

CONTENTS—Continued

Securities and Exchange Commission	Page
Notices:	
National Securities Series and National Securities & Research Corp.; filing for order permitting reduced public offering prices on quantity purchases of company shares.	4614
Rules and regulations:	
Conduct of members and employees and former members and employees of the Commission; outside or private employment.	4597
Treasury Department	
See Customs Bureau; Internal Revenue Service.	

CODIFICATION GUIDE

A numerical list of the parts of the Code of Federal Regulations affected by documents published in this issue. Proposed rules, as opposed to final actions, are identified as such.

Title 3	Page
Chapter I (Proclamations):	
3026	4589
Title 7	
Chapter IX:	
Part 927 (proposed)	4605
Part 941 (proposed)	4606
Part 975	4589
Chapter XI:	
Part 1101	4592
Title 12	
Chapter II:	
Part 220	4592
Part 221	4592
Title 14	
Chapter I:	
Part 40	4595
Part 41	4595
Proposed rules	4606
Part 42	4595
Part 45	4595
Part 61	4595
Part 223	4596
Chapter II:	
Part 502	4597
Title 16	
Chapter I:	
Part 3 (5 documents)	4592-4595
Title 17	
Chapter II:	
Part 203	4597
Title 21	
Chapter I:	
Part 14 (proposed)	4606
Title 26	
Chapter I:	
Part 81 (proposed)	4599
Part 86 (proposed)	4602
Title 32A	
Chapter I (ODM):	
DMO 18	4597
DMO 18A	4597
DMO 18B	4597
DMO 29	4597
Title 33	
Chapter II:	
Part 204	4598

CODIFICATION GUIDE—Con.

Title 43	Page
Chapter I:	
Appendix (Public land orders):	
906	4598
Title 46	
Chapter II:	
Part 201	4598

orders (7 CFR Part 900), a public hearing was held upon certain proposed amendments to the tentative marketing agreement and to the order, as amended, regulating the handling of milk in the Cleveland, Ohio, marketing area. Upon the basis of the evidence introduced at such hearing and the record thereof, it is found that:

(1) The said order, as amended and as hereby further amended, and all of the terms and conditions thereof, will tend to effectuate the declared policy of the act.

(2) The parity prices of milk as determined pursuant to section 2 of the act are not reasonable in view of the price of feeds, available supplies of feeds, and other economic conditions which affect market supply and demand for milk in the said marketing area, and the minimum prices specified in the order, as amended, and as hereby further amended, are such prices as will reflect the aforesaid factors, insure a sufficient quantity of pure and wholesome milk and be in the public interest; and

(3) The said order, as amended, and as hereby further amended, regulates the handling of milk in the same manner as and is applicable only to persons in the respective classes of industrial and commercial activity specified in a marketing agreement upon which a hearing has been held.

(b) *Additional findings.* It is hereby found and determined that good cause exists for making this amendatory order effective on 1953. Such action is necessary in the public interest in order to reflect current marketing conditions and to facilitate the orderly marketing of milk produced for the Cleveland, Ohio, marketing area. Accordingly, any further delay in the effective date of this order will seriously threaten the orderly marketing of milk in the marketing area. The provisions of this amendatory order are well known to handlers and producers, the public hearing having been convened on June 17, 1953, a recommended decision having been issued on July 7, 1953 for the purpose of inviting exceptions, and a decision containing the terms and provisions of the order having been issued on July 27, 1953. Reasonable time under the circumstances has been afforded persons affected to prepare for its effective date. Therefore, it would be contrary to the public interest to delay the effective date of this amendment for 30 days after its publication in the FEDERAL REGISTER. (See section 4 (c) Administrative Procedure Act, Public Law 404, 79th Congress, 60 Stat. 237.)

