

ences in the value of the grade, quality, and net quantity of the grain delivered to the owner from that shown on the delivery order shall be settled between the owner and the warehouseman or handler.

(a) *Warehouse stored CCC-owned grain.* (1) Warehouse stored grain shall be sold basis in-store in the warehouse, or for delivery f.o.b. the owner's conveyance at the warehouse, at the option of the owner, provided CCC can make the necessary arrangements with the warehouseman, except that if grain is to be custom-mixed and/or ground, it shall be sold on an in-store basis only. The county office will issue to the owner a delivery order drawn on the warehouse setting forth the delivery basis, the quantity, kind, class, grade and quality of grain to be delivered, and the warehouse at which the grain is to be delivered. The owner shall promptly obtain the grain by presenting the delivery order to the warehouseman. Warehouse receipts or other documents representing such grain shall be released to the warehouseman under a trust order prior to the time the grain is sold.

(2) CCC shall only be responsible for storage charges up to and including the date of issuance of the delivery order. On sales made for delivery f.o.b. conveyance at the warehouse, CCC shall be responsible for the loading out charge.

(3) In the case of an in-store delivery, title and risk of loss to the grain specified in the delivery order shall pass to the owner upon date of issuance of the delivery order. In the case of delivery f.o.b. the owner's conveyance, title and risk of loss to the grain specified in the delivery order shall pass to the owner at the time of load out.

(b) *Bin site stored grain.* (1) Bin site stored grain shall be sold basis delivery f.o.b. the owner's conveyance at the bin site.

(2) Title and risk of loss on sales made for delivery f.o.b. the owner's conveyance at the bin site shall pass to the owner when the grain is placed in his conveyance at the bin site, unless the owner removes the grain from the bins, in which event risk of loss shall pass to the owner at the time he takes possession of the grain.

(3) On sales basis f.o.b. conveyance at the bin site, CCC shall be responsible for bin emptying charges and the cost of weighing. Delivery weights on such sales shall be obtained at a usual weighpoint for the bin site determined by the county office. Trucking costs to such weighpoint shall be for the account of the owner.

(4) Applicable bin emptying, and weighing services on bin site sales shall be performed under the usual county office agreements at the prevailing rates in the county, or by ASC personnel, at the option of CCC.

(5) Bin site grain shall be sold on a grade basis. On such sales the sale price shall be subject to adjustment for the grade and quality actually delivered, and the quantity delivered shall be adjusted for dockage content on grains on which dockage applies under the Official Grain Standards of the United States.

(6) Inadvertent overdeliveries of grain sold for delivery f.o.b. conveyance at the bin site shall be priced at the applicable current price support rate.

(c) *Delivery in areas where there are no warehouses or bin site stored grain.* Grain shipped into such areas shall be consigned to the county committee. CCC shall pay all transportation costs to the carrier's unloading point. Such grain shall be sold "as is", basis delivery f.o.b. the owner's conveyance at such carrier's unloading point, basis delivery in-store in a handler's facility, or basis delivery f.o.b. the owner's conveyance at a handler's facility at the option of CCC. On sales on an "as is" basis, the sale price shall not be subject to adjustment for the grade or quality actually delivered, but shall be subject to quantity adjustment for dockage content on grains on which dockage applies under the Official Grain Standards of the United States. CCC shall bear the charges for the following handling services, if applicable, on such sales at rates approved by the State committee:

(1) Applicable handling services shall be as follows:

(i) Unloading the grain from the carrier's vehicle, and loading the grain into the owner's conveyance under the supervision of the county committee.

(ii) Required trucking to a receiving facility determined by the county committee, provided that CCC shall not be responsible for trucking in excess of three miles.

(iii) Weighing, if applicable, under the supervision of the county committee.

(iv) Receiving grain in a handler's facility, approved by the county committee, provided that the grain is unloaded into the facility.

(v) Loading the grain into the owner's conveyance at the handler's facility.

(2) On sales basis delivery f.o.b. conveyance at the carrier's unloading point CCC shall be responsible for the charges for the services indicated in subdivisions (i) and (iii) of subparagraph (1) of this paragraph, if the grain is weighed. On sales basis delivery in-store in the handler's facility, CCC shall be responsible for the charges for the services indicated in subdivisions (i), (ii), (iii) (if the grain is weighed), and (iv) of subparagraph (1) of this paragraph. On sales basis delivery f.o.b. conveyance at the handler's facility CCC shall be responsible for the charges for the services indicated in subdivisions (i), (ii), (iii) (if the grain is weighed), (iv) and (v) of subparagraph (1) of this paragraph. Grain on sales in areas where there are no warehouses or bin site stored grain shall be weighed at destination, if scales approved by CCC are available, unless the owner is willing to settle on CCC determined weights. If such approved scales are not available, settlement weights shall be as determined by CCC.

(3) Title and risk of loss on such sales shall pass to the owner upon delivery of the grain. The owner shall be responsible for risk of loss during such time as he may have possession of the grain prior to delivery.

(4) CCC shall not be responsible for storage charges on sales in areas where

there are no warehouses or bin site stored grain. When practicable, delivery services will be performed by a handler under arrangements with the county committee.

§ 475.211 Grain on hand and not used.

Where the grain acquired under the program has not been fed to eligible livestock and the number of eligible livestock is substantially reduced, or a substantial part of the eligible livestock is sold or removed from the emergency area, the owner shall report promptly thereafter the quantity and kind of grain on hand to the county office from which the grain was purchased. The owner shall then either pay the county committee an amount equal to the difference between the price paid for the grain and the market price on the purchase date for the quantity of grain on hand beyond his requirements for the remainder of his eligible livestock in the emergency area as determined by the county committee, and dispose of the grain as he chooses, or if there is a current Livestock Feed Program in the area, he may sell the grain to another owner with an unfilled Form 65 at the purchase price.

§ 475.212 Penalties.

In addition to other penalties, any person who fails to carry out an agreement entered into under this subpart with respect to any feed grains purchased under this Livestock Feed Program, or who disposes of any such feed grains other than by feeding to eligible livestock owned by him (except as is provided in § 475.211) shall be subject to a penalty equal to but not in excess of the market value of the feed grains involved, to be recovered in a civil suit brought for that purpose, and in addition shall be guilty of a misdemeanor and upon conviction thereof shall be subject to a fine of not more than \$1,000 or imprisonment for not more than one year.

§ 475.213 Maintenance of books and records.

The handler or warehouseman shall maintain and preserve for at least three full years following deliveries against delivery orders, and for such additional period as CCC may request in writing, books and records which will permit verification of all transactions with regard to delivery orders. An examination of such books and records by a duly authorized representative of the United States shall be permitted at any time during business hours.

§ 475.214 Termination.

The program provided for in this part may be terminated at any time upon issuance of public notice in the FEDERAL REGISTER. Such termination shall not apply with respect to any delivery order issued prior to the effective date of such termination.

FOREST W. BEALL,
Acting Executive Vice President,
Commodity Credit Corporation.

DECEMBER 8, 1959.

[F.R. Doc. 59-10484; Filed, Dec. 11, 1959;
8:47 a.m.]

Title 39—POSTAL SERVICE

Chapter I—Post Office Department HIGHWAY AND AIR TRANSPORTATION

Miscellaneous Amendments

Regulations of the Post Office Department are amended as follows:

I. In Part 49, make the following changes:

A. The title caption of Part 49—Star Route Service, is amended and the following cross reference is added to read as follows:

PART 49—STAR ROUTE COLLECTION AND DELIVERY SERVICE

CROSS REFERENCE: See Part 94—Highway Transportation, and Part 96—Air Transportation, for contract requirements and obligation under Star Routes.

B. The following sections are hereby rescinded: § 49.5 *Subcontracts*, § 49.6 *Instructions for advertising and awarding contracts for carrying mail*; introduction, § 49.7 *Advertisements*, § 49.8 *Proposal*, § 49.9 *Proposal bonds*, § 49.10 *Award of contract*, § 49.11 *Renewal Contract*, § 49.12 *Contract with subcontractor*, § 49.13 *Temporary service*, § 49.14 *Subcontractor*, § 49.15 *Air Star Route service*, § 49.16 *Water route service*, § 49.17 *Special supply service*.

