

RULES AND REGULATIONS

ards, being the shortest distance measured through the center of the plum at right angles to a straight line running from the stem to the blossom end; (ii) at least sixty (60) percent, by count, of the total of such plums contained in any such pack measure, as aforesaid, not less than $1\frac{1}{16}$ inches in diameter; and (iii) no plums contained in any such pack measure, as aforesaid, less than $1\frac{1}{16}$ inches in diameter.

(3) Each shipper, prior to making each shipment of Burbank plums shall, during the period set forth in subparagraph (1) of this paragraph, have the plums included in each such shipment inspected by a duly authorized representative of the Federal-State Inspection Service, heretofore designated by the Plum Commodity Committee and hereby approved; and each such shipper shall submit promptly, or cause to be submitted promptly, to the Plum Commodity Committee, Federal-State shipping point inspection certificates stating the grades and sizes of the Burbank plums contained in each such lot or shipment: *Provided, however*, That in case the following conditions exist in connection with any such shipment:

(i) A request for inspection is made to the Federal-State Inspection Service not later than 5:00 p. m. of the day before the fruit will be available for inspection; (ii) The fruit is available for inspection between the hours of 7:00 a. m. and 8:00 p. m. of the day specified in the request for such inspection; and (iii) The Federal-State Inspection Service furnishes the shipper with a signed statement that it is not practicable, under such conditions, for the Federal-State Inspection Service to make the inspection within the necessary time; the shipper, by submitting or causing to be submitted such signed statement to the Plum Commodity Committee, may make the particular shipment without such inspection, but such shipper shall still be held responsible for conforming with all grade and size regulations applicable to such shipment.

(4) The determination in § 936.301 with respect to shipments of plums into, in, or through the San Francisco-Sacramento region and the Los Angeles region shall be applicable to this section.

(5) As used in this section, the terms "shipper" and "ship" shall have the same meaning as when used in the amended marketing agreement and order; and the term "serious damage" shall have the same meaning as set forth in the aforesaid United States Standards.

Nothing contained herein shall be construed (1) as affecting or waiving any right, duty, obligation, or liability which has arisen or which, prior to the effective time of the provisions hereof, may arise in connection with any provision of said Plum Order 11, or (2) as releasing or extinguishing any violation of said Plum Order 11 which has occurred or which, prior to the effective time of the provisions hereof, may occur.

(48 Stat. 31, as amended; 7 U. S. C. 601 et seq.; 7 CFR, Cum. Supp., 936.1 et seq.)

Done at Washington, D. C., this 20th day of June 1947.

[SEAL]

S. R. SMITH,
Director Fruit and Vegetable
Branch Production and Mar-
keting Administration.

[F. R. Doc. 47-5983; Filed, June 23, 1947;
11:00 a. m.]

TITLE 10—ARMY: WAR DEPARTMENT

Chapter III—Claims and Accounts

PART 307—CLAIMS ON BEHALF OF THE UNITED STATES

RECOVERY OF PROPERTY UNLAWFULLY DETAINED BY CIVILIANS

Rescind § 307.2 and substitute the following therefor:

§ 307.2 *Recovery of property unlawfully detained by civilians—(a) Legal proceedings.* Whenever information is received that any property belonging to the military service of the United States is unlawfully in the possession of any person not in the military service, the property officer or other proper officer will make an immediate report direct to The Judge Advocate General (by telephone or telegraph when the use of such means of communication seems advisable) in order that legal proceedings may be instituted for the recovery of the property and, if the property has been stolen, for the arrest, trial, conviction, and punishment of the guilty person or persons. Each report will contain:

(1) A complete description of the property involved, and its location.

(2) The name and location of the person unlawfully in possession of such property; and

(3) The facts and circumstances surrounding the unlawful possession of the property.

(b) *Summary action.* (1) Upon satisfactory information that such United States property unlawfully in the possession of any party or parties is likely to be removed beyond the jurisdiction, concealed, or otherwise disposed of before the necessary proceedings can be had in the proper civil tribunal for its recovery, the post or detachment commander will, as hereinafter provided, accomplish its immediate recovery. In the event the property consists of clothes, arms, military outfits or accouterments furnished by the United States to any enlisted man, the Federal statutes (R. S. 3748; 10 U. S. C. 1316; M. L. 1939, sec. 2018) authorizes such property to be seized and taken from any person not an enlisted man or officer of the United States, by any officer, civil or military, of the United States. With respect to other Government property, the post or detachment commander will cause the property to be seized, provided such seizure can be accomplished without committing a breach of the peace or a trespass on private premises, tendering to the person, if any, in possession or custody of the property a receipt or certificate showing that such property has been seized as belonging to the United States, and the

post or detachment commander will thereafter hold the property subject to any legal proceedings that may be instituted by other parties.

(2) Persons caught in the act of stealing public property will be summarily arrested by the troops and turned over to the civil authorities for trial. [AR 36-6640, May 21, 1947] (R. S. 3748, 40 Stat. 228; 10 U. S. C. 1316; 18 U. S. C. 611)

[SEAL]

EDWARD F. WITSELL,
Major General,
The Adjutant General.

[F. R. Doc. 47-5926; Filed, June 23, 1947;
8:50 a. m.]

Chapter VI—Organized Reserves

PART 601—OFFICERS' RESERVE CORPS

GENERAL OFFICERS

Rescind §§ 601.15 to 601.19, inclusive, and 601.25 to 601.30, inclusive, and substitute the following §§ 601.15 to 601.22 as follows:

Sec.
601.15 General officers, appointment.
601.16 Promotion to Major General.
601.17 Qualifications.
601.18 Reappointment.
601.19 Examining Boards.
601.20 Examination.
601.21 Assignment.
601.22 Transfer to Honorary Reserve.

AUTHORITY: §§ 601.15 to 601.22, inclusive, issued under authority contained in sec. 37, 39 Stat. 189; sec. 32, 41 Stat. 755 and sec. 2, 42 Stat. 1033; 10 U. S. C. 352, 353.

§ 601.15 *General officers, appointment—(a) Appointment of officers who served in Army of United States as general officers.* Officers who have served on active duty in the Army of the United States for a period of at least 6 months subsequent to December 7, 1941 (including those now on active duty) and who, during that period, held the grade of general officer, may be recommended for appointment as general officers in the active reserve in the highest grade held satisfactorily during that period, provided they meet the moral, physical, and age requirements. Applications for appointment may be submitted by letter to The Adjutant General (Attn.: AGPR-P), Washington 25, D. C. Those who are otherwise qualified as indicated above, but do not meet the physical or age requirements may apply for appointment in the Honorary Reserve only.

(b) *Appointment of brigadier generals and major generals from among those officers who did not hold the grade of general officer during World War II.* Officers who have served on active duty for at least 6 months subsequent to December 7, 1941 and who did not hold the grade of general officer during that period, and who meet the requirements in § 601.17 may, after appearance before a board of officers be recommended for appointment as brigadier general or major general in the active reserve to fill existing position vacancies in Reserve units or in staff positions.

§ 601.16 *Promotion to Major General.* Promotion to the grade of major general will be made from those who have served as brigadier generals of the Officers' Reserve Corps for at least 1 year.

§ 601.17 *Qualifications.* Officers must meet the following qualifications for appointment in the active reserve.

(a) *Age.* At the time of appointment a candidate for the grade of brigadier general or major general must have at least 1 year to serve before he reaches the statutory age prescribed for the retirement of Regular Army officers of that grade.

(b) *Physical.* Physical requirements for appointment or promotion of general officers will be those prescribed in AR 40-100 and AR 40-105 (Army Regulations relative to Physical Examinations).

(c) *Professional.* Satisfactory demonstration of qualifications by actual service on active duty in the Army of the United States for at least 6 months subsequent to December 7, 1941 in the grade and position contemplated, or by the satisfactory discharge of duties of corresponding and equal responsibility.

§ 601.18 *Reappointment.* Upon expiration of the 5-year period of his appointment, a general officer occupying an authorized position vacancy in a Reserve unit or in a staff position will, provided he meets the moral, age, and physical requirements be recommended for reappointment in the active reserve for an additional 5-year period. Recommendations by the commanding general of the appropriate major force concerning reappointment will be submitted in time to reach The Adjutant General not less than 90 days prior to expiration of appointment.