(c) *Determinations.* It is hereby determined that handlers (excluding cooperative associations or producers who are not engaged in processing, distribut-

ing or shipping milk covered by this order amending the order, as amended,) of more than 50 percent of the volume of the milk covered by this order amending the order, as amended, which is marketed within the said marketing area, refused or failed to sign the proposed marketing agreement regulating the handling of milk in the said marketing area, and it is hereby further determined that:

(1) The refusal or failure of such handlers to sign said marketing agreement tends to prevent the effectuation of the declared policy of the act;

(2) The issuance of this order amending the order, as amended, is the only practical means, pursuant to the declared policy of the act, of advancing the interests of producers of milk which is produced for sale in the said marketing area; and

(3) The issuance of this order amending the order, as amended, is approved or favored by at least two-thirds of the producers, who during the determined representative period (April 1953), were engaged in the production of milk for sale in the said marketing area.

Order relative to handling. It is therefore ordered, that on and after the effective date hereof, the handling of milk in the Cleveland, Ohio, marketing area shall be in conformity to and in compliance with the terms and conditions of the aforesaid order, as amended, and as hereby further amended, and the aforesaid order, as amended, is hereby further amended as follows:

1. In § 975.61 (a) (1) (ii) change the tabulated schedule of standard utilization percentages to read as follows:

Month for which the price is being computed:	Standard utilization percentage
January	119
February	123
March	128
April	135
May	146
June	162
July	168
August	157
September	144
October	135
November	130
December	123

2. In § 975.61 (a) (1) (iii) change the tabulated schedule of amounts to read as follows:

Deviation percentage:	Amount of supply-demand adjustment (cents)
+13 or over	-25
+10 or +11	-19
+7 or +8	-13
+4 or +5	-7
+2 to -2	0
-4 or -5	+7
-7 or -8	+13
-10 or -11	+19
-13 or below	+25

(Sec. 5, 49 Stat. 753, as amended; 7 U. S. C. and Sup. 608)

Issued at Washington, D. C. this 30th day of July 1953, to be effective on and after the 1st day of August 1953.

[SEAL] TRUE D. MORSE,
Acting Secretary of Agriculture.

[F. R. Doc. 53-6808; Filed, Aug. 4, 1953; 8:48 a. m.]

Chapter XI—Agricultural Conservation Program, Department of Agriculture

[1061 (53)—1, Supp. 4]

PART 1101—NATIONAL AGRICULTURAL CONSERVATION

SUBPART—1953

CONSERVATION PRACTICES AND MAXIMUM RATES OF ASSISTANCE

Pursuant to the authority vested in the Secretary of Agriculture under sections 7-17 of the Soil Conservation and Domestic Allotment Act, as amended, the 1953 National Agricultural Conservation Program, issued July 28, 1952 (17 F. R. 6995), as amended July 28, 1952 (17 F. R. 7110), October 30, 1952 (17 F. R. 9921), and July 24, 1953 (18 F. R. 4419), is further amended as follows:

Section 1101.412 *Conservation practices and maximum rates of assistance* is amended by adding the following new paragraph at the end thereof:

(h) Notwithstanding other provisions of this section, in counties designated in June 1953, or thereafter, under Public Law 875, 81st Congress, as disaster counties because of drought, and in which the Chief, ACP, determines, upon recommendation of the State committee and designated representatives of the Soil Conservation Service and Forest Service at the State level, that a serious wind erosion hazard exists, the county committee, with the approval of the State committee, may, following such determination, approve emergency practices needed for soil protection in the critical wind erosion area, provided the additional approvals so issued shall not exceed that part of the county allocation which the county committee determines will not be earned by the performance of previously approved practices.

(Sec. 4, 49 Stat. 164; 16 U. S. C. 590d. Interprets or applies secs. 7-17, 49 Stat. 1148, as amended; 16 U. S. C. 590g-590q)

Done at Washington, D. C., this 30th day of July 1953.

[SEAL] TRUE D. MORSE,
Acting Secretary of Agriculture.

[F. R. Doc. 53-6806; Filed, Aug. 4, 1953; 8:47 a. m.]