NOTE: The corresponding Postal Manual part is 159.

(R.S. 161, as amended, 396, as amended, 3964, as amended, 3965, 3966, 3968; 5 U.S.C. 22, 369, 39 U.S.C. 481, 483, 484, 486)

II. Strike out Part 94—Mail-Messenger Service and insert in lieu thereof a new comprehensive Part 94—Highway Transportation, to read as follows:

PART 94—HIGHWAY TRANSPORTATION

Subpart A—Star Route

- Sec. 94.1 Description.
- 94.2 Postal Services.
- 94.3 Contracts.
- 94.4 Subcontracts.
- 94.5 Temporary service
- 94.6 Protection of mail.
- 94.7 Records and reports.

Subpart B—Mail Messenger Service

- 94.12 Description.
- 94.13 Establishing service.
- 94.14 Operation.
- 94.15 Protection of mail.
- 94.16 Termination of service.
- 94.17 Payments.

Subpart C—Highway Post Office Service

- 94.20 Description.
- 94.21 Contracting.

Subpart D—Powerboat Service

- 94.24 Description.
- 94.25 Postal services provided.
- 94.26 Contracts.
- 94.27 Protection of mail.
- 94.28 Records and reports.

Subpart E—Panel Body Service

- 94.32 Description.
- 94.33 Establishment.
- 94.34 Operation.
- 94.35 Protection of mail.

- Sec. 94.36 Termination.
- 94.37 Payments.

AUTHORITY: §§ 94.1 to 94.37 issued under R.S. 161, as amended, 396, as amended, 3944, as amended, 3945, as amended, 3949, as amended, 3951, as amended, 3955, as amended, 3956, as amended, 3962, as amended, 3964, as amended, 3965, as amended, 3966, 3968, as amended, 3975, as amended, 4006, 4007; sec. 3, 19 Stat. 335, as amended, sec. 1, 23 Stat. 386, 24 Stat. 492, as amended, sec. 7, 39 Stat. 161, 418, as amended, sec. 1, 40 Stat. 751, 53 Stat. 1838, as amended, secs. 1, 2, 62 Stat. 576, secs. 2-7, 70 Stat. 781, sec. 2, Pub. Law 85-392, 72 Stat. 103; 5 U.S.C. 22, 369, 39 U.S.C. 422a, 424, 425, 426, 429, 430, 433-436, 443, 451, 473, 474, 481, 483, 484, 486, 487a, 493, 578, 579, 651, 652, 1051-1055.

Subpart A—Star Route

§ 94.1 Description.

(a) *Definition.* Star route service is established by the Post Office Department to provide for transportation of mail over highways and roads between postal units. Routes are operated under formal contracts, awarded after competitive bidding, and may provide box delivery, collection, and other services normally furnished by rural carriers. Star routes are usually operated where railroad service is unavailable or inadequate, and economies in transportation costs can be effected.

(b) *Head of route.* The term "head of a route" means the first post office referred to in the statement of service. It may be the initial point originally named or one later stated as a result of change in the route. The office from which a carrier starts his trip is not necessarily the "head" of a route.

(c) *Truck or T routes.* The term "T Routes" is the designation given to star routes transporting mail which has been transferred from rail to highway on the initiative of the Post Office Department while train service is still in operation. These routes are established to improve mail service, provide economies, or both.

§ 94.2 Postal services.

(a) *Exchange of mail.*—(1) *At post offices.* (i) The carrier must exchange mail at each post office on the route in accordance with the terms of the contract and any subsequent orders changing the service.

(ii) Where tailgate exchange at a loading platform cannot be made at an intermediate post office and the carrier cannot drive his vehicle near the door of the post office, the postmaster must arrange to take the mail. A carrier must not leave his vehicle containing mail unprotected. In no case shall the mail be thrown on the ground.

(iii) All intermediate post offices on star routes must be supplied by carriers on both outward and inward trips unless otherwise specified. Transportation planning and procurement officers may change the frequency of supply to intermediate offices, without issuance of formal orders on Form 5440-C "Contract Route Service Order", provided distances as shown in the statement of service are not affected.

(iv) Where no time is specified at intermediate offices, mail should be ex-

changed within 10 minutes. Transportation planning and procurement officers are authorized to vary from this standard whenever service conditions require.

(v) Except when space is available at a loading platform where tailgate exchange may be made, a contractor or carrier is required to deliver mail into and take mail from the post office at each end of his route.

(vi) Employees of postal installations served by star routes may be required to load or unload contractors' vehicles or to assist contractors in loading and unloading mail, when, in the judgment of transportation planning and procurement officers, it is in the best interest of the Department to do so.

(2) *Through lobbies or lockers of Post Offices.* (i) Mail may be exchanged, when authorized, through the lobby of a post office when no one is on duty. For this purpose the contractor will be provided a key to the lobby. A lobby exchange can be authorized only where the screen work extends to the ceiling; all doors, windows, and wickets connecting the lobby with the working portion of the post office are securely locked; and police protection is adequate. If any doubt exists as to the propriety of a lobby exchange, get approval of the Postal Inspection Service.

(ii) Exchanges may also be made through lockers when approved by the field services officer, or the transportation planning and procurement officer, and the Postal Inspection Service. Locks and keys for lockers may be provided by either the postmaster or the contractor.

(iii) Postmasters will obtain a signed receipt for each key furnished to star route contractors or carriers for use in exchanging mail through the lobby or locker of the post office. Reclaim the key and surrender the receipt when the key is no longer needed. When old keys are recovered or new ones issued, notify the distribution and traffic manager, who will maintain a current record of all outstanding keys.

(iv) Keys furnished to star route contractors or carriers must be protected against theft at all times. Do not allow examination of the key or its possession by an unauthorized person.

(v) Star route contractors and carriers must not be permitted to have access to regulation mail keys or to keys of post office workrooms.

(3) *At railroad stations.* (i) Where a star route terminal is at a railroad station at which no agent is on duty, the carrier may be required to exchange mail with trains, unless locker service is provided. Where catcher service is provided, the carrier may be required to hang pouches and take charge of mail dispatched from trains.

(ii) Where a railroad agent is on duty and the exchange of mail would impose a hardship on the carrier or delay the mail for the star route, the carrier must deliver the mail to, and receive it from, the agent who must make the exchange with the train.

(b) *Duties of carriers and patrons.* (1) See §§ 49.3 and 49.4 of this chapter for the principal duties of carriers and patrons.

(2) If the contract requires the sale of stamp supplies, the carrier must:

(i) Report to post office in sufficient time to distribute mail in advance of scheduled departure time.

(ii) Accept mail addressed to patrons of the route, from the postmaster, and arrange it in order of delivery.

(iii) Prepare and maintain a roster of patrons served, arranged alphabetically and according to box numbers.

(c) *Sale of stamps and stamp supplies.* If the contract requires the carrier to sell stamps and stamp supplies, he must: (1) Carry a stock sufficient to meet the needs of his patrons.

(2) Accept a fixed credit of postage stamp stock. Fixed credit will be provided by the postmaster at the head of the route. Where the carrier serves patrons who receive mail through other offices on the route, the carrier will replenish his fixed credit at those offices in amounts representing sales made by him to the patrons served through these offices.

§ 94.3 Contracts.

(a) *Contract terms.* Contracts are made for terms of 4 years or for the remainder of a contract term set for the State in which the route is located. To spread the workload, the contract terms are staggered for the different States within the regions.

(b) *Types of contracts.* Star routes are classified according to services required, as follows:

(1) Serving post offices and performing delivery and collection service to box patrons.

(2) Serving post offices but not performing box delivery and collection service.

(3) Performing box delivery and collection service to box patrons but not serving post offices.

(4) Serving post offices and providing rural delivery features to box patrons.

(5) Providing rural delivery features to patrons but not serving post offices.

(6) Handling restricted classes of mail for post offices only.

