

§ 515.533 Transactions incident to exportations to designated countries.

(a) All transactions ordinarily incident to the exportation of goods, wares and merchandise from the United States to any person within a designated foreign country are hereby authorized, provided the following terms and conditions are complied with:

(1) The exportation is licensed or otherwise authorized by the Department of Commerce under the provisions of the Export Control Act of 1949, as amended (sec. 3, 62 Stat. 7, sec. 4, 76 Stat. 127, 50 U.S.C., App. Supp. 2023); and

(2) Banking institutions within the United States, prior to issuing, confirming or advising letters of credit, or accepting or paying drafts drawn, or reimbursing themselves for payments made, under letters of credit, or making any other payment or transfer of credit, in connection with any exportation pursuant to this section, or engaging in any

other transaction herein authorized, shall satisfy themselves that: (i) Each such transaction is incident to a bona fide exportation and is customary in the normal course of business, and that the value of such exportation reasonably corresponds with the sums of money involved in financing such transaction; and (ii) such exportation is made pursuant to all the terms and conditions of this section.

(b) This section does not authorize:

(1) The financing of any transaction from any blocked account;

(2) Any transaction involving, directly or indirectly, property in which any designated national, other than a person located in the country to which the exportation is consigned, has an interest, or has had an interest since the "effective date".

§ 515.534 [Reserved]

§ 515.535 Exchange of certain securities.

(a) Subject to the limitations and conditions of paragraph (b) of this section and notwithstanding § 515.202 of this part, any banking institution within the United States is authorized to engage in the following transactions with respect to securities listed on a national securities exchange, including the withdrawal of such securities from blocked accounts:

(1) Exchange of certificates necessitated by reason of changes in corporate name, par value or capitalization,

(2) Exchanges of temporary for permanent certificates,

(3) Exchanges or deposits under plans of reorganization,

(4) Exchanges under refunding plans, or

(5) Exchanges pursuant to conversion privileges accruing to securities held.

(b) This section does not authorize the following transactions:

(1) Any exchange of securities unless the new securities and other proceeds, if any, received are deposited in the blocked account in which the original securities were held immediately prior to the exchange.

(2) Any exchange of securities registered in the name of any designated national, unless the new securities received are registered in the same name in which the securities exchanged were registered prior to the exchange.

(3) Any exchange of securities issued by a person engaged in the business of offering, buying, selling, or otherwise dealing, or trading in securities, or evidences thereof, issued by another person.

(4) Any transaction with respect to any security by an issuer or other obligor who is a designated national.

§§ 515.536-515.539 [Reserved]

§ 515.540 Passengers baggage.

The importation of goods otherwise prohibited under this part which are brought into the United States as baggage by any person arriving in the United States other than a citizen or resident of the United States is hereby licensed, notwithstanding the provisions of § 515.808 of this part, provided that such goods are not in commercial quantities and are not imported for resale.

§ 515.541 Certain transactions by non-banking organizations in foreign countries owned or controlled by persons in the United States.

(a) Except as provided in paragraphs (b), (c), (d), and (e) of this section, all transactions incidental to the conduct of business activities abroad engaged in by any non-banking association, corporation, or other organization, which is organized and doing business under the laws of any foreign country in the authorized trade territory are hereby authorized.

(b) This section does not authorize any transaction involving United States dollar accounts or any other property subject to the jurisdiction of the United States.

(c) This section does not authorize any transaction involving the purchase or sale or other transfer of any merchandise of United States origin or the obtaining of a credit in connection therewith.

(d) This section does not authorize the transportation aboard any vessel which is owned or controlled by any organization described in paragraph (a) of this section of any merchandise from a designated foreign country to any country or from any country directly or indirectly to a designated foreign country.

(e) This section does not authorize any person subject to the jurisdiction of the United States other than an organization described in paragraph (a) of this section to engage in or participate

in or be involved in any transaction. For the purpose of this section only, no person shall be deemed to be engaged in or participating in or involved in a transaction solely because of the fact that he has a financial interest in any organization described in paragraph (a) of this section.

§ 515.542 Communications.

All transactions of common carriers incidental to the receipt or transmission of mail and telecommunications with a designated foreign country are hereby authorized.

Subpart F—Reports

§ 515.601 Records.

Every person engaging in any transaction subject to the provisions of this part shall keep a full and accurate record of each such transaction engaged in by him, regardless of whether such transaction is effected pursuant to license or otherwise, and such record shall be available for examination for at least two years after the date of such transaction.

§ 515.602 Reports to be furnished on demand.