§ 601.19 *Examining boards.* Candidates for appointment as general officers for assignment in the active reserve, or for promotion to a higher grade will be examined by a board of officers appointed by the commanding general of the major force or major command to determine their general fitness.

§ 601.20 *Examination.* (a) *Examination by the board.* The board will thoroughly investigate into the candidates' professional (military knowledge), moral, and physical qualifications and carefully weight the evidence as to his suitability for the appointment, promotion, and assignment for which he is being considered.

(b) *Physical examination.* A final type physical examination will be given.

(c) *Inquiry into moral character.* The board will inquire into the moral character of the candidate. He will be carefully questioned and may be required to submit in writing such information as the board may desire. The board is authorized to seek verification of the candidate's statements or additional information from reliable sources. The candidate will be informed of any unfavorable statements of fact relative to his moral character and will be given an opportunity to refute or explain such statements.

(d) *Professional examination.* The professional examination will be con-

ducted as prescribed by the president of the board and will include such military knowledge and ability tests as the board may deem necessary.

(e) *Reexamination.* A candidate who has been found disqualified for other than moral reasons may apply for reexamination after a period of 1 year from the prior examination.

§ 601.21 *Assignment.* The assignment of all general officers in the active reserve will be made by The Adjutant General, upon recommendation of the commanding general of the major force or chief of administrative or technical service concerned.

§ 601.22 *Transfer to Honorary Reserve.* A general officer whose service has been honorable will be transferred to the Honorary Reserve when:

(a) He reaches the statutory retirement age prescribed for officers of the Regular Army.

(b) He is found physically disqualified, other than through his own misconduct, and applies for such transfer.

(c) He has completed a total of 20 years' service in any component of the Army of the United States, and applies for such transfer. [WD Cir. 139, June 3, 1947]

[SEAL]

EDWARD F. WITSELL,
Major General,
The Adjutant General.

[F. R. Doc. 47-5925; Filed, June 23, 1947;
8:50 a. m.]

TITLE 16—COMMERCIAL PRACTICES

Chapter I—Federal Trade Commission

[Docket No. 5157]

PART 3—DIGEST OF CEASE AND DESIST ORDERS

DAVID D. DONIGER AND CO.

§ 3.6 (cc) *Advertising falsely or misleadingly—Source or origin—Place—Domestic product as imported:* § 3.66 (k) *Misbranding or mislabeling—Source or origin—Place—Domestic product as imported:* § 3.71 (a) *Neglecting, unfairly or deceptively to make material disclosure—Composition:* § 3.96 (a) *Using misleading name—Goods—Source or origin—Place—Domestic product as imported.* In connection with the offering for sale, sale and distribution of wearing apparel in commerce, and among other things as in order set forth, (1) using the terms "Yorkshire Quad", "Shetlane", "Scotchshire" or "Ryder Vest Scot" or any other term obviously denoting British or Scotch origin, to designate or describe products which are not in fact made in the British Isles; (2) using the terms "Bonnie Lamb", "Heather Vee", "Tweedmoor", or "Lothmoor", or any other term connoting or suggesting British or Scotch origin, to designate or describe products not made in the British Isles, unless in connection with such terms there appear other words closely and conspicuously disclosing the country of origin of such products; (3) using pictures, designs, or symbols connoting or suggesting British or Scotch origin in connection with prod-

ucts not made in the British Isles, unless such pictures, designs, or symbols are accompanied by words clearly and conspicuously disclosing the country of origin of such products; or, (4) advertising, offering for sale, or selling products composed in whole or in part of rayon without clearly disclosing such rayon content; and without clearly and accurately disclosing, when such products are composed in part of rayon and in part of other fibers or materials, all of such fibers or materials, including the rayon; prohibited. (Sec. 5, 38 Stat. 719, as amended by sec. 3, 52 Stat. 112; 15 U. S. C., sec. 45b) [Cease and desist order, Donald D. Doniger & Co., Docket 5157, April 24, 1947]

§ 3.7 *Aiding, assisting and abetting unfair or unlawful acts or practices:* § 3.295 (b) *Concealing or obliterating law required marking—Wool product tags or identification:* § 3.55 *Furnishing means and instrumentalities of misrepresentation or deception:* § 3.66 (a7) *Misbranding or mislabeling—Composition—Wool Products Labeling Act:* § 3.66 (k) *Misbranding or mislabeling—Source or origin—Wool Products Labeling Act:* § 3.71 (a) *Neglecting, unfairly or deceptively, to make material disclosure—Composition—Wool Products Labeling Act:* § 3.71 (e7) *Neglecting, unfairly or deceptively, to make material disclosure—Source or origin—Wool Products Labeling Act.* I. In connection with the introduction or manufacture for introduction into commerce, or the sale, transportation or distribution in commerce (as defined in the Federal Trade Commission and Wool Products Labeling Acts), of wearing apparel or other wool products as defined in and subject to the latter act, and which contain, purport to contain, or in any way are represented as containing "wool," "reprocessed wool" or "reused wool," as defined in said act, misbranding such apparel or other products, by failing to affix securely to or place on such products a stamp, tag, label, or other means of identification showing in a clear and conspicuous manner: (a) The percentage of the total fiber weight of such product, exclusive of ornamentation not exceeding five percentum of said total fiber weight, of (1) wool, (2) reprocessed wool, (3) reused wool, (4) each fiber other than wool where said percentage by weight of such fiber is five percentum or more, and (5) the aggregate of all other fibers; (b) the maximum percentage of the total weight of such product of any nonfibrous loading, filling, or adulterating matter; or (c) the name of the manufacturer of such product; or the manufacturer's registered identification number and the name of a seller of such product; or the name of one or more persons introducing such product into commerce, or engaged in the sale, transportation, or distribution thereof in commerce, as "commerce" is defined in the Federal Trade Commission Act and the Wool Products Labeling Act of 1939, and, II, in connection with the introduction or manufacture for introduction into commerce, or the sale, transportation, or distribution in commerce, of wool products, as defined in and sub-

ject to said Wool Products Labeling Act of 1939, placing on any tag, label, or other means of identification purporting to contain the information required by said act, the statement "Detach for Stock Control," or any statement suggesting the removal of such tag, label, or other means of identification; prohibited, subject to the provision, however, as respects Part I of said prohibitions that when the product concerned is composed in whole or in part of any of the specialty fibers named in section 2 (b) of the Wool Products Labeling Act of 1939, the name of any such specialty fiber may be used in place of the word "wool" on the stamp, tag, label, or other means of identification affixed to such product, in identifying the percentage of the product composed of such specialty fiber; but *Provided*, That when the name of a specialty fiber is used, such fiber shall not be described by any other name on said label or on any other stamp, tag, label, or other means of identification affixed to such product; and subject to the further provision, that the foregoing provisions concerning misbranding shall not be construed to prohibit acts permitted by paragraphs (a) and (b) of section 3 of the Wool Products Labeling Act of 1939; subject to the further provision that nothing contained in the order shall be construed as limiting any applicable provisions of said act or the rules and regulations promulgated thereunder. (Sec. 5, 38 Stat. 719 as amended by sec. 3, 52 Stat. 112; 15 U. S. C., sec. 45b; 54 Stat. 1128; 15 U. S. C. sec. 68) [Cease and desist order, Donald D. Doniger & Co., Docket 5157, April 24, 1947]

At a regular session of the Federal Trade Commission held at its office in the City of Washington, D. C., on the 24th day of April A. D. 1947.

This proceeding having been heard by the Federal Trade Commission upon the complaint of the Commission, the answer of respondent, and a stipulation as to the facts entered into between counsel for the Commission and counsel for the respondent, which provides, among other things, that the Commission may issue and serve upon respondent findings as to the facts and conclusion based thereon and an order disposing of the proceeding, and the Commission having made its findings as to the facts and its conclusion that respondent has violated the provisions of the Federal Trade Commission Act and the Wool Products Labeling Act of 1939:

I. *It is ordered*, That respondent, David D. Doniger & Company, a corporation, and its officers, agents, representatives and employees, directly or through any corporate or other device, in connection with the offering for sale, sale and distribution of wearing apparel in commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from:

1. Using the terms "Yorkshire Quad", "Shetlane", "Scotchshire" or "Ryder Vest Scot" or any other term obviously denoting British or Scotch origin, to designate or describe products which are not in fact made in the British Isles.