(7) Handling empty equipment primarily.

(c) *Securing bids—(1) Advertisements—(i) Issuance and distribution.* When it becomes necessary to advertise for bids for a 4-year contract term or for the remainder of a regular contract term, when less than 4 years, advertisements will be prepared on Form 5435, "Advertisement for Mail Service," by the transportation planning and procurement officer. Advertisements will allow at least 30 days' posting from the date of receipt until the closing date for bids, except in emergencies when the advertisements will contain an explanation for the shorter posting period. Sufficient copies of advertisements will be prepared by the transportation planning and procurement officer for distribution to postmasters at post offices named in advertisements, prospective bidders and other interested persons. Form 5468, "Star or Water Route Bid and Bond," is used in submitting bids.

(ii) *Distances stated in advertisements.* Most advertisements inviting proposals for star route service show the

one-way length of the routes and refer to:

(a) Distances traveled by carriers where service is in operation.

(b) Distances by shortest public roads between points named on new routes.

Distances stated in advertisements are believed to be substantially correct. The pay will be neither increased nor decreased if the actual distance is greater or less than advertised, provided the points to be supplied are correctly stated.

(iii) *Advertising by postmasters.* Postmasters must: (a) Post copies of bulletin advertisements in conspicuous places in the lobbies of their post offices for the periods stated in the advertisements.

(b) Obtain the widest possible publicity, without expense to the Department, to gain the attention of interested persons.

(c) Familiarize themselves with the advertisements and attached instructions, and the services to be performed.

(d) Maintain an ample supply of proposal forms (Form 5468 "Star or Water Route Bid and Bond") while advertisement is pending. Make immediate request to transportation planning and procurement officer for needed forms, contacting that office by telephone or telegraph when necessary to obtain forms during last few closing days for receipt of bids.

(e) Furnish prospective bidders a copy of the advertisement and bid form on request.

(2) *Requirements of bidders—(i) Eligibility.* Any person who is at least 21 years of age and who is a citizen of the United States, or has taken out his first naturalization papers within the past 7 years, may submit a proposal and enter into a contract for carrying the mail, subject to the following restrictions:

(a) No proposal for a contract for star route service shall be considered unless the bidder is a legal resident of one of the counties crossed by the roads over which the mail is to be carried or a legal resident of a county adjoining one through which the mail is to be carried, with this exception: Proposals for carrying mail will be accepted from firms, companies, or corporations actually engaged in business within the counties in which individuals are restricted as to residence.

(b) No postmaster, assistant postmaster, clerk employed in any post office, rural carrier, special-delivery messenger, or other postal employee, including substitute or temporary, shall be a bidder, contractor, or concerned in a bond or contract for carrying mail on a star route.

(c) No member of the immediate family of a postmaster or assistant postmaster shall be permitted to become a mail contractor or be surety on a bond or a contract, subcontractor, or carrier on a star route. Immediate family, as used in this section, means persons who are members of the same household or dependent one upon the other for support.

(d) No contract for carrying mail will be made with any person who has entered

or proposed any combination to prevent the making of any bid for carrying mail or who has agreed, or given or promised any consideration, to induce another person not to bid for such a contract.

(e) A married woman may contract or be surety as though she were unmarried where the laws of the State permit. When a woman bids or signs as surety, it must be stated whether she is married or single.

(ii) *Knowledge of service factors.* Bidders should familiarize themselves with:

(a) Service to be performed, including mileage and time required.

(b) Estimated weight and volume of mail to be carried and size of vehicle required.

(c) Condition of roads, including toll charges.

(d) Laws and regulations governing the operation of motor vehicles.

(e) Other circumstances affecting the cost of operation, without regard to the prevailing rate of pay or amount of bond specified.

(iii) *Bonds:* (a) Each proposal must be accompanied by a bond executed by a qualified surety company or by two or more individual sureties who are the owners of real estate worth an aggregate sum double the amount of bond required, over and above all debts, judgments, mortgages, executions, and exemptions.

(b) As a part of the bond, the individual sureties must sign a statement showing the amount of real estate owned by them, a brief description of the real estate, its estimated value, where it is situated, and in what county or State the titles are recorded.

(c) No proposal for the transportation of the mail shall be considered when accompanied by a bond executed on behalf of a surety by or through any organization of mail transportation contractors or an officer or employee of such organization, nor shall any such proposal be considered when a portion of the bond premium, a commission on the bond sale or any other thing of value accrues to any organization of mail transportation contractors, or officer or employee thereof as a result of the execution of the bond.

(d) The amount of bond required with the bid is stated in the advertisement.

(e) For list of surety companies, approved by the Treasury Department, acceptable on bonds and contracts, see latest Treasury Department notice in the FEDERAL REGISTER.

(3) *Instructions to bidders.* Postmasters must:

(i) Caution prospective bidders that their proposals must be completed and properly executed, include the required bonds, and must be mailed to reach the distribution and traffic manager within the time limit for the receipt of bids as shown in the advertisements.

(ii) Point out to bidders the instructions attached to the advertisements and on the proposal forms.

(iii) Suggest that bidders contact the proper transportation planning and procurement officer to obtain definite information regarding local conditions and services required.

(iv) Point out to prospective bidders the legal residence requirements. See

subparagraph (2) (i) (a) of this paragraph.

(v) "Caution bidders not to submit bids with the expectation of having their pay readjusted if awarded a contract, as no increase will be allowed except for changed conditions as provided by law." See § 94.3(h) (3).

(vi) Advise bidders that no claim for additional pay can be allowed which is based on alleged mistakes or misapprehensions as to service requirements.

(vii) Inform prospective bidders not to permit the use of their names unless they intend to carry the mail or supervise the service in person. Every bidder must sign a statement that his bid is made in good faith and with the intention of performing service if it is accepted.

(4) *Restriction on postmaster participation.* Postmasters are official agents of the Post Office Department. They are liable to dismissal from office for:

(i) Acting as agents of contractors, subcontractors, or bidders, with or without compensation, in any negotiations relating to mail service.

(ii) Divulging the amount of any proposal which they have certified.

(5) *Obtaining proposal forms.* Proposal forms may be obtained from:

(i) Transportation, planning and procurement officer.

(ii) Postmasters at offices where advertisements are posted.

Similar forms, approved by the Department, are furnished by surety companies and distributed through local agents and postmasters directly to contractors and bidders.

(6) *Submitting bids.* Bids must be submitted as follows:

(i) Each proposal must be sent in a sealed envelope addressed:

Distribution and Traffic Manager, Post Office Department, -----
 (City) (State)
 and endorsed Mail Proposal, Route from -----
 ----- to -----
 (City) (City) (State)

(ii) Bids must be mailed in time to reach the distribution and traffic manager at the address and within the time limit specified in the advertisement.

(iii) If bond is to be executed by a surety company, the proposal should be properly prepared, other than the bond, and transmitted directly to the bonding company in ample time to have it completed and filed in the office of the distribution and traffic manager within the time limit stated in the advertisement.

(iv) When bond is to be executed by a surety company, the certificate as to bidder may be executed prior to the completion of the bond. (See certificate and note on back of proposal, Form 5468 "Star or Water Route Bid and Bond.")

(7) *Time limitations.* The following time limitations apply:

(i) No withdrawal of a bid will be allowed unless notice of withdrawal is received at least 24 hours before the expiration of the time limit stated in the advertisement.

(ii) The Post Office Department may award a contract at any time within 60 days after expiration of the advertisement.

(d) *Award of contracts.*—(1) *Requirements for award.* Contracts are awarded to the lowest responsible bidder who tenders sufficient guaranties for celerity, certainty, and security in the faithful performance of service in accordance with the terms of the advertisement. The Postmaster General shall not be bound to consider the bid of any person who has willfully or negligently failed to comply with the terms of a former contract.

(2) *Reservations.* The Postmaster General reserves the right to:

(i) Reject all bids on any route whenever the interest of the service requires.

(ii) Rescind the acceptance of a proposal at any time before the signing of the formal contract by a representative of the United States, without allowing indemnity.