Every person is required to furnish under oath, in the form of reports or otherwise, from time to time and at any time as may be required by the Secretary of the Treasury or any person acting under his direction or authorization complete information relative to any transaction subject to the provisions of this part or relative to any property in which any foreign country or any national thereof has any interest of any nature whatsoever, direct or indirect. The Secretary of the Treasury or any person acting under his direction may require that such reports include the production of any books of account, contracts, letters or other papers, connected with any such transaction or property, in the custody or control of the persons required to make such reports. Reports with respect to transactions may be required either before or after such transactions are completed. The Secretary of the Treasury may, through any person or agency, investigate any such transaction or property or any violation of the provisions of this part regardless of whether any report has been required or filed in connection therewith.

Subpart G—Penalties

§ 515.701 Penalties.

(a) Attention is directed to section 5 (b) of the Trading With the Enemy Act, as amended, which provides in part:

Whoever willfully violates any of the provisions of this subdivision or of any license, order, rule or regulation issued thereunder, shall, upon conviction, be fined not more than \$10,000 or, if a natural person, may be imprisoned for not more than ten years, or both; and any officer, director, or agent of any corporation who knowingly participates in such violation may be punished by a like fine, imprisonment, or both. As used in this subdivision the term "person" means an individual, partnership, association, or corporation.

This section of the Trading With the Enemy Act, as amended, is applicable to violations of any provision of this chapter and to violations of the provisions of any license, ruling, regulation, order, direction or instruction issued by or pursuant to the direction or authorization of the Secretary of the Treasury pursuant to this chapter or otherwise under section 5(b) of the Trading With the Enemy Act, as amended.

(b) Attention is also directed to 18 U.S.C. 1001 which provides:

Whoever, in any matter within the jurisdiction of any department or agency of the United States knowingly and willfully falsifies, conceals or covers up by any trick, scheme, or device a material fact, or makes any false, fictitious or fraudulent statements or representations, or makes or uses any false writing or document knowing the same to contain any false, fictitious or fraudulent statement or entry, shall be fined not more than \$10,000 or imprisoned not more than five years, or both.

Subpart H—Procedures

§ 515.801 Licensing.

(a) *General licenses.* General licenses have been issued authorizing under appropriate terms and conditions, many types of transactions which are subject to the prohibitions contained in Subpart B of this part. All such licenses are set forth in Subpart E of this part. It is the policy of Foreign Assets Control not to grant applications for specific licenses authorizing transactions to which the provisions of an outstanding general license are applicable. Persons availing themselves of certain general licenses are required to file reports and statements in

accordance with the instructions specified in the licenses.

(b) *Specific licenses*—(1) *General course of procedure.* Transactions subject to the prohibitions contained in Subpart B of this part which are not authorized by general license may be effected only under specific license. The specific licensing activities of Foreign Assets Control are performed by the central organization and the Federal Reserve Bank of New York. When an unusual problem is presented, the proposed action is cleared with the Director of Foreign Assets Control or such person as he may designate.

(2) *Applications for specific licenses.* Applications for specific licenses to engage in any transaction prohibited by or pursuant to this part are to be filed in duplicate on Form TFAC-5 with the Federal Reserve Bank of New York. Any person having an interest in a transaction or proposed transaction may file an application for a license authorizing the effecting of such transaction, and there is no requirement that any other person having an interest in such transaction shall or should join in making or filing such application.

(3) *Information to be supplied.* Applicants must supply all information specified by the respective forms and instructions. Such documents as may be relevant shall be attached to each application as a part of such application except that documents previously filed with Foreign Assets Control may, where appropriate, be incorporated by reference. Applicants may be required to furnish such further information as is deemed necessary to a proper determination by the Control. If an applicant or other party in interest desires to present additional information or discuss or argue the application, he may do so at any time before or after decision. Arrangements for oral presentation should be made with the Control.

(4) *Effect of denial.* The denial of a license does not preclude the reopening of an application or the filing of a further application. The applicant or any other party in interest may at any time request explanation of the reasons for a denial by correspondence or personal interview.

(5) *Reports under specific licenses.* As a condition upon the issuance of any license, the licensee may be required to file reports with respect to the transac-

tion covered by the license, in such form and at such times and places as may be prescribed in the license or otherwise.

(6) *Issuance of license.* Licenses will be issued by Foreign Assets Control acting on behalf of the Secretary of the Treasury or by the Federal Reserve Bank of New York, acting in accordance with such regulations, rulings and instructions as the Secretary of the Treasury or Foreign Assets Control may from time to time prescribe, in such cases or classes of cases as the Secretary of the Treasury or Foreign Assets Control may determine, or licenses may be issued by the Secretary of the Treasury acting directly or through any person, agency, or instrumentality designated by him.