2. Using the terms "Bonnie Lamb", "Heather Vee", "Tweedmoor", or "Lochmoor", or any other term connoting or

suggesting British or Scotch origin, to designate or describe products not made in the British Isles, unless in connection with such terms there appear other words clearly and conspicuously disclosing the country of origin of such products.

3. Using pictures, designs, or symbols connoting or suggesting British or Scotch origin in connection with products not made in the British Isles, unless such pictures, designs, or symbols are accompanied by words clearly and conspicuously disclosing the country of origin of such products.

4. Advertising, offering for sale, or selling products composed in whole or in part of rayon without clearly disclosing such rayon content; and when such products are composed in part of rayon and in part of other fibers or materials, all of such fibers or materials, including the rayon, shall be clearly and accurately disclosed.

II. *It is further ordered*, That said respondent, and its officers, agents, representatives and employees, directly or through any corporate or other device, in connection with the introduction or manufacture for introduction into commerce, or the sale, transportation or distribution in commerce, as "commerce" is defined in the aforesaid acts, of wearing apparel or other wool products, as such products are defined in and subject to the Wool Products Labeling Act of 1939, which contain, purport to contain, or in any way are represented as containing "wool", "reprocessed wool" or "reused wool", as those terms are defined in said act, do forthwith cease and desist from misbranding such apparel or other products by failing to affix securely to or place on such products a stamp, tag, label, or other means of identification showing in a clear and conspicuous manner:

(a) The percentage of the total fiber weight of such product, exclusive of ornamentation not exceeding five percentum of said total fiber weight, of (1) wool, (2) reprocessed wool, (3) reused wool, (4) each fiber other than wool where said percentage by weight of such fiber is five percentum or more, and (5) the aggregate of all other fibers;

(b) The maximum percentage of the total weight of such product of any non-fibrous loading, filling, or adulterating matter;

(c) The name of the manufacturer of such product; or the manufacturer's registered identification number and the name of a seller of such product; or the name of one or more persons introducing such product into commerce, or engaged in the sale, transportation, or distribution thereof in commerce, as "commerce" is defined in the Federal Trade Commission Act and the Wool Products Labeling Act of 1939;

Provided, however, That when such product is composed in whole or in part of any of the specialty fibers named in section 2 (b) of the Wool Products Labeling Act of 1939, the name of any such specialty fiber may be used in place of the word "wool" on the stamp, tag, label, or other means of identification affixed to such product, in identifying the per-

centage of the product composed of such specialty fiber: *And provided further*, That when the name of a specialty fiber is used, such fiber shall not be described by any other name on said label or on any other stamp, tag, label, or other means of identification affixed to such product.

Provided, further, That the foregoing provisions concerning misbranding shall not be construed to prohibit acts permitted by paragraphs (a) and (b) of section 3 of the Wool Products Labeling Act of 1939: *And provided further*, That nothing contained in this order shall be construed as limiting any applicable provisions of said act or the rules and regulations promulgated thereunder.

III. *It is further ordered*, That said respondent and its officers, agents, representatives and employees, directly or through any corporate or other device, in connection with the introduction or manufacture for introduction into commerce, or the sale, transportation or distribution in commerce, as "commerce" is defined in the aforesaid acts, of wool products, as such products are defined in and subject to the Wool Products Labeling Act of 1939, do forthwith cease and desist from placing on any tag, label, or other means of identification purporting to contain the information required by said act, the statement "Detach for Stock Control", or any statement suggesting the removal of such tag, label, or other means of identification.

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

By the Commission.

[SEAL]

OTIS B. JOHNSON,
Secretary.

[F. R. Doc. 47-5910; Filed, June 23, 1947;
9:07 a. m.]

TITLE 17—COMMODITY AND SECURITIES EXCHANGES

Chapter II—Securities and Exchange Commission

PART 230—GENERAL RULES AND REGULATIONS, SECURITIES ACT OF 1933

REGISTRATION AND REGISTRATION PROCEDURE

The Securities and Exchange Commission, acting pursuant to the Securities Act of 1933, particularly sections 6, 7, 8, 10 and 19 (a) thereof, and deeming such action necessary and appropriate in the public interest and for the protection of investors and necessary to carry out the provisions of the act, hereby takes the following action:

The Commission hereby adopts §§ 230.400 to 230.493, inclusive (Regulation C).

The basis and purpose of the foregoing action is the elimination from Regulation C of obsolete provisions and the reorganization and revision of the remaining rules of that regulation in a manner intended to facilitate the registration of securities under the act.

Sec.
230.400 Application of §§ 230.400 to 230.493, inclusive.

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REGISTRATION OF FOREIGN GOVERNMENTS OR POLITICAL SUBDIVISIONS THEREOF

230.490 Information to be furnished under paragraph (3) of Schedule B.
230.491 Information to be furnished under paragraph (6) of Schedule B.
230.492 Omissions from prospectuses.
230.493 Filing of opinions of counsel.

AUTHORITY: §§ 230.400 to 230.493, inclusive, issued under secs. 6, 7, 48 Stat. 78, 8, 10, 19 (a), 48 Stat. 79, 81, 85; U. S. C. 77f, 77g, 77h, 77j, 77s.

§ 230.400 Application of §§ 230.400 to 230.493, inclusive. Sections 230.400 to 230.493, inclusive, shall govern every registration of securities under the act, except that any provision in a form covering the same subject matter as any such section shall be controlling unless otherwise specifically provided in §§ 230.400 to 230.493, inclusive.

GENERAL REQUIREMENTS

§ 230.401 Requirement as to proper form. A registration statement shall be prepared in accordance with the form prescribed therefor by the Commission as in effect on the date of filing. Any registration statement shall be deemed to be filed on the proper form unless objection to the form is made by the Commission prior to the effective date of the statement.

§ 230.402 Number of copies; binding; signatures. (a) Three copies of the complete registration statement, including exhibits and all other papers and documents filed as a part of the statement, shall be filed with the Commission. Each copy of the registration statement so filed shall be bound, in one or more parts, without stiff covers. The binding shall be made on the left-hand side and in such manner as to leave the reading matter legible.

(b) At least the original of every registration statement filed with the principal office of the Commission, and two original counterparts of every statement filed with a regional office pursuant to § 230.455 (b) shall be signed by the persons specified in section 6 (a) of the act. Unsigned counterparts of the registration statement shall be conformed.

(c) If any name is signed to the registration statement pursuant to a power of attorney, copies of such power of attorney shall be filed with the registration statement. In addition, if the name of any officer signing on behalf of the registrant, or attesting the registrant's seal, is signed pursuant to a power of attorney, certified copies of a resolution of the registrant's board of directors authorizing such signature shall also be filed with the registration statement.

§ 230.403 Requirements as to paper, printing and language. (a) Registration statements shall be filed on good quality, unglazed, white paper 8½ x 13 inches in size, insofar as practicable. However, tables, charts, maps, and financial statements may be on larger paper if folded to that size, and the prospectus may be

on smaller paper if the registrant so desires.

(b) All papers and documents filed as a part of a registration statement shall, insofar as practicable, be printed, mimeographed or typewritten. All such material shall be clear, easily readable, and suitable for repeated photocopying. Debits in credit categories and credits in debit categories shall be designated so as to be clearly distinguishable as such on photocopies.

(c) The registration statement proper shall be in the English language. If any exhibit or other paper or document filed with the registration statement is in a foreign language, it shall be accompanied by a translation into the English language.