(iii) Suspend the award of a contract for a period not exceeding 60 days after the date stated in the advertisement for the announcement of the award and allow a corresponding extension of time for the execution of the contract. It is not always possible to award contracts to be effective on the dates specified in the advertisements.

(iv) Reject bids accompanied by bonds on which a surety is a person who is barred from bidding for any reason.

(v) Disregard the bids of those persons who have not submitted proposals in good faith and do not intend to perform service in accordance with the terms of the advertisement.

(3) *Tie bids.* Where the lowest acceptable bids are at the same rate, preference will be given to the present contractor if his is one of the tie bids. Otherwise, the selection will be made by lot.

(4) *Filing contract.* The successful bidder must execute and file his contract with the transportation planning and procurement officer within 60 days from the date of acceptance of bid.

(5) *Certification.* The contractor must certify that he has not employed any person to solicit or secure the contract upon any agreement for a commission, percentage, brokerage, or contingent fees. He must agree not to discriminate against any employee or applicant for employment because of race, color, religion, or national origin.

(6) *Oath of contractor and carrier.* A contractor will take the required oath when executing his contract. All carriers, employed by contractor, except those employed by contractors operating large trucking concerns or regular passenger buses in which mail is carried, must take the prescribed oath (Form 5497 "Oath of mail carrier") before beginning service.

(e) *Contractor's responsibilities.*—(1) *For providing equipment.* (i) The contractor must furnish adequate and suitable motor vehicles or other equipment necessary to carry the mail.

(ii) Unless otherwise specified, motor vehicles must be used. When road or weather prevent their use, other means of conveyance must be furnished.

(iii) Contracts for certain routes specify the size or number, or both size and number, of vehicles required. Contractors

on such routes cannot be required to provide equipment and service in excess of that specified.

(2) *For performing service.* (i) Contractors must perform service on all scheduled days including holidays, unless otherwise specified in contracts.

(ii) The contractor must serve regularly post offices in operation on the date of the advertisement. Also, he must serve regularly post offices established after the date of the advertisement, as well as railroad stations and junction points, which may be included for supply on his routes, without additional compensation if there is no additional travel.

(iii) Contractors must agree in their contracts to deductions from their pay for all authorized service not performed. See paragraph (g) (1) of this section.

(iv) Contractors must not carry mail on a railroad or electric car except as directed by the Bureau of Transportation.

(3) *For giving preference to mail.* (i) Contractors must transport the whole of the mail on each scheduled trip during the term of the contract unless otherwise specified. Where a contract specifies only certain classes of mail to be transported, the term the whole of the mail means all mail of the classes specified.

(ii) Star route contractors and carriers may transport passengers, freight, and express so long as it does not interfere with the transportation of the mail, provided all applicable Federal and State laws and regulations are complied with.

(iii) When sent as mail, packages must be carried as such and no charge shall be made by the carrier for transporting them.

(iv) Where permitted by law, the contractor may transport intoxicating liquors outside the mail if carrying them does not interfere with the transportation of the mail.

(4) *For maintaining schedules.* (i) Contractors and carriers must:

(a) Carry the mail according to the schedule of departures and arrivals and within the running time stated in the advertisement under which the contract is made, unless the schedule is altered by authority of the transportation planning and procurement officer. If the schedule is altered by a proper order, they must adhere to the altered schedule.

(b) Be allowed an equal amount of additional time on the schedule when more than 10 minutes is taken for opening and closing the mail at any post office, unless otherwise provided in the contract.

(c) Operate on standard time unless otherwise specified.

(ii) Postmasters must not: (a) Except in cases of emergency, deliver mail to carriers before scheduled departure time without permission from the field services officer or the transportation planning and procurement officer. When earlier delivery of mail to a carrier would be advantageous to the carrier, patrons on the route, or the mailing public, the postmaster may recommend to the field services officer or the transportation planning and procurement officer that the carrier be permitted to leave before scheduled time. Star route carriers and

dispatch clerks will conform to the closing times listed in post offices.

(b) Permit mail to be taken from the post office to be kept in a private home overnight.

(5) *For operating vehicles according to law.* Transportation by contractors of passengers or property other than mail is subject to the following:

(i) The award of a contract for the transportation of mail grants no special right or privilege to the contractor to transport passengers, freight, or express. If the contractor desires to transport passengers or cargo other than mail for compensation in interstate or foreign commerce, he must obtain authority from the Interstate Commerce Commission. If he desires to transport either in intrastate commerce, he must obtain authority from the State in which he will operate, if such authority is required by that State. He must comply with all laws and regulations or the State or States which apply to carriers of passengers and cargo for hire.

(ii) Contractors must know and comply with interstate and intrastate laws governing the operation of motor vehicles. They must comply with all safety measures prescribed by State and Federal laws and regulations governing the operation of motor vehicles and with the Interstate Commerce Commission's Motor Carrier Safety regulations issued from time to time, to the extent stated in the advertisement and as required by the Post Office Department.

(6) *For transporting postal officials and equipment.* (i) Contractors and carriers must transport postal inspectors and other officials of the Post Office Department, on presentation of their credentials, over regularly scheduled trips and between the points specified in the official statement of the route, if the conveyance used is suitable.

(ii) Bus companies are not required to transport postal inspectors and other officials except on vehicles carrying mail and between points where service is authorized.

(iii) The presence of a postal inspector in the carrier's vehicle or in the vicinity of the route shall not be revealed by the carrier to any person at any time.

(iv) Contractors must convey, without extra charge, all post office blanks, mail bags, lock and keys, and other postal supplies offered them. This does not include furniture, letter cases, mail boxes, and other similar items. Such equipment must not be shipped under penalty labels for transportation on star routes unless it has been determined in advance that the contractors involved are willing to perform the additional work without compensation. This does not prevent contractors from handling such equipment as freight or express.

(7) *For providing carriers—(1) Qualifications.* Carriers must be:

(a) Not less than 18 years of age.

(b) Of good character, reliable, and trustworthy.

(c) Sufficiently educated to enable them to perform all required duties in a satisfactory manner.

(ii) *Persons ineligible.* The following are ineligible to serve as carriers on star

routes: (a) All postal employees, including temporaries and substitutes.

(b) Members of the immediate families of postmasters and assistant postmasters as defined in paragraph (c) (2) (i) (c) of this section.

(c) Persons undergoing sentences of hard labor imposed by a criminal court (out on parole or under suspended sentence).

(d) Persons with known criminal records involving moral turpitude or dishonesty.

(e) Persons whose traffic records indicate that their driving motor vehicles would be hazardous.

(iii) *Oaths.* Before entering on duty, carriers employed by contractors shall take the prescribed oath, except where a firm has the mail contract and an official of the company takes the oath. Such firms are:

(a) Railroads which have contracts to carry the mail.

(b) Firms contracting for mail service by steamboat or powerboat.

(c) Companies which operate regular passenger busses and carry mail.

(d) Trucklines which have contracts to carry mail.

(f) *Renewal, extensions, and changes without advertising—(1) Renewals.* A regular contract may be renewed for additional terms, without advertising, at the rate prevailing at the end of the contract.

(2) *Extensions of contract period.* A contract may be continued in force beyond its expressed term for a period of not more than 6 months. The extension of a contract also extends any subcontract in effect on the route.

(3) *Changes in service.* (i) Transportation planning and procurement officers may at any time issue orders extending, increasing frequency, and changing the line of travel, by allowing a pro rata increase in compensation for any increased service required. They may also issue orders curtailing, reducing frequency, discontinuing, or changing line of travel by allowing 1 month's extra pay on the amount of service eliminated, and not exceeding pro rata compensation for the service retained.

(ii) Extensions during a contract term shall not exceed a net aggregate of 50 miles.

(iii) If the road usually traveled becomes impassable, the carrier must use the most available road to perform full service. He should immediately report the matter to the postmaster at the head of the route and to the transportation planning and procurement officer who has supervision over the route. See paragraph (h) (4) of this section.