TITLE 12—BANKS AND BANKING

Chapter II—Federal Reserve System

Subchapter A—Board of Governors of the Federal Reserve System

[Reg. T]

PART 220—CREDIT BY BROKERS, DEALERS, AND MEMBERS OF NATIONAL SECURITIES EXCHANGES

ASSISTANCE BY FEDERAL CREDIT UNION TO ITS MEMBERS

Section 220.110 is added to read as follows:

§ 220.110 *Assistance by Federal credit union to its members.* (a) An inquiry was presented recently concerning the application of this part or part 221 of this subchapter, to a plan proposed by a

Federal credit union to aid its members in purchasing stock of a corporation whose subsidiary apparently was the employer of all the credit union's members.

(b) From the information submitted, the plan appeared to contemplate that the Federal credit union would accept orders from its members for registered common stock of the parent corporation in multiples of 5 shares; that whenever orders had been so received for a total of 100 shares, the credit union, as agent for such members, would execute the orders through a brokerage firm with membership on a national securities exchange; that the brokerage firm would deliver certificates for the stock, registered in the names of the individual purchasers, to the credit union against payment by the credit union; that the credit union would prorate the total amount so paid, including the brokerage fee, among the individual purchasers according to the number of shares purchased by them; and that a savings in brokerage fee resulting from the 100-lot purchases would be passed on by the credit union to the individual purchasers of the stock. However, amounts of the stock less than 100 shares would be purchased by the credit union through the brokerage firm for any members willing to forego such savings.

(c) It appeared further that the Federal credit union members for whom stock was so purchased would reimburse the credit union (1) by cash payment, (2) by the proceeds of withdrawn shares of the credit union, (3) by the proceeds of an installment loan from the credit union collateralized by the stock purchased, or (4) by a combination of two or more of the above methods. To assist the collection of any such loan, the employer of the credit union members would provide payroll deductions. Apparently, sales by the credit union of any of the stock purchased by one of its members would occur only in satisfaction of a delinquent loan balance. In no case did it appear that the credit union would make a charge for arranging the execution of transactions in the stock for its members.

(d) The Board was of the view that, from the facts as presented, it did not appear that the Federal credit union should be regarded as the type of institution to which Part 221, of this subchapter in its present form, applied.

(e) With respect to this part, the question was whether the activities of the Federal credit union under the proposal, or otherwise, might be such as to bring it within the meaning of the terms "broker" or "dealer" as used in the part and the Securities Exchange Act of 1934. The Board observed that this, of course, was a question of fact that necessarily depended upon the circumstances of the particular case, including the manner in which the arrangement in question might be carried out in practice.

(f) On the basis of the information submitted, however, it did not appear to the Board that the Federal credit union should be regarded as being subject to this part as a "broker or dealer who transacts a business in securities through the medium of" a member firm solely because of its activities as contemplated by the proposal in question. The Board

stated that the part rather clearly would not apply if there appeared to be nothing other than loans by the credit union to its members to finance purchases made directly by them of stock of the parent corporation of the employer of the member-borrowers. The additional fact that the credit union, as agent, would purchase such stock for its members (even though all such purchases might not be financed by credit union loans) was not viewed by the Board as sufficient to make the regulation applicable where, as from the facts presented, it did not appear that the credit union in any case was to make any charge or receive any compensation for assisting in such purchases or that the credit union otherwise was engaged in securities activities. However, the Board stated that matters of this kind must be examined closely for any variations that might suggest the inapplicability of the foregoing.

(Sec. 11, 38 Stat. 262; 12 U. S. C. 248, Interprets or applies secs. 3, 7, 8, 17, 23, 48 Stat. 882, 886, 888, 897, 901, as amended; 15 U. S. C. 78c, 78g, 78h, 78q, 78w)

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM,

[SEAL] S. R. CARPENTER,
Secretary.

[F. R. Doc. 53-6809; Filed, Aug. 4, 1953; 8:48 a. m.]

[Reg. U]

PART 221—LOANS BY BANKS FOR THE PURPOSE OF PURCHASING OR CARRYING REGISTERED STOCKS

FEDERAL CREDIT UNIONS

Section 221.104 is added as follows:

§ 221.104 *Federal credit unions.* For text of this interpretation, see § 220.110¹ of this subchapter.

(Sec. 11, 38 Stat. 262; 12 U. S. C. 248. Interprets or applies secs. 3, 7, 17, 23, 48 Stat. 882, 886, 897, 901, as amended; 15 U. S. C. 78c, 78g, 78q, 78w)

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM,

[SEAL] S. R. CARPENTER,
Secretary.