§ 230.404 Preparation of registration statement. (a) Notwithstanding any requirement of the appropriate form to the contrary, a copy of the proposed prospectus may be filed as a part of the registration statement proper in lieu of furnishing the information in item-and-answer form. Wherever this procedure is followed, either pursuant to this section or otherwise, the text of the items of the form are to be omitted from the registration statement, as well as from the prospectus, except to the extent provided in paragraph (b) of this section. All general instructions, instructions to items of the form and instructions as to financial statements, exhibits, or prospectuses are to be omitted from the registration statement in all cases.

(b) Where any items of a form call for information not required to be included in the prospectus the text of such items together with the answers thereto shall be filed with the prospectus under cover of the facing sheet of the form as a part of the registration statement proper. If any such item is inapplicable, or the answer thereto is in the negative, a statement to that effect shall be made. Any financial statements not required to be included in the prospectus shall also be filed as a part of the registration statement proper, unless incorporated by reference pursuant to § 230.411.

(c) Every registration statement shall include a cross reference sheet showing the location in the prospectus of the information required to be included in the prospectus in response to the items of the form. If any such item is inapplicable, or the answer thereto is in the negative and is omitted from the prospectus, a statement to that effect shall be made in the cross reference sheet.

§ 230.405 Definitions of terms. Unless the context otherwise requires, all terms used in this regulation or in the forms for registration have the same meanings as in the act and in the general rules and regulations. In addition, the following definitions apply, unless the context otherwise requires:

(a) *Affiliate*. An "affiliate" of, or a person "affiliated" with, a specified person, is a person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, the person specified.

(b) *Amount.* The term "amount", when used in regard to securities, means the principal amount if relating to evidences of indebtedness, the number of shares if relating to shares, and the number of units if relating to any other kind of security.

(c) *Certified.* The term "certified", when used in regard to financial statements, means certified by an independent public or independent certified public accountant or accountants.

(d) *Charter.* The term "charter" includes articles of incorporation, declarations of trust, articles of association or partnership, or any similar instrument, as amended, effecting (either with or without filing with any governmental agency) the organization or creation of an incorporated or unincorporated person.

(e) *Commission.* The term "Commission" means the Securities and Exchange Commission.

(f) *Control.* The term "control" (including the terms "controlling", "controlled by" and "under common control with") means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting securities, by contract, or otherwise.

(g) *Director.* The term "director" means any director of a corporation or any person performing similar functions with respect to any organization whether incorporated or unincorporated.

(h) *Employee.* The term "employee" does not include a director, trustee, or officer.

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

(j) *Fiscal year.* The term "fiscal year" means the annual accounting period or, if no closing date has been adopted, the calendar year ending on December 31.

(k) *Majority-owned subsidiary.* The term "majority-owned subsidiary" means a subsidiary more than fifty percent of whose outstanding securities representing the right, other than as affected by events of default, to vote for the election of directors, is owned by the subsidiary's parent and/or one or more of the parent's other majority-owned subsidiaries.

(l) *Material.* The term "material", when used to qualify a requirement for the furnishing of information as to any subject, limits the information required to those matters as to which an average prudent investor ought reasonably to be informed before purchasing the security registered.

(m) *Officer.* The term "officer" means a president, vice-president, secretary, treasurer or principal financial officer, comptroller or principal accounting officer, and any other person performing similar functions with respect to any organization whether incorporated or unincorporated.

(n) *Parent.* A "parent" of a specified person is an affiliate controlling such person directly, or indirectly through one or more intermediaries.

(o) *Predecessor.* The term "predecessor" means a person the major portion of the business and assets of which another person acquired in a single succession, or in a series of related successions in each of which the acquiring person acquired the major portion of the business and assets of the acquired person.

(p) *Principal underwriter.* The term "principal underwriter" means an underwriter in privity of contract with the issuer of the securities as to which he is underwriter, the term "issuer" having the meaning given in sections 2 (4) and 2 (11) of the act.

(q) *Promoter.* The term "promoter" includes:

(1) Any person who, acting alone or in conjunction with one or more other persons, directly or indirectly takes initiative in founding and organizing the business or enterprise of an issuer;

(2) Any person who, in connection with the founding and organizing of the business or enterprise of an issuer, directly or indirectly receives in consideration of services or property, or both services and property, 10 percent or more of any class of securities of the issuer or 10 percent or more of the proceeds from the sale of any class of securities. However, a person who receives such securities or proceeds either solely as underwriting commissions or solely in consideration of property shall not be deemed a promoter within the meaning of this paragraph if such person does not otherwise take part in founding and organizing the enterprise.

(r) *Registrant.* The term "registrant" means the issuer of the securities for which the registration statement is filed.

(s) *Share.* The term "share" means a share of stock in a corporation or unit of interest in an unincorporated person.

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

(1) The assets of the subsidiary, or the investments in and advances to the subsidiary by its parent and the parent's other subsidiaries, if any, exceed 5 percent of the assets of the parent and its subsidiaries on a consolidated basis.

(2) The sales and operating revenues of the subsidiary exceed 5 percent of the sales and operating revenues of its parent and the parent's subsidiaries on a consolidated basis.

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

(u) *Subsidiary.* A "subsidiary" of a specified person is an affiliate controlled by such person directly, or indirectly through one or more intermediaries. (See also "majority-owned subsidiary," "significant subsidiary," and "totally-held subsidiary.")

(v) *Succession.* The term "succession" means the direct acquisition of the assets comprising a going business, whether by merger, consolidation, purchase, or other direct transfer. The term does not include the acquisition of control of a business unless followed by the direct acquisition of its assets. The

terms "succeed" and "successor" have meanings correlative to the foregoing.

(w) *Totally-held subsidiary.* The term "totally-held subsidiary" means a subsidiary (1) substantially all of whose outstanding securities are owned by its parent and/or the parent's other totally-held subsidiaries, and (2) which is not indebted to any person other than its parent and/or the parent's other totally-held subsidiaries in an amount which is material in relation to the particular subsidiary, excepting indebtedness incurred in the ordinary course of business which is not overdue and which matures within one year from the date of its creation, whether evidenced by securities or not.

§ 230.406 *Title of securities.* Whenever the title of securities is required to be stated there shall be given such information as will indicate the type and general character of the securities, including the following:

(a) In the case of shares, the par or stated value, if any; the rate of dividends, if fixed, and whether cumulative or non-cumulative; a brief indication of the preference, if any; and if convertible, a statement to that effect.

(b) In the case of funded debt, the rate of interest; the date of maturity, or if the issue matures serially, a brief indication of the serial maturities, such as "maturing serially from 1950 to 1960"; if the payment of principal or interest is contingent, an appropriate indication of such contingency; a brief indication of the priority of the issue; and if convertible, a statement to that effect.

(c) In the case of any other kind of security, appropriate information of comparable character.

§ 230.407 *Interpretation of requirements.* Unless the context clearly shows otherwise:

(a) The forms require information only as to the registrant.

(b) Whenever any fixed period of time in the past is indicated, such period shall be computed from the date of filing the registration statement, as determined by sections 6 (c) and 8 (a) of the act and the rules and regulations thereunder.

(c) Whenever words relate to the future, they have reference solely to present intention.

(d) Any words indicating the holder of a position or office include persons, by whatever titles designated, whose duties are those ordinarily performed by holders of such positions or offices.

§ 230.408 *Additional information.* In addition to the information expressly required to be included in a registration statement, there shall be added such further material information, if any, as may be necessary to make the required statements, in the light of the circumstances under which they are made, not misleading.

§ 230.409 *Information unknown or not reasonably available.* Information required need be given only insofar as it is known or reasonably available to the registrant. If any required information is unknown and not reasonably available to the registrant, either because the

obtaining thereof would involve unreasonable effort or expense, or because it rests peculiarly within the knowledge of another person not affiliated with the registrant, the information may be omitted, subject to the following conditions:

(a) The registrant shall give such information on the subject as it possesses or can acquire without unreasonable effort or expense, together with the sources thereof, and may include a disclaimer of responsibility for the accuracy or completeness thereof.

(b) The registrant shall include a statement either showing that unreasonable effort or expense would be involved or indicating the absence of any affiliation with the person within whose knowledge the information rests and stating the result of a request made to such person for the information.