(4) *Changes in schedules.* (i) Transportation planning and procurement officers may issue orders changing schedules of departure and arrival, particularly to make them conform to connections with railroads or other mail routes, without increase in pay. See subdivision (iv) of this subparagraph.

(ii) Changes in schedules must be authorized by the transportation planning and procurement officer.

(iii) The schedule on a route must not be changed for the convenience of the

contractor, subcontractor, or carrier, if the change would be detrimental to the service.

(iv) The running time stated in the schedule in the advertisement must not be decreased without the written consent of the contractor and his sureties. When it becomes necessary to decrease the running time on a route, the contractor shall have the option of continuing the service by the expedited schedule without additional compensation. If the contractor does not accept this option, the route must be readvertised.

(v) The financial effect that a change in schedule may have on a contractor must be taken into consideration. Reversal of schedule or excessive layover time could result in material increase in cost or undue hardship and provide a basis for readjustment of compensation.

(vi) Postmasters must inform the proper field services officer or the transportation planning and procurement officer whenever changes in schedules are necessary or appear advisable, with a full explanation of the reasons. They should not recommend changes entirely in the interest of the contractor.

(g) *Irregularities—(1) Deductions or fines.* Deductions from pay may be made or fines may be imposed for:

(i) Trips not performed or service omitted.

(ii) Failure to carry all or any portion of the mail in order to accommodate passengers, freight, or express.

(iii) Failure to arrive within schedule time.

(iv) Neglect to take mail from or deliver it to a post office.

(v) Refusal to deliver or collect the mail along the route.

(vi) Failure to protect the mail from rain or extremes of weather.

(vii) Permitting mail to become damaged or destroyed.

(viii) Loss of or depredation to mail through the fault of the contractor or his agent.

(2) *Forfeitures or contract annulment.* Forfeitures may be imposed or contracts may be annulled for:

(i) Failure to follow instructions of the Post Office Department.

(ii) Violating laws or regulations.

(iii) Failure to give proper supervision to performance of service.

(iv) Transporting matter due to be in the mail as cargo other than mail.

(v) Entrusting the mail to an unsuitable person.

(vi) Refusing to discharge a carrier when instructed to do so by the Post Office Department.

(vii) Subletting a contract without the consent of the transportation planning and procurement officer.

(viii) Participating in combinations to prevent others from bidding.

(ix) Violation of any of the provisions of the advertisement or contract.

(h) *Payments—(1) For regular service.* Payments for stated services are:

(i) Made by check after the expiration of each 4-week accounting period.

(ii) Not made under new or renewed contract until the contract is executed.

(2) *For special-delivery service.* Postmasters may pay special-delivery fees

to contractors and carriers when special service is rendered. If the special-delivery mail is delivered into the patron's box, the carrier is not entitled to the fee.

(3) *Readjustment of compensation.* The compensation of the contractor may be readjusted with his consent for increased or decreased costs occasioned by changed conditions occurring during the contract term which could not reasonably have been anticipated at the time of making the contract.

(4) *Allowance for detours.* (i) Transportation planning and procurement officers may authorize pro rata additional payments to contractors for necessary increased travel caused by obstruction of roads, destruction of bridges, discontinuance of ferries, or any other cause, provided the increase amounts to as much as \$1 during any 4-week accounting period and a report is made within 90 days after service is performed.

(ii) The contractor or carrier is responsible for reporting to the postmaster at the head of the route, and to the transportation planning and procurement officer having supervision over the route, all necessary detours, with the reasons, and the additional distance traveled on each trip.

(iii) The postmaster is responsible for obtaining all pertinent facts and reporting them to the proper transportation planning and procurement officer. (See § 94.7(b).)

(5) *Pro rata computation of change in pay.* To determine the amount to be allowed or deducted in making changes in service, transportation planning and procurement officers must observe the following instructions:

(i) Determine the one-way length of the route as it would operate if changed as proposed.

(ii) Multiply the one-way length by the number of trips to be required, as determined by the Frequency Conversion Table. If the route has more than one part, follow the same procedure for each part and add annual mileages for all parts.

(iii) Determine the difference between the total annual mileage as shown on the records and the new annual mileage.

(iv) Multiply the difference in annual mileage by the prevailing rate per mile, except as explained below.

(v) When a change has been made at less than pro rata, or without allowance of additional pay, and a further change is proposed, base the computation on the original distance and pay.

(vi) If service that has been added without the allowance of additional pay, or at less than pro rata, is to be discontinued, base the computation on the rate per mile allowed when the service was added.

(vii) When a change involves part of the original service and service added under conditions outlined in subdivision (vi) of this subparagraph, base the computation on the two rates.

(viii) When a contract is renewed, a new basic rate per mile is established effective at the beginning of the new contract term, regardless of any orders issued during the previous term.

(6) *Withholding payments.* (i) When a contractor has more than one route and fails to perform service on any one of them according to contract, payment will be withheld on all routes until the unsatisfactory conditions are remedied and all penalties are satisfied.

(ii) When a contractor dies, payments should be suspended until the necessary court orders or claim papers or both can be approved. Frequently there is considerable delay in making payments following the death of a contractor.

(7) *Levying of deductions and fines.* (i) Transportation planning and procurement officers are authorized, in their discretion, to make deductions for trips not performed and service omitted. When a deduction is made, an order will be issued on Form 5440-C, "Contract Route Service Order."

(ii) When a contractor fails to comply with terms of the contract or when serious irregularities occur, the transportation planning and procurement officer will make every effort, by letter or by personal interview, to correct the situation. If the contractor persists in the irregularities, the transportation planning and procurement officer will issue a brief against him by use of Form 5178 "Notification of Irregularity." If the contractor makes no satisfactory reply, the distribution and traffic manager may issue an order on Form 5440-C imposing a fine.

(i) *Termination—(1) Time.* Star route contracts may be terminated at the end of any 4-year term at the option of the Postmaster General or the contractor or they may be terminated at any time as provided by law. (See paragraph (f) (3) (i) of this section.)

(2) *For changed service conditions.* Star routes may be readvertised and new contracts awarded for the purpose of releasing contractors and sureties on routes where undue hardships have been imposed by:

(i) An ordered change which increases or decreases the amount of service required.

(ii) An abnormal or sustained increase in the quantity of mail to be carried during a contract term, necessitating larger equipment.

(iii) An ordered change in schedule, requiring the contractor to be away from the initial terminal much more or less time than was required in the advertised schedule.

(3) *For inadequate compensation.* A star route may be readvertised and a new contract awarded to release the contractor and his sureties when, after full investigation, compensation is found to be wholly inadequate and continuation of the contract will impose undue hardship, even though conditions have not changed since the contractor submitted his bid. This action may be taken only when the contractor:

(i) Gives 90-days' advance notice of his desire to be released.

(ii) Waives the 1-month extra pay authorized by law where contracts are canceled under this provision.

(iii) Continues service until another contract is awarded even though the award may be made more than 90 days after filing the advance notice.

(4) *Death of a contractor—(i) Notification.* When a contractor dies, the postmaster should immediately notify the transportation planning and procurement officer having jurisdiction over the route. The transportation planning and procurement officer will suspend payments and notify the Bureau of Transportation and sureties on the contracts. Postmasters will notify the transportation planning and procurement officer of the death of a contractor, even though the route has been sublet.

(ii) *Transfer of responsibility for route.* On the death of a contractor, performance of service becomes the responsibility of the executor or administrator of the deceased contractor or the sureties of his contract.

(iii) *Responsibility of legal representative.* If a legal representative is appointed, he has the right, after obtaining the necessary court orders, to continue the service for the benefit of the estate or to sublet to himself or some other suitable person, after obtaining permission from the Department.

(iv) *Responsibility of sureties.* The surety or sureties on the contract are responsible for assuming charge of the route and continuing the service in person, by a suitable carrier, or under a sub-contract when no executor or administrator is appointed or the service is not continued by the legal representative for the benefit of the estate.