[F. R. Doc. 53-6810; Filed, Aug. 4, 1953; 8:48 a. m.]

TITLE 16—COMMERCIAL PRACTICES

Chapter I—Federal Trade Commission

[Docket 6082]

PART 3—DIGEST OF CEASE AND DESIST ORDERS

ILLINOIS SEWING MACHINE DISTRIBUTORS ET AL.

Subpart—*Advertising falsely and misleadingly: § 3.15 Business status, advantages, or connections—Retailer as wholesaler, jobber, or factory distributor; § 3.200 Sample, offer or order conformance; § 3.235 Source or origin—Maker—Place—Imported products or parts as*

¹ See F. R. Doc. 53-6809, Part 220 of this subchapter, *supra*.

domestic. Subpart—Appropriating trade name or mark wrongfully: § 3.295 Appropriating trade name or mark wrongfully—Product. Subpart—Misbranding or mislabeling: § 3.1325 Source or origin—Maker or seller—Place—Imported product or parts as domestic. Subpart—Neglecting, unfairly or deceptively, to make material disclosure: § 3.1860 Imported product or parts as domestic. Subpart—Offering unfair, improper and deceptive inducements to purchase or deal: § 3.2060 Sample, offer or order conformance. Subpart—Passing off: § 3.2105 Passing off. Subpart—Simulating competitor or another or product thereof: § 3.2245 Trade name of competitor's or other's product. Subpart—Using misleading name—Goods: § 3.2345 Source or origin—Maker—Place—Foreign product or parts as domestic—Vendor: § 3.2460 Retailer as wholesaler, jobber or distributor. In connection with the offering for sale, sale, and distribution of sewing machines in commerce, (1) offering for sale, selling, or distributing foreign-made sewing machines, or sewing machines of which foreign-made heads are a part, without clearly and conspicuously disclosing on the heads the country of origin thereof, in such a manner that it cannot readily be hidden or obliterated; (2) using the word "Illinois", or any simulation thereof, as a brand or trade name, or as a part thereof, to designate, describe or refer to respondents' sewing machines, or representing through the use of any other word or words, or in any other manner, that said sewing machines are manufactured by anyone other than the actual manufacturer; (3) using the word "Distributor", or any simulation thereof, as a part of a corporate or trade name; or representing in any other manner that said respondents are distributors of the sewing machines sold by them; and (4) representing that certain sewing machines are offered for sale when such offer is not a bona fide offer to sell the machines so offered; prohibited.

(Sec. 6, 38 Stat. 722; 15 U. S. C. 46. Interpret or apply sec. 5, 38 Stat. 719, as amended; 15 U. S. C. 45) [Cease and desist order, Rodney Distributors, Inc. (d. b. a. Illinois Sewing Machine Distributors) et al., Chicago, Ill., Docket 6082, July 8, 1953]

In the Matter of Rodney Distributors, Inc., a Corporation, Doing Business Under the Name of Illinois Sewing Machine Distributors; and Seymour Ratner, Irwin Ratner, Harold Ratner, and Joseph Wandel, Individually and as Officers of Said Corporation

This proceeding was instituted by complaint which charged respondents with the use of unfair and deceptive acts and practices and unfair methods of competition in commerce within the intent and meaning of the Federal Trade Commission Act.

It was disposed of, as announced by the Commission's "Notice", dated July 13, 1953, through the consent settlement procedure provided in Rule V of the Commission's Rules of Practice as follows:

The consent settlement tendered by the parties in this proceeding, a copy of which is served herewith, was accepted by the Commission on July 8, 1953, and ordered entered of record as the Commission's findings as to the facts,¹ conclusion,¹ and order¹ in disposition of this proceeding.

The time for filing report of compliance pursuant to the aforesaid order runs from the date of service hereof.