§ 230.410 Disclaimer of control. If the existence of control is open to reasonable doubt in any instance, the registrant may disclaim the existence of control and any admission thereof; in such case, however, the registrant shall state the material facts pertinent to the possible existence of control.

§ 230.411 Incorporation of certain information by reference. (a) Where an item calls for information not required to be included in the prospectus, matter contained in any part of the registration statement, other than exhibits, may be incorporated by reference in answer, or partial answer, to such item. Matter contained in an exhibit may be so incorporated to the extent specified in § 230.422.

(b) Any financial statement or part thereof filed with any office of the Commission pursuant to any act administered by the Commission may be incorporated by reference in any registration statement filed with any office of the Commission, if it substantially conforms to the requirements of the appropriate form and is not required to be included in the prospectus.

§ 230.412 Form of and limitation upon incorporation by reference. Material incorporated by reference shall be clearly identified in the reference. An express statement that the specified matter is incorporated by reference shall be made at the particular place in the registration statement where the information is required. Matter shall not be incorporated by reference in any case where such incorporation would render the statement incomplete, unclear or confusing.

§ 230.413 Registration of additional securities. The registration of additional securities of the same class as other securities for which a registration statement is already in effect shall be effected through a separate registration statement relating to the additional securities.

FORM AND CONTENT OF PROSPECTUSES

§ 230.420 Legibility of prospectuses. The body of all printed prospectuses shall be in type at least as legible as ten-point leaded type, except that to the extent necessary for convenient presentation financial statements and notes may

be in type at least as legible as eight-point leaded type.

§ 230.421 Presentation of information in prospectuses. (a) The information required in a prospectus need not follow the order of the items or other requirements in the form. Such information shall not, however, be set forth in such fashion as to obscure any of the required information or any information necessary to keep the required information from being incomplete or misleading. Where an item requires information to be given in a prospectus in tabular form it shall be given in substantially the tabular form specified in the item.

(b) All information contained in a prospectus shall be set forth under appropriate captions or headings, reasonably indicative of the principal subject matter set forth thereunder. Except as to financial statements and other tabular data, all information set forth in a prospectus shall be divided into reasonably short paragraphs or sections.

(c) Every prospectus shall include in the forepart thereof a reasonably detailed table of contents showing the subject matter of the various sections or subdivisions of the prospectus and the page number on which each such section or subdivision begins.

(d) All information required to be included in a prospectus shall be clearly understandable without the necessity of referring to the particular form or to the general rules and regulations. Except as to financial statements and information required in tabular form, the information set forth in a prospectus may be expressed in condensed or summarized form. Financial statements included in a prospectus are to be set forth in comparative form if practicable, and shall include the notes thereto and the accountants' certificate.

§ 230.422 Summaries or outlines of documents. Where a summary or outline of the provisions of any document is required, only a brief statement shall be made, in succinct and condensed form, as to the most important provisions of the document. In addition to such statement, the summary or outline may incorporate by reference particular items, sections, or paragraphs of any exhibit and may be qualified in its entirety by such reference. Matter contained in an exhibit may be incorporated by reference in a prospectus only to the extent permitted by this section.

§ 230.423 Date of prospectuses. Each prospectus used upon the commencement of the public offering of registered securities shall be dated approximately as of the effective date of the registration statement. In addition, each revised or amended prospectus, and each supplement to a prospectus, used thereafter shall bear the approximate date of its issuance.

§ 230.424 Filing of prospectuses; number of copies. (a) In addition to the three copies of the proposed prospectus included in the body of the registration statement proper, five copies of such prospectus shall be filed with the registration statement at the time the state-

ment is filed. A copy of the cross reference sheet required by § 230.404 (c) shall accompany each copy of the prospectus so filed.

(b) Within five days after the commencement of the public offering, twenty copies of each form of prospectus used in connection with such offering shall be filed, in the exact form used with the office of the Commission with which the registration statement was filed.

(c) No prospectus which purports to comply with section 10 of the act and which varies from any form of prospectus filed pursuant to paragraph (b) of this section shall be used until twenty copies thereof shall have been filed with the office of the Commission with which the registration statement was filed.

(d) Every prospectus consisting of a radio broadcast shall be reduced to writing. At least five days before the prospectus is broadcast or otherwise issued to the public, five copies thereof shall be filed with the office of the Commission with which the registration statement was filed.

§ 230.425 Statement required in all prospectuses. There shall be set forth on the outside front cover page of every prospectus the following statement, in capital letters, printed in type at least as legible as ten-point boldface leaded type:

These securities have not been approved or disapproved by the Securities and Exchange Commission nor has the Commission passed upon the accuracy or adequacy of this prospectus. Any representation to the contrary is a criminal offense.

§ 230.426 Statement as to stabilizing. In any case in which the registrant or any of the underwriters knows or has reasonable grounds to believe that the price of any security may be stabilized to facilitate the offering of the registered securities, there shall be set forth, either on the outside front cover page or on the inside front cover page of the prospectus, a statement in substantially the following form, subject to appropriate modifications where circumstances require. Such statement shall be in capital letters, printed in type at least as legible as ten-point boldface leaded type:

In connection with this offering, the underwriters may effect transactions which stabilize or maintain the market price of (identify each class of securities in which such transactions may be effected) at a level above that which might otherwise prevail in the open market. Such transactions may be effected on (identify each exchange on which stabilizing transactions may be effected. If none, omit this sentence). Such stabilizing, if commenced, may be discontinued at any time.

§ 230.427 Contents of prospectuses used after thirteen months. Information contained in a registration statement may be omitted from a prospectus used more than 13 months after the effective date of the registration statement insofar as information on the same subjects, including certified financial statements, as of a date not more than 12 months prior to the use of the prospectus is contained therein. Twenty copies of the prospectus shall be filed with the Commission pursuant to § 230.424 (c).

§ 230.428 *Invitations for competitive bids.* Any information or documents contained in a registration statement may be omitted from any communication which is only an invitation for competitive bids for registered securities: *Provided* (a) The terms of the bidding require that each bid shall be for the purchase of the entire amount of one or more of the issues; and (b) the communication states that prior to the acceptance of any bid, the bidder will be furnished a copy of the official prospectus. Such communication need not comply with any other rules and regulations with respect to the form and content of prospectuses and shall not be deemed a prospectus meeting the requirements of section 10 for the purpose of section 2 (10) (a) or 5 (b) (2) of the act.

§ 230.429 *Contents of prospectus when several statements in effect.* When two or more registration statements become effective for different blocks of securities of the same class, a prospectus which meets the requirements of the act and the rules and regulations of the Commission for use in connection with the securities covered by the latest registration statement will be deemed to meet such requirements for use in connection with the securities covered by the earlier registration statements, provided such prospectus also contains the information contained in the earlier prospectuses with respect to (a) the underwriting, marketing and distribution arrangements, (b) the price to the public, underwriting discounts and commissions and proceeds to the registrant, and (c) the application of the proceeds.

§ 230.430 *Prospectus for employees' savings, profit sharing or pension plans.* (a) Any prospectus for shares of stock of an issuer in which funds of a savings, profit sharing or pension plan for directors, officers or employees of the issuer are to be invested need contain only the information specified below if the prospectus is sent or given only to directors, officers or employees of the issuer who have previously received a prospectus for registered interests or participations in the plan and for registered shares of stock of the issuer and who have become members of the plan prior to receipt of the prospectus prepared in accordance with this section:

(1) Such information (other than financial statements) in regard to the plan and the administration thereof and in regard to the issuer of the underlying stock and its subsidiaries as may be necessary to bring up to date the corresponding information furnished to members of the plan in previous prospectuses.

(2) Financial statements of the plan corresponding to those included in previous prospectuses for each fiscal year after the last fiscal year for which financial statements of the plan were furnished to members of the plan in previous prospectuses.

(3) Financial statements of the issuer of the underlying stock and its subsidiaries corresponding to those included in previous prospectuses for each fiscal year after the last fiscal year for which financial statements of the issuer and its sub-

siaries were furnished to members of the plan in previous prospectuses.

(b) The financial statements specified in paragraph (a) of this section may be omitted from any prospectus used in the manner specified in that paragraph if:

(1) The fiscal year of the issuer of the underlying stock has ended within ninety days prior to the date when it is desired to distribute the prospectus to members of the plan.

(2) The prospectus contains, or is accompanied by, financial statements (which need not be certified) substantially meeting the requirements of paragraph (a) of this section.

(3) Within 120 days after the close of the fiscal year the financial statements omitted from the prospectus pursuant to this paragraph are made conveniently available to all members of the plan at their respective places of employment.

(4) There is set forth in conspicuous print on the first page of the prospectus a statement as to the manner in which and the approximate date on which the financial statements will be made available to members of the plan pursuant to subparagraph (3) of this paragraph.

WRITTEN CONSENTS

§ 230.435 *Formal requirements as to consents.* All written consents filed with the registration statement pursuant to section 7 of the act or pursuant to these rules shall be dated and signed manually. A list of such consents shall be filed with the registration statement. Where the consent of an expert is contained in his report, a reference shall be made in the list to the report containing the consent.

§ 230.436 *Consents required in special cases.* (a) If any portion of the report of an expert is quoted or summarized as such in the registration statement or in a prospectus the written consent of the expert shall expressly state that the expert consents to such quotation or summarization.

(b) If it is stated that any information contained in the registration statement has been reviewed or passed upon by any persons and that such information is set forth in the registration statement upon the authority of or in reliance upon such persons as experts, the written consents of such persons shall be filed with the registration statement.

§ 230.437 *Application to dispense with consent.* An application to the Commission to dispense with any written consent of an expert pursuant to section 7 of the act shall be made by the registrant and shall be supported by an affidavit or affidavits establishing that the obtaining of such consent is impracticable or involves undue hardship on the registrant. Such application shall be filed and the consent of the Commission shall be obtained prior to the effective date of the registration statement.

§ 230.438 *Consents of persons about to become directors.* If any person who has not signed the registration statement is named therein as about to become a director, the written consent of such person shall be filed with the registra-

tion statement. Any such consent, however, may be omitted if there is filed with the registration statement a statement by the registrant, supported by an affidavit or affidavits, setting forth the reasons for such omission and establishing that the obtaining of such consent is impracticable or involves undue hardship on the registrant.

§ 230.439 *Consent to use of material incorporated by reference.* If the act or the rules and regulations of the Commission require the filing of a written consent to the use of any material in connection with the registration statement, such consent shall be filed with the registration statement even though the material is incorporated therein by reference.

EXHIBITS

§ 230.445 *Additional exhibits.* The registrant may file such exhibits as it may desire, in addition to those required by the appropriate form. Such exhibits shall be so marked as to indicate clearly the subject matters to which they refer.

§ 230.446 *Omission of substantially identical documents.* In any case where two or more indentures, contracts, franchises, or other documents required to be filed as exhibits are substantially identical in all material respects except as to the parties thereto, the dates of execution, or other details, the registrant need file a copy of only one of such documents, with a schedule identifying the other documents omitted and setting forth the material details in which such documents differ from the document of which a copy is filed. The Commission may at any time in its discretion require the filing of copies of any documents so omitted.

§ 230.447 *Incorporation of exhibits by reference.* (a) Any document or part thereof filed with any office of the Commission pursuant to any act administered by the Commission may be incorporated by reference as an exhibit to any registration statement filed with any office of the Commission.

(b) If any modification has occurred in the text of any document incorporated by reference since the filing thereof, the registrant shall file with the reference a statement containing the text of any such modification and the date thereof.

(c) If the number of copies of any document filed is less than the number required to be filed with the registration statement which incorporates such document as an exhibit, the registrant shall file with the registration statement as many additional copies of the document as may be necessary to meet the requirements of such statement.

FILING; FEES; EFFECTIVE DATE

§ 230.455 *Place of filing.* (a) Except as provided in paragraph (b) of this section, all registration statements shall be filed with the Commission at its principal office.

(b) If the principal executive offices of the registrant, or of a principal underwriter of the securities being registered, are located in the State of California, Nevada, Arizona, Oregon, Washington, Idaho, or Montana, or in the Territory of Hawaii, the registration statement

may be filed with the regional office of the Commission in Room 308 Appraisers Building, 630 Sansome Street, San Francisco 11, California. However, the provisions of this paragraph shall not apply to registrants which are subject to the provisions of the Public Utility Holding Company Act of 1935 or the Investment Company Act of 1940.

§ 230.456 *Date of filing.* The date on which any papers are actually received in the proper office of the Commission pursuant to § 230.455 shall be the date of filing thereof, if all the requirements of the act and the rules with respect to such filing have been complied with and the required fee paid. The failure to pay an insignificant amount of the required fee at the time of filing, as the result of a bona fide error, shall not be deemed to affect the date of filing.

§ 230.457 *Computation of fee.* (a) At the time of filing a registration statement the registrant shall pay to the Commission a fee of one one-hundredth of 1 percent of the maximum aggregate price at which the securities are proposed to be offered, but in no case shall such fee be less than \$25.

(b) Where securities are to be offered at prices computed upon the basis of fluctuating market prices, the registration fee is to be calculated upon the basis of the price at which securities of the same class were sold, or upon the average of the bid and asked prices of such securities, on a specified date within fifteen days prior to the date of filing of the registration statement.

(c) Where securities are to be offered at varying prices based upon fluctuating values of underlying assets, the registration fee is to be calculated upon the basis of the market value of such assets as of a specified date within fifteen days prior to the date of filing, in accordance with the method to be used in calculating the daily offering price.

(d) Where securities are to be offered to existing security holders and the portion, if any, not taken by such security holders is to be reoffered to the general public, the registration fee is to be calculated upon the basis of the proposed offering price to such security holders or the proposed reoffering price to the general public, whichever is higher.

(e) Where securities are to be offered in exchange for other securities (except where such exchange results from the exercise of a conversion privilege) the registration fee is to be calculated as follows:

(1) Upon the basis of the market value of the securities to be received by the registrant in the exchange as established by bona fide transactions as of a specified date within fifteen days prior to the date of filing.

(2) If there is no market for the securities to be received by the registrant in the exchange, the book value of such securities computed as of the latest practicable date prior to the date of filing the registration statement shall be used, unless the issuer of such securities is in bankruptcy or receivership, in which case one-third of the principal amount, par value or stated value of such securities shall be used.

(3) If any cash is to be received or paid by the registrant in connection with the exchange, the amount thereof shall be deducted from or added to, as the case may be, the value of the securities to be received by the registrant in exchange as computed in accordance with subparagraphs (1) or (2) of this paragraph.

(4) Securities to be offered directly or indirectly in exchange for certificates of deposit shall be deemed to be offered in exchange for the securities represented by the certificates of deposit.

§ 230.458 *Payment of fee.* All payments of fees shall be made in cash, or by United States postal money order or certified check payable to the Securities and Exchange Commission, omitting the name or title of any official of the Commission.

§ 230.459 *Calculation of effective date.* Saturdays, Sundays and holidays shall be counted in computing the effective date of registration statements under section 8 (a) of the act. In the case of statements which become effective on the twentieth day after filing, the twentieth day shall be deemed to begin at the expiration of nineteen periods of twenty-four hours each from 5:30 p. m. eastern standard time or eastern daylight-saving time, whichever is in effect at the principal office of the Commission on the date of filing.

§ 230.460 *Supplementary statement of actual offering price.* Within ten days after registered securities are initially offered to the public, there shall be filed with the office of the Commission with which the registration statement was filed, a statement setting forth the actual price at which, and the date on which, the securities were so offered. If such price differs from the proposed price set forth in the registration statement, a brief explanation of such difference shall be made. Where the securities are to be offered first to existing security holders and then to the general public, a statement as required by this rule shall be filed with respect to each of such offerings if made at different prices.

AMENDMENTS; WITHDRAWALS

§ 230.470 *Formal requirements for amendments.* Except as provided in § 230.473, amendments to a registration statement shall be filed under cover of an appropriate facing sheet, shall be numbered consecutively in the order in which filed, and shall conform to all pertinent rules applicable to the original registration statement.