(v) *Temporary service.* If service is not provided promptly by or for the estate of a deceased contractor or his sureties, the postmaster at the head of the route or the transportation planning and procurement officer who has supervision over the route should arrange for employment of a temporary carrier at the lowest obtainable rate. Temporary service should be continued until regular service is resumed by the legal representative of the estate of the deceased contractor or by sureties. Payments to temporary carriers should not be made until they are approved by the Department.

(5) *Insanity of a contractor.* When a contractor becomes temporarily or permanently incapacitated because of insanity or unsound mind, the postmaster should immediately notify the transportation planning and procurement officer having jurisdiction over the route.

§ 94.4 Subcontracts.

(a) *Requirements for subletting.* (1) A contractor must obtain permission from the transportation planning and procurement officer before subletting. Subletting without proper consent may cause a route to be relet, thereby making the contractor and his sureties liable under their bond for damages.

(2) Subletting for an amount less than the contract rate of pay is prohibited by law.

(3) The contractor and subcontractor must warrant that the subcontractor has not given or agreed to give to the contractor, directly or indirectly, any consideration for subletting of the contract. Such a consideration includes, but is not limited to, a cash payment for the agreement to sublet; rebates

from the compensation received from the Government; payment of unusually high prices for equipment; and purchase of unnecessary operating rights.

(4) Subcontracts are executed in triplicate, providing a copy for: (i) transportation planning and procurement officer; (ii) contractor; (iii) subcontractor.

(5) After an order has been issued recognizing a subcontract, payments are made directly to and in name of the subcontractor.

(b) *Requirements of subcontractors.* A subcontractor must:

(1) Meet the legal residence requirements of contractors. See § 94.3(c) (2) (i) (a).

(2) Be in a position to supervise the service properly.

(3) Be financially and morally responsible.

(4) Have fully adequate and suitable equipment.

(c) *Assignment.* Assignment or transfer of a contract for transporting mail is prohibited by law, except as provided in the Assignment of Claims Act. A contract may be sublet as provided by law.

(d) *Term.* The subcontract must be executed for service on the whole route and for a period of not less than 1 year or for the remainder of the contract term when less than 1 year.

(e) *Responsibility of contractor.* The execution and recognition of a subcontract does not release a contractor from his obligation, but it relieves him of the necessity of giving the route his personal supervision.

(f) *Termination—(1) For cause.* The Post Office Department may terminate a subcontract on abandonment or unsatisfactory service by the subcontractor.

(2) *By request.* The Post Office Department will recognize the termination of a subcontract prior to its stated period on proper notification by either party to the subcontract.

(3) *By death of subcontractor.* On the death of a subcontractor, the contractor, legal representative of the estate of a deceased contractor, or sureties in charge should immediately resume charge of the route. Postmasters should notify the transportation planning and procurement officer having supervision over the route, who will issue necessary instructions to all concerned.

(g) *Contracting with subcontractors.* When a contractor has sublet a route in accordance with law and does not indicate in writing to the Postmaster General at least 90 days before the end of the contract term that he desires to renew the contract, the Department may enter into a contract on the same terms, without advertising the route for bids, with a subcontractor who has performed satisfactory service on the route for a period of at least 6 months.

§ 94.5 Temporary service.

(a) *On new routes.* (1) Contracts for temporary star route service may be made without formal advertisements for periods not to exceed 1 year.

(2) No bond is required with a temporary contract. These contracts may run to the end of the fiscal year or not exceeding 1 full calendar year.

(3) Contracts for temporary service provide for their termination on 15-days' notice by either party.

(4) Before temporary service is authorized, bids are usually solicited by transportation planning and procurement officer. The lowest bid must be accepted unless there is sufficient reason for rejecting it.

(b) *On regular routes.* Temporary service may be provided under the following conditions:

(1) When a contractor fails to provide service, the transportation planning and procurement officer in charge of the service, or the postmaster at the head of the route, has authority to employ a carrier at the lowest obtainable rate.

(2) The expense of temporary service is charged to the contractor.

(3) Employment of temporary service is to be continued until regular service is resumed by or for the contractor or his sureties.

(4) Where temporary carriers have been employed by postmasters, full report of the circumstances must be made to the transportation planning and procurement officer.

(5) When the employment of a temporary carrier is necessary on a regular route, payment to the regular contractor must be suspended until proper adjustments are made.

(6) No payment will be made to a temporary carrier before the transportation planning and procurement officer's issuance of the order authorizing the payment.

(c) *In lieu of train service.* When there is temporary interruption of railroad service, temporary service should be employed at the lowest obtainable rate. The cost of the service is chargeable to the Railroad Transportation Appropriation and must not be reported as star route service. Bills covering employment of service under these conditions are prepared on Form 2524 "Bill for Temporary Service in Lieu of Railroad Service."

(d) *Emergency temporary service.* When an emergency makes it necessary to divert mail in transit, temporary service may be provided.

(e) *On airmail routes.* In the event of a major disaster, temporary service may be provided, without advertising, for the transportation of mail by aircraft to or from the affected localities.

(f) *Special service.* The postmaster at a post office not on an established route may be authorized to employ a carrier to perform special mail service as often as necessary at a rate not exceeding two-thirds of the compensation of the postmaster.

(g) *Death of a temporary contractor.* When a contractor or carrier for a temporary route dies, it is necessary to enter into another temporary contract or employ another temporary carrier. New bids may be solicited by the transportation planning and procurement officer.

§ 94.6 Protection of mail.

The contractor and his sureties are accountable and answerable in damages for failure to:

(a) Carry the mail in a safe and secure manner.

(b) Protect the mail from becoming wet and otherwise damaged.

§ 94.7 Records and reports.

(a) *Records.* Postmasters and other installation heads designated by regional headquarters as reporting officers for performance of star route service shall maintain Form 5399, "Record of Performance of Star and Water Routes," by accounting periods, showing actual departure and arrival times each day of operation and indicating irregularities.

(b) *Recurring reports.* Postmasters and other installation heads designated to report star route performance shall, from data recorded on Form 5399, complete Form 5400, "Report of Service on Star Route," immediately after the close of each accounting period and forward directly to the proper transportation planning and procurement officer. Only irregularities that might affect contractor's pay shall be listed on Form 5400, such as additional trips, detours, and omitted service. Reports must not be enclosed in envelopes.

(c) *Special reports—(1) By postmasters and other designated installation heads.* (i) Submit immediate narrative report to the transportation planning and procurement officer when the following types of irregularities occur:

(a) Failure of carrier to depart or arrive.

(b) Chronic or frequent delays of 15 minutes or more in departure or arrival even though mail is not delayed in delivery.

(c) Any delay resulting in delay in delivery, missed connections, or disruption of work schedules in office.

(d) All available mail not taken.

(e) Departure of carrier ahead of schedule without permission of responsible postal official.

(f) Damage to or destruction of mail.

(g) Misconduct of driver or contractor.

(ii) Submit report to the transportation planning and procurement officer when roads regularly traveled by carrier are changed or become permanently obstructed, necessitating use of other roads.

(2) *By carriers.* Carriers who fail to provide required service must make a prompt explanation to the postmaster at the head of the route.

NOTE: The corresponding Postal Manual sections are 521.1 through 521.7.

Subpart B—Mail Messenger Service

§ 94.12 Description.

Mail messenger service is established by the Post Office Department to provide for the collection and delivery of mail between post offices, stations, and branches and railroad terminals, steamboats, highway post offices, star routes, truck terminals, airport mail facilities, and stop points. It is used to transfer mail between points where other transportation facilities are not required to perform service. No formal contract or bond is required.

§ 94.13 Establishing service.

(a) *Authorizing service.* (1) When an immediate need for service develops, the postmaster must apply to the transporta-

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tion planning and procurement officer for authority to employ a temporary messenger. Application must show the necessity for service and the lowest rate obtainable.

(2) If the transportation planning and procurement officer determines that temporary service is justified, he will authorize the postmaster to employ a temporary messenger. No service shall be put into effect until authorized by the transportation planning and procurement officer.

(3) When the need for service is not immediate it is usually desirable for the transportation planning and procurement officer to advertise for regular service. He may advertise temporary routes for regular service at any time he considers it desirable.

(4) The postmaster will furnish the transportation planning and procurement officer a detailed description of the service required showing for each one-way trip, the origin, loading time, leaving time, average number of pieces handled, distance, destination, arriving time, unloading time, train or trip number connected (if any), and average waiting time (if any) for late train or other carrier.

(5) The transportation planning and procurement officer may require postmasters at fourth-class offices to transport mail between the post office and railroad station or other exchange points without additional pay provided:

(i) The exchange point is within one-fourth of a mile of the post office.

(ii) No motor or horse-drawn vehicle is required.

(iii) Transporting the mail will not cause an unreasonable hardship on the postmaster.

(6) When mail messenger service cannot be obtained at a reasonable rate, the regional operations director may authorize postmasters to assign postal employees to transfer mail between the post office and exchange points as a part of their regular duties.

(7) The transportation planning and procurement officer may require the messenger to provide trucks that are covered, locked, screened, paneled, or otherwise designed to protect the mail.

(b) *Advertising for service.* (1) When service is necessary, the transportation planning and procurement officer will prepare specifications and instruct the postmaster at the office where service is needed to advertise for 10 days to obtain competitive sealed proposals.

(2) The postmaster must post the advertisements in the most conspicuous place in the lobby of the post office and at other points where they can be seen by persons most likely to place bids. The postmaster must give the widest publicity possible to all advertisements, without expense to the Department.

(c) *Requirements for applicants—* (1) *Age.* Mail messengers must not be under 18 years of age.

(2) *Residence.* The bidder must either reside on or adjoining the route on which service is to be performed, or file with his bid an agreement that, if designated as mail messenger, he will reside on or adjoining the route.

(3) *Reliability.* Postmasters and transportation planning and procurement officer must disapprove bidders who:

(i) Have known criminal records involving moral turpitude or dishonesty.

(ii) Have traffic records which indicate that it would be hazardous to permit them to operate vehicles.

(iii) Are unable to furnish adequate equipment.

(iv) Are aliens.

(4) *Eligibility of postal employees.* (1) Postal employees and members of their immediate families (persons who are members of the same household or dependent one upon the other for support) may or may not become bidders, messengers, or receive compensation for carrying the mail on mail messenger routes as shown in the following chart, subject to conditions in subdivisions (ii) and (iii) of this subparagraph.

Employee's position	Mail messenger annual rate of compensation	
	Exceeds \$900 ¹	Is less than \$900
Postmaster and assistant postmaster at:		
First- and second-class offices	Ineligible	Ineligible
Third- and fourth-class offices	do	Eligible
Members of immediate family of postmaster and assistant postmaster at:		
First- and second-class offices	do	Do
Third- and fourth-class offices	Eligible	Do
Special delivery messenger	do	Do
Other postal employees	Ineligible	Do
Member of immediate family of postal employees other than postmaster and assistant postmaster	Eligible	Do

¹ Includes routes originally paying less than \$900 increased to over \$900.

(ii) Any employee is ineligible if his interest in mail messenger service interferes with his postal duties. Before accepting an employee's proposal or permitting his employment under a mail messenger designation, the transportation planning and procurement officer must get a statement from the postmaster that the employee's interest in mail messenger service will not interfere with his postal duties.

(iii) Any employee or any member of his immediate family is ineligible if the employee has access to mail messenger files during the period when bids are being received.

(d) *Bid procedures—* (1) *Submitting.* Advertisements specify that bids will be submitted to the distribution and traffic manager. Postmasters will not accept bids except as sealed, postage-paid letters addressed to the distribution and traffic manager. Bids mistakenly mailed to postmasters should be forwarded at once unopened to the distribution and traffic manager. If the amount of any bid becomes known in any way to the postmaster, he must not divulge it to anyone. This type of information may be disclosed only after all bids have been opened, subject to public observation, by the regional bid-opening committee and the information made available, as may be requested, to interested parties.

(2) *Returning advertisement.* Immediately after the closing date of the advertisement, the postmaster will forward the actual posted copy to the distribution and traffic manager, endorsed to show the period of time and place it was posted, accompanied by a statement showing how it was publicized.

(3) *Opening and awarding.* The proposals must be opened in the office of the distribution and traffic manager. The lowest acceptable bidder must be designated as the mail messenger if award is made. The right is reserved to reject any or all bids if they are not acceptable, but sufficient information must be shown on the designating order to justify such action.

(e) *Designation of messenger.* The transportation planning and procurement officer must prepare the mail messenger's notice of designation in duplicate on Form 5489, "Notice of Designation of Mail Messenger." He must send a copy (with sufficient copies of Form 5498, "Oath of Mail Messenger," for the messenger and his assistants) to the postmaster concerned. Immediately upon receipt of his copy, the postmaster must administer the oath and notify the designated messenger to begin service on the date specified in the notice. At the same time, he must inform the retiring messenger of the date he is to be released.

(f) *Oaths.* Form 5498 is required of all regular, assistant, and temporary mail messengers. Immediately upon their acceptance of the position, the postmaster must forward the completed Form 5498 to the transportation planning and procurement officer. Postmasters will not stock Form 5498. If additional copies are needed to administer the oath to new assistants, request them from the distribution and traffic manager.

(g) *Employment of assistants.* Messengers must personally supervise the performance of service. They must not assign or sublet the service, but they may employ assistants at their own expense during absence from duty for short periods. The assistants must conform to all requirements stated for the messenger himself. They must be approved by the postmaster in charge of the service.

§ 94.14 Operation.

(a) *Postal services provided.* (1) Mail messengers must obey all orders and regulations or special instructions from the Post Office Department, transportation planning and procurement officer, the field services officer, or the postmaster, affecting the mail messenger service.

(2) When required by the transportation planning and procurement officer, mail messengers must:

(i) Receive the mail from and deliver it into post offices and to air carriers or airport mail facilities; and receive from and deliver to mail cars and steamboats when such cars or boats are accessible.

(ii) Deliver and receive mail at mail cars even when not accessible to his vehicle, if mail trains arrive at times when no railroad representative is on duty. If the use of hand trucks is necessary, the railroad company shall furnish

them. Messengers are not required to load mail across or move hand trucks across live tracks.

(iii) Deliver and receive mail at mail cars not accessible to his vehicle if the mail can be readily handled by hand on one trip, even though a railroad representative is on duty.

(iv) Place mail on cranes, at points where the use of cranes is necessary, if the mail can be readily handled by hand at one trip, even though a railroad representative is on duty.

(v) Deliver to and receive from railroad and steamboat employees at the nearest accessible point when those employees are on duty and the volume of mail is too large to be handled by hand at one trip.

(vi) Perform service in accordance with the schedules of arrivals and departures prescribed by the postmaster.

(vii) See § 94.3(e) (6) (iv).

(b) *Instructions to messengers.* (1) The transportation planning and procurement officer will prepare Form 5489 "Notice of Designation of Mail Messenger," so that service requirements will be properly and clearly stated.

(2) The postmaster must instruct the messenger in the performance of his duties as stated on Form 5489. Subject to the approval of the transportation planning and procurement officer, the postmaster must prescribe schedules of arrival and departures. He must require the messenger to wait for and receive mail from and deliver it to delayed trains, planes, or boats. Messengers may be required to wait 2 hours for delayed carriers unless local conditions are such that the transportation planning and procurement officer designates a specific waiting time more or less than 2 hours. See § 92.108(d) of this chapter.

(c) *Changes in service—(1) Extension.* The postmaster must obtain authorization from the transportation planning and procurement officer before extending the service of a mail messenger beyond the limits stated in the advertisements. The transportation planning and procurement officer will issue the necessary instructions on Form 5440 C-D-E, "Contract Route Service Order."

(2) *Reduction.* Observe the following before making any reduction in service:

(i) Postmasters must report promptly to the transportation planning and procurement officer when requirements are reduced due to curtailment of RPO service, change of location of post office, railroad station, or airport, etc.

(ii) In the event of service changes, postmasters must not reduce requirements without appropriate instructions from the transportation planning and procurement officer.

(iii) The transportation planning and procurement officer is responsible for negotiating a lower rate, if possible, when service is reduced. He should request assistance from the postmaster or the field services officer in this respect.

(iv) If a reasonable lower rate is obtained, the transportation planning and procurement officer will restate service and pay on Form 5440 C-D-E.

(v) When a reasonable rate cannot be negotiated, the transportation planning

and procurement officer will readvertise the route.

(d) *Irregularities—(1) Observation of service.* Postal employees must observe the services performed by mail messengers at railroad stations and report any failures or irregularities that come to their attention.

(2) *Record of irregularities.* (i) The postmaster must: (a) Keep an accurate record of all delays, omitted trips, and other irregularities; (b) report omitted trips when certifying payment of Form 2640, "Certificate of Mail Messenger Service"; (c) immediately report each irregularity, including omitted trips, by memorandum to the transportation planning and procurement officer. Report should show cause and messenger's explanation, if known.

(ii) The transportation planning and procurement officer must issue a brief against the messenger on Form 5178, "Notification of Irregularity," for each serious irregularity unless the postmaster's report includes satisfactory explanation.

(3) *Assessing fines.* (i) Messengers must be allowed a reasonable time to explain irregularities briefed on Form 5178. An unsatisfactory explanation or no reply may become the basis for assessing fines against messengers.

(ii) Distribution and traffic managers or regional operations directors may assess fines against messengers in amounts of \$1 or more depending on the gravity of the irregularity.

(iii) Regional controllers will deduct fines from payment due messengers, upon receipt of Form 5440-C "Contract Route Service Order" signed by the distribution and traffic manager or regional operations director.

(4) *Investigation of complaints.* (1) The transportation planning and procurement officer will direct investigation of complaints of improper or unsatisfactory service.

(ii) The regional operations director will investigate complaints of irregular handling of advertisements or bids.

§ 94.15 Protection of mail.

(a) *Failure to protect mail.* Mail messengers may be held financially liable for loss or damage to mail in their custody. They are also accountable and answerable in fines for failure to:

(1) Carry the mail in a safe and secure manner.

(2) Guard the pouches and other mail in their custody from theft or damage by water or any other source.

(3) Return and deliver the mail into the post office, notifying the postmaster, when for any reason he is unable to make proper dispatch of the mail in his custody (for example, a railway post office's failure to catch a pouch from a crane). The mail messenger must not retain mail in his home.

(b) *Access to keys.* Mail messengers must not have access to regulation mail keys or to post office workroom keys, unless the messenger is also a postal employee and requires the key or keys in the course of his postal duties.

§ 94.16 Termination of service.

(a) *For improper service.* Distribution and traffic managers must try to cor-

rect irregularities by cooperating with the postmasters in direct action and the imposition of fines. If this fails, the following steps should be taken, as appropriate:

(1) Consideration should be given to terminating the designation and advertising for another messenger.

(2) If necessary to replace the mail messenger immediately, the transportation planning and procurement officer must authorize the postmaster to employ the temporary service necessary at a rate not exceeding that at which service on the route was authorized.

(3) If temporary service cannot be obtained at the existing rate, the postmaster must ascertain the lowest rate obtainable and report this, with a statement of necessity, to the transportation planning and procurement officer. If time is a factor, the report may be made by wire.

(b) *For changed service conditions.*

(1) Service may be rendered unnecessary by changed service conditions (such as the discontinuance of a post office, extension of rural or star route service, direct supply by highway post office or railroad, truck service, etc.). A postmaster must not discontinue the service without appropriate instructions from the transportation planning and procurement officer.

(2) The transportation planning and procurement officer may discontinue the service or require postmasters at fourth-class offices to perform it when he considers such action warranted. (See § 94.13(a) (5).)

(3) The transportation planning and procurement officer must use Form 5440 C-D-E "Contract Route Service Order" in giving notice of discontinuance of service and elimination of expenditure. He should also indicate the substituted service, if any.

(c) *By messenger.* (1) If a messenger dies, resigns, or abandons the service for any reason, the postmaster must immediately report the facts to the transportation planning and procurement officer for his action. A messenger may resign at any time by giving written notice 45 days in advance. In justifiable cases, the 45-day notice may be waived. If immediate replacement service is necessary, proceed as in paragraph (a) (2) and (3) of this section.

(2) When a messenger is relieved of his contractual obligations due to being called to military service, or is compelled to suspend his services because of illness or other valid reason, the postmaster must ascertain whether he desires to resume his duties when possible. The postmaster must advise him that his designation will be continued with the provision that changing conditions during his absence may necessitate its reduction or termination. If the messenger wishes to continue with this understanding, his regular service and pay may be suspended pending his return. During the interim, the transportation planning and procurement officer may designate a temporary messenger. When the temporary service can be obtained only at a higher rate, it can be authorized if the rate is considered reasonable. It may

be necessary to advertise for temporary service during the emergency.

§ 94.17 Payments.

(a) *Certification.* (1) Regional controllers will pay messengers at the close of each accounting period after certification of service performed by postmaster or transportation planning and procurement officer.

(2) The transportation planning and procurement officer will certify service provided under special agreements for handling non-rail mail and loading or unloading trucks or trailers in the manner prescribed in the agreements.

(b) *Termination.* (1) The postmaster must immediately notify the transportation planning and procurement officer when the service of a messenger is terminated.

(2) The transportation planning and procurement officer must immediately notify the regional controller to suspend payment until official order on Form 5440-C "Contract Route Service Order" is received showing date of termination.

(c) *Readjustment of compensation—*

(1) *Based on changed service conditions.*

(i) The Post Office Department, under the provisions of Public Law 763, 83d Congress, may make readjustments of mail messengers' compensation based on increased or decreased costs occasioned by changed conditions which could not reasonably have been anticipated at the time the agreement was made. For comparative purposes, the base for determining increased or decreased costs will be the conditions prevailing at the time of making the agreement or the messenger's last increase in compensation. All recommendations for increase in compensation of messengers under Public Law 763 must be based on changed conditions, such as:

- (a) Longer working hours.
- (b) Increased distances to be traveled.
- (c) Increased volume of mail, requiring larger equipment.
- (d) Change in schedule.
- (e) Any other conditions which materially affect the cost of operation.

(ii) Applications for readjustment of compensation based on changed service conditions will be sent to the transportation planning and procurement officer who will make recommendation to the Bureau of Transportation on Form 5477 "Mail Messenger and Panel Body Adjustment Summary."

(2) *Based on increased living costs.* Requests for increased compensation based on increased living costs will be considered only from messengers designated prior to January 1, 1953. These requests will be sent to transportation planning and procurement officers in the same manner as those based on changed service conditions.

(3) *For temporary mail messenger service.* Where readjustments in rate of compensation for temporary messengers are warranted by changes in service conditions, the temporary messengers should be redesignated at higher rates if lower rates are not thought to be obtainable under an advertisement.

(4) *Effective date of readjustments.* Except in unusual circumstances, any adjustment granted will be made effective

on the first day of the accounting period following that in which the application is made. Form 5440 C-D-E "Contract Route Service Order" will be used in making these adjustments. No adjustments in compensation of mail messengers will be made retroactive beyond September 1, 1954.

NOTE: The corresponding Postal Manual sections are 522.1 through 522.6.

Subpart C—Highway Post Office Service

§ 94.20 Description.

(a) *Authorization.* (1) Highway post offices are bus-type vehicles operated over designated routes, authorized by the Post Office Department for the acceptance, receipt, distribution, storage, dispatch, and delivery of mail by postal transportation clerks. All these vehicles are operated by private individuals or companies under contract with the Department.

(2) Government-owned HPO vehicles may be operated experimentally or in emergencies.

(b) *Title designation.* The title of a route is derived in the same manner as that of a railway post office.

(c) *Services—(1) Location.* Highway post offices are set up in areas where highway transportation and en route distribution can appreciably advance mail delivery to postal patrons and afford them expeditious dispatch of their outgoing mail.