§ 515.802 Unblocking.

Any interested person desiring the unblocking of accounts or other property on the ground that no person having an interest in the property is a designated national may file such an application. Such application shall be filed in the manner provided in § 515.801(b) and shall contain full information in support of the administrative action requested.

The applicant is entitled to be heard on the application. If the applicant desires a hearing, arrangements should be made with Foreign Assets Control.

§ 515.803 Decision.

Foreign Assets Control or the Federal Reserve Bank of New York will advise each applicant of the decision respecting applications filed by him. The decision of Foreign Assets Control acting on behalf of the Secretary of the Treasury with respect to an application shall be final.

§ 515.804 Records and reporting.

Records are required to be kept by every person engaging in any transaction subject to the provisions of this part, as provided in § 515.601.

§ 515.805 Amendment, modification, or revocation.

The provisions of this part and any rulings, licenses, authorizations, instructions, orders, or forms issued thereunder may be amended, modified, or revoked at any time.

§ 515.806 Rule making.

(a) All rules and other public documents are issued by the Secretary of the

Treasury upon recommendation of the Director of Foreign Assets Control. Except to the extent that there is involved any military, naval, or foreign affairs function of the United States or any matter relating to agency management or personnel or to public property, loans, grants, benefits, or contracts and except when interpretative rules, general statements of policy, or rules of agency organization, practice, or procedure are involved or when notice and public procedure are impracticable, unnecessary or contrary to the public interest, interested persons will be afforded an opportunity to participate in rule making through submission of written data, views, or argument, with oral presentation in the discretion of the Director. In general, rule making by Foreign Assets Control involves foreign affairs functions of the United States. Wherever possible, however, it is the practice to hold informal consultations with interested groups or persons before the issuance of any rule or other public document.

(b) Any interested person may petition the Director of Foreign Assets Control in writing for the issuance, amendment or repeal of any rule.

§ 515.807 Delegation by the Secretary of the Treasury.

Any action under § 515.201 which the Secretary of the Treasury is authorized to take pursuant to Proclamation 3447 or the Trading With the Enemy Act may be taken by the Director, Foreign Assets Control, or by any other person to whom the Secretary of the Treasury has delegated authority so to act.

§ 515.808 Customs procedures; merchandise specified in § 515.204.

(a) With respect to merchandise specified in § 515.204, whether or not such merchandise has been imported into the United States, collectors of customs shall not accept or allow any:

(1) Entry for consumption (including any appraisalment entry, any entry of goods imported in the mails, regardless of value, and any other informal entries);

(2) Entry for immediate exportation;

(3) Entry for transportation and exportation;

(4) Withdrawal from warehouse;

(5) Transfer or withdrawal from a foreign-trade zone; or

(6) Manipulation or manufacture in a warehouse or in a foreign-trade zone, unless either:

(i) The merchandise was imported prior to 12:01 a.m., February 7, 1962, or

(ii) A specific license pursuant to this part is presented, or

(iii) Instructions from the Foreign Assets Control, either directly or through the Federal Reserve Bank of New York, authorizing the transaction are received.

(b) Whenever a specific license is presented to a collector of customs in accordance with this section, one additional legible copy of the entry, withdrawal or other appropriate document with respect to the merchandise involved shall be filed with the collector of customs at the port where the transaction is to take place. Each copy of any such entry, withdrawal or other appropriate document, including the additional copy, shall bear plainly on its face the number of the license pursuant to which it is filed. The original copy of the specific license shall be presented to the collector in respect of each such transaction and shall bear a notation in ink by the licensee or person presenting the license showing the description, quantity, and value of the merchandise to be entered, withdrawn or otherwise dealt with. This notation should be so placed and so written that there will exist no possibility of confusing it with anything placed on the license at the time of its issuance. If the license in fact authorizes the entry, withdrawal or other transaction with regard to the merchandise the collector, or other authorized customs employee, shall verify the notation by signing or initialing it after first assuring himself that it accurately describes the merchandise it purports to represent. The license shall thereafter be returned to the person presenting it and the additional copy of the entry, withdrawal or other appropriate document shall be forwarded by the collector to the Foreign Assets Control.

(c) Whenever a person shall present an entry, withdrawal or other appropriate document affected by this section and shall assert that no specific Foreign Assets Control license is required in connection therewith, the collector of customs shall withhold action thereon and shall advise such person to communicate directly with the Federal Reserve Bank of New York to request that instructions be issued to the collector to authorize him to take action with regard thereto.

FINDING AIDS

In addition to the following finding aids a subject index to the entire Code of Federal Regulations is published separately and revised annually.

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¹ Revised annually.

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