§ 230.471 *Signatures to amendments.* Except as provided in § 230.478, every amendment to a registration statement shall be signed by the persons specified in section 6 (a) of the act. At least the original of every amendment filed with the principal office of the Commission, and two original counterparts of every amendment filed with a regional office, shall be signed. Unsigned counterparts of amendments shall be conformed.

§ 230.472 *Filing of amendments; number of copies.* (a) Three copies of every amendment, other than telegraphic amendments pursuant to § 230.473 shall

be filed. Amendments shall be filed with the office of the Commission with which the registration statement was filed.

(b) Where an amendment relates to the prospectus, five copies of the amended prospectus shall be filed in addition to the three copies required by paragraph (a) of this section. If the amendment results in a change in the cross reference sheet filed pursuant to § 230.404 (c) a copy of an amended cross reference sheet shall be filed with each copy of the amended prospectus.

§ 230.473 *Delaying amendments.* An amendment altering the proposed date of the public offering may be made by telegram or by letter. Each such telegraphic amendment shall be confirmed within a reasonable time by the filing of three copies, one of which shall be signed. Such confirmation shall not be deemed an amendment.

§ 230.474 *Date of filing of amendments.* The date on which amendments are actually received in the office of the Commission with which the registration statement was filed shall be the date of filing thereof, if all of the requirements of the act and the rules with respect to such filing have been complied with.

§ 230.475 *Amendment filed with consent of Commission.* An application for the Commission's consent to the filing of an amendment with the effect provided in section 8 (a) of the act may be filed before or after or concurrently with the filing of the amendment. The application shall be signed and shall state fully the grounds upon which it is made. The Commission's consent shall be deemed to have been given and the amendment shall be treated as a part of the registration statement only when the Commission shall after the filing of such amendment enter an order to that effect.

§ 230.476 *Amendment filed pursuant to order of Commission.* An amendment filed prior to the effective date of a registration statement shall be deemed to have been filed pursuant to an order of the Commission within the meaning of section 8 (a) of the act so as to be treated as a part of the registration statement only when the Commission shall after the filing of such amendment enter an order declaring that it has been filed pursuant to the Commission's previous order.

§ 230.477 *Withdrawal of registration statement or amendment.* Any registration statement or any amendment or exhibit thereto may be withdrawn upon application if the Commission, finding such withdrawal consistent with the public interest and the protection of investors, consents thereto. The application for such consent shall be signed and shall state fully the grounds upon which made. The fee paid upon the filing of the registration statement will not be returned to the registrant. The papers comprising the registration statement or amendment thereto shall not be removed from the files of the Commission but shall be plainly marked with the date of the giving of such consent, and in the following manner: "Withdrawn upon the request of the registrant, the Commission consenting thereto."

RULES AND REGULATIONS

§ 230.478 Powers to amend or withdraw registration statement. All persons signing a registration statement shall be deemed, in the absence of a statement to the contrary, to confer upon the registrant, and upon the agent for service named in the registration statement, the following powers:

(a) A power to amend the registration statement (1) by altering the date of the proposed offering; (2) by filing any required written consent; (3) by correcting typographical errors; or (4) by reducing the amount of securities registered, pursuant to an undertaking contained in the registration statement.

(b) A power to make application pursuant to § 230.475 for the Commission's consent to the filing of an amendment.

(c) A power to withdraw the registration statement or any amendment or exhibit thereto.

(d) A power to consent to the entry of an order under section 8 (b) of the act, waiving notice and hearing, such order being entered without prejudice to the right of the registrant thereafter to have the order vacated upon a showing to the Commission that the registration statement as amended is no longer incomplete or inaccurate on its face in any material respect.

NONDISCLOSURE OF CONTRACT PROVISIONS

§ 230.485 Contracts in general. Public disclosure will not be made of the provisions of any material contract or portion thereof if the Commission determines that such disclosure would impair the value of the contract and is not necessary for the protection of investors. In any case where the registrant desires the Commission to make such a determination, the procedure set forth below shall be followed:

(a) The registrant shall omit from the registration statement as originally filed the portion of the contract which it desires to keep undisclosed, or, if the registrant desires to keep the entire contract undisclosed, any copy of the contract.

(b) The registrant shall file with the registration statement, but not bound as part thereof, (1) three copies of the contract or portion thereof which it desires to keep undisclosed, clearly marked "Confidential", and (2) an application for an order making the above described determination. Such application shall set forth the considerations relied upon for obtaining such order. Pending the granting or denial by the Commission of the application, the terms and existence of the contract or portion thereof will be kept undisclosed.

(c) If the Commission determines that the application shall be granted, an order to that effect will be entered. Prior to any determination denying the application, confirmed telegraphic notice of an opportunity for hearing, at a specified time within 10 days after the dispatch of such notice, will be sent to the agent for service. After such hearing, an order granting or denying the application will be entered.

(d) If the Commission denies the application, confirmed telegraphic notice of the order of denial will be sent to the

agent for service. In such case, within 10 days after the dispatch of such notice, the registrant shall have the right to withdraw the registration statement in accordance with the terms of § 230.477, but without the necessity of stating any grounds for the withdrawal or of obtaining the further assent of the Commission. In the event of such withdrawal, the contract or portion thereof filed confidentially will be returned to the registrant.

(e) If the registration statement is not withdrawn pursuant to paragraph (d) of this section, the contract or portion thereof filed confidentially will be made available for public inspection as part of the registration statement, and the registrant shall amend the registration statement to include all information required to be set forth in regard to such contract or portion thereof.

§ 230.486 Contracts affecting the national defense. (a) Notwithstanding any requirement of the form used for registration, the registrant need not file as an exhibit to the registration statement a copy of any contract as to which all the following conditions are satisfied:

(1) A copy of the contract is on file with an executive department of the United States or with the United States Maritime Commission or Atomic Energy Commission.

(2) The registrant has been notified in writing that such executive department or commission has administratively determined that the subject of such contract relates to and affects the national defense and that disclosure thereof would be contrary to the public interest.

(b) The registrant shall file as an exhibit to the registration statement, in lieu of the copy of the contract omitted pursuant to paragraph (a) of this section, a copy of each notification received from such executive department or commission with respect to the filing of copies of the contract or of information as to its terms.

(c) Notwithstanding any requirement of the form used for registration, the registrant need not furnish any information as to any terms of the contract relating directly or indirectly to any of the following subjects as to which the registrant has been notified in writing that such executive department or the commission with which a copy of the contract is on file has administratively determined that such subjects relate to and affect the national defense and that disclosure thereof would be contrary to the public interest:

(1) Quantity of equipment or materials to be constructed or supplied.

(2) Designations of type, descriptions, specifications, deliveries, test, or guarantees of performance with respect to such equipment or materials.

(3) Nature and extent of experimental facilities, services, or information to be furnished.

(d) Public disclosure will not be made of the contents of any notification filed pursuant to paragraph (b) of this section, or of any portion of the information as to the terms of the contract required to be furnished notwithstanding the pro-

visions of paragraph (c) of this section, if the Securities and Exchange Commission determines that such disclosure would impair the value of the contract and is not necessary for the protection of investors. In any case where the registrant desires the Commission to make such a determination, the procedure set forth in § 230.485 shall be followed, except that there shall be filed in lieu of the three copies of the contract or portion thereof required by paragraph (b) (1) of § 230.485, three copies of the notification and three copies of the information as to the terms of the contract which the registrant desires to keep undisclosed, all clearly marked "Confidential".

REGISTRATION BY FOREIGN GOVERNMENTS OR POLITICAL SUBDIVISIONS THEREOF

§ 230.490 Information to be furnished under paragraph (3) of Schedule B. Any issuer filing a registration statement pursuant to Schedule B of the act need not furnish the detailed information specified in paragraph (3) as to issues of outstanding funded debt the aggregate amount of which outstanding is less than 5 percent of the total funded debt outstanding and to be created by the security to be offered, provided the amount thereof is included in the statement of the total amount of funded debt outstanding and a statement is made as to the title, amount outstanding, rate of interest, the date of maturity of each such issue.

§ 230.491 Information to be furnished under paragraph (6) of Schedule B. Any foreign government filing a registration statement pursuant to Schedule B of the act need state, in furnishing the information required by paragraph (6), the names and addresses only of principal underwriters, namely, underwriters in privity of contract with the registrant, provided they are designated as principal underwriters and a brief statement is made as to the discounts and commissions to be received by subunderwriters or dealers.

§ 230.492 Omissions from prospectuses. In the case of a security for which a registration statement conforming to Schedule B is in effect, the following information, contained in the registration statement, may be omitted from any prospectus: Information in answer to paragraph (3) of the Schedule with respect to the amortization and retirement provisions for debt not being registered, and with respect to the provisions for the substitution of security for such debt; information in answer to paragraph (11); the copy of any agreement or agreements required by paragraph (13); the agreement required by paragraph (14); all information, whether contained in the registration statement itself or in any exhibit thereto, not required by Schedule B.

§ 230.493 Filing of opinions of counsel. The copy of the opinion or opinions of counsel required by paragraph (14) of Schedule B shall be filed either as a part of the registration statement as originally filed, or as an amendment thereto.

The foregoing action shall become effective July 15, 1947.

By the Commission.

ORVAL L. DuBois,
Secretary.

JUNE 9, 1947.

[F. R. Doc. 47-5914; Filed, June 23, 1947;
9:09 a. m.]

PART 239—FORMS PRESCRIBED UNDER THE SECURITIES ACT OF 1933

MISCELLANEOUS AMENDMENTS

The Securities and Exchange Commission, acting pursuant to the Securities Act of 1933, particularly sections 6, 7, 8, 10 and 19 (a) thereof, and deeming such action necessary and appropriate in the public interest and for the protection of investors and necessary to carry out the provisions of the act, hereby takes the following action:

1. Form D-1 (17 CFR 239.6) is amended by inserting immediately preceding "Part I" thereof the following:

Omissions from the prospectus. The following information and documents may be omitted from the prospectus: In Part I, Items 4, 18, 39, and all exhibits except financial statements filed in compliance with Items 14 and 15; in Part II, Item 44 and all exhibits.

2. Form D-1A (17 CFR 239.7) is amended by inserting immediately after the General Instructions thereof the following:

Omissions from the prospectus. The following information and documents may be omitted from the prospectus: All exhibits and all information contained in schedules, on condition that copies of each of the schedules attached to the registration statement are included.

3. Form F-1 (17 CFR 239.9) is amended by adding at the end of the "Instructions as to preparing Form F-1" the following:

Omissions from the prospectus. The following information and documents may be omitted from the prospectus: Items 3, 26, 27 and all exhibits.

The basis and purpose of the foregoing action is the elimination from Regulation C of obsolete provisions and the reorganization and revision of the remaining rules of that Regulation in a manner intended to facilitate the registration of securities under the act.

(Secs. 6, 7, 8, 10, 19 (a), 48 Stat. 78, 79, 81, 85; 15 U. S. C. 77f, 77g, 77h, 77j, 77s)

The foregoing action shall become effective July 15, 1947.

By the Commission.

[SEAL] ORVAL L. DuBois,
Secretary.

JUNE 9, 1947.

[F. R. Doc. 47-5915; Filed, June 23, 1947;
8:50 a. m.]

TITLE 19—CUSTOMS DUTIES

Chapter I—Bureau of Customs, Department of the Treasury

[T. D. 51702]

PART 6—AIR COMMERCE REGULATIONS

CUT BANK AIRPORT, CUT BANK, MONT.; REDESIGNATED AS AIRPORT ENTRY FOR ONE YEAR

JUNE 13, 1947.

The Cut Bank Airport, Cut Bank, Montana, is hereby redesignated as an airport of entry for civil aircraft and merchandise carried thereon arriving from places outside the United States, as defined in section 9 (b) of the Air Commerce Act of 1926 (U. S. C. Title 49, sec. 179 (b)), for a period of 1 year from May 25, 1947.

The list of temporary airports of entry in § 6.13, Customs Regulations of 1943 (19 CFR, Cum. Supp., 6.13), as amended, is hereby further amended by changing the date of designation opposite the name of this airport to "May 25, 1947."

Notice of the proposed redesignation of this airport as an airport of entry was published in the FEDERAL REGISTER on May 17, 1947 (12 F. R. 3230), pursuant to the provisions of section 4 of the Administrative Procedure Act (Public Law 404, 79th Congress). The redesignation shall be effective on May 25, 1947, the delayed effective date requirements of section 4 (c) of the Administrative Procedure Act being dispensed with because the previous designation expired prior to the expiration of 30 days after the publication of this redesignation. The redesignation of this airport is based on a determination that a sufficient need exists to justify such redesignation and the redesignation is for the purpose of providing for convenient compliance with customs requirements.

(Sec. 7 (b), 44 Stat. 572, sec. 611, 58 Stat. 714; 49 U. S. C., 2nd Sup., 177 (b))

[SEAL] E. H. FOLEY, Jr.,
Acting Secretary of the Treasury.

[F. R. Doc. 47-5923; Filed, June 23, 1947;
8:58 a. m.]

TITLE 34—NAVY

Chapter I—Department of the Navy

PART 26—ORGANIZATION AND FUNCTIONS OF THE NAVAL ESTABLISHMENT

NAVAL WAR COLLEGE

1. Amend paragraph (b) (3) of § 26.9 Bureau of Naval Personnel as follows:

After "Postgraduate Schools" delete "Naval War College" and insert the following: "Naval War College (Limited to the extent prescribed in § 26.14 (h))."

2. Add § 26.14 (h) as follows:

§ 26.14 Staff of the Chief of Naval Operations. * * *

(h) The Naval War College is under the supervision of the Chief of Naval Operations in matters relating to its mission, policy, and course of study. The President of the College may refer all matters pertaining to curriculum, future plans, and war studies directly to the Chief of Naval Operations. Matters purely administrative, such as fiscal,

logistic support and personnel, are under the cognizance of the Chief of Naval Personnel.

(Secs. 3, 12, Pub. Law 404, 79th Cong., 60 Stat. 238, 244)

JAMES FORRESTAL,
Secretary of the Navy.

[F. R. Doc. 47-5912; Filed, June 23, 1947;
8:50 a. m.]

TITLE 47—TELECOMMUNICATION

Chapter I—Federal Communications Commission

PART 1—ORGANIZATION, PRACTICE AND PROCEDURE

WAIVER AS TO CLASS B FM APPLICANTS OF RULE AGAINST REPETITIVE APPLICATIONS

In the matter of waiver of § 1.363 (a) of the rules and regulations of the Federal Communications Commission as to certain Class B FM applications.

At a meeting of the Federal Communications Commission at its offices in Washington, D. C., on the 12th day of June 1947;

It appearing, that § 1.363 (a) of the Commission's rules and regulations provides as follows:

(a) Where an applicant has been afforded an opportunity to be heard with respect to a particular application for new station, or for an extension or enlargement of service or facilities, and the Commission has, after hearing or default, denied the application or dismissed it with prejudice, the Commission will not consider a like application involving service of the same kind to the same area by the same applicant, or by his successor or assignee, or on behalf of or for the benefit of the original parties in interest, until after the lapse of 12 months from the effective date of the Commission's order. The Commission may, for good cause shown, waive the requirements of this rule.

It appearing, that under § 3.204 (c) of the Commission's rules and regulations one out of every five Class B FM channels tentatively indicated as available to an area to which at least five Class B channels have been assigned, has been withheld from assignment for the period ending June 30, 1947; and

It appearing, that various applicants have been afforded an opportunity to be heard with respect to particular applications for Class B FM broadcast stations in cities or areas in which certain Class B FM channels have been withheld from assignment, and that the Commission, after hearing, has denied or may hereafter deny certain of these applications; and

It appearing, that after denial of their applications these applicants may desire to file applications for reserved Class B FM channels involving service of the same kind to the same area as their previous applications, and that the public interest would be served by permitting these unsuccessful applicants to file applications for such reserved channels less than 12 months from the effective date of the Commission's decision or order denying their prior applications;