It is ordered, That the respondent Rodney Distributors, Inc., a corporation, doing business under its own or any other name, and its officers, and respondents Seymour Ratner, Irwin Ratner, Harold Ratner and Joseph Wandel, individually and as officers of said corporation, and respondents' representatives, agents and employees, directly or through any corporate or other device, in connection with the offering for sale, sale or distribution of sewing machines in commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from:

1. Offering for sale, selling or distributing foreign-made sewing machines, or sewing machines of which foreign-made heads are a part, without clearly and conspicuously disclosing on the heads the country of origin thereof, in such a manner that it cannot readily be hidden or obliterated.

2. Using the word "Illinois," or any simulation thereof, as a brand or trade name, or as a part thereof, to designate, describe or refer to their sewing machines, or representing through the use of any other word or words, or in any other manner, that said sewing machines are manufactured by anyone other than the actual manufacturer.

3. Using the word "Distributor," or any simulation thereof, as a part of a corporate or trade name; or representing in any other manner that said respondents are distributors of the sewing machines sold by them.

4. Representing that certain sewing machines are offered for sale when such offer is not a bona fide offer to sell the machines so offered.

It is further ordered, That the respondents Rodney Distributors, Inc., a corporation, doing business under the name of Illinois Sewing Machine Distributors; and Seymour Ratner, Irwin Ratner, Harold Ratner, and Joseph Wandel, individually and as officers of said corporation, shall, within sixty (60) days after service upon them of this order, file with the Commission a report in writing, setting forth in detail the manner and form in which they have complied with this order.

The foregoing consent settlement is hereby accepted by the Federal Trade Commission and ordered entered of record on this 8th day of July 1953.

Issued: July 13, 1953.

By direction of the Commission.

[SEAL]

D. C. DANIEL,
Secretary.

[F. R. Doc. 53-6815; Filed, Aug. 4, 1953; 8:49 a. m.]

¹Filed as part of original document.

[Docket 5945]

PART 3—DIGEST OF CEASE AND DESIST ORDERS

A. V. CAUGER SERVICE, INC.

Subpart—Dealing on exclusive and tying basis: § 3.670 Dealing on exclusive and tying basis. In connection with the sale, leasing, or distribution of commercial or advertising films in commerce, entering into contracts with motion picture exhibitors for the exclusive privilege of exhibiting commercial or advertising films in theaters owned, controlled, or operated by such exhibitors when the term of such contracts extends for a period in excess of one year, or continuing in operation or effect any exclusive screening provision in existing contracts when the unexpired term of such provision extends for a period of more than a year from the date of the service of the order; prohibited.

(Sec. 6, 38 Stat. 722; 15 U. S. C. 46. Interpret or apply sec. 5, 38 Stat. 719, as amended; 15 U. S. C. 45) [Cease and desist order, A. V. Cauger Service, Inc., Independence, Mo., Docket 5945, July 8, 1953]

This proceeding was instituted by complaint which charged respondent with the use of unfair methods of competition and unfair acts and practices in violation of the provisions of the Federal Trade Commission Act.

It was disposed of, as announced by the Commission's "Notice", dated July 13, 1953, through the consent settlement procedure provided in Rule V of the Commission's Rules of Practice as follows:

The consent settlement tendered by the parties in this proceeding, a copy of which is served herewith, was accepted by the Commission on July 8, 1953, and ordered entered of record as the Commission's findings as to the facts, conclusion, and order in disposition of this proceeding.

The time for filing report of compliance pursuant to the aforesaid order runs from the date of service hereof.

Said order to cease and desist, thus entered of record, following the findings as to the facts¹ and conclusion,¹ reads as follows:

It is ordered, That the respondent, A. V. Cauger Service, Inc., a corporation, and its officers, representatives, agents and employees, directly or through any corporate or other device, in connection with the sale, leasing or distribution of commercial or advertising films in commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from entering into contracts with motion picture exhibitors for the exclusive privilege of exhibiting commercial or advertising films in theaters owned, controlled or operated by such exhibitors when the term of such contracts extends for a period in excess on one year, or continuing in operation or effect any exclusive screening provision in existing contracts when the unexpired term of such provision extends for a period of more than a year from the date of the service of this order.

It is further ordered, That the respondent shall, within sixty (60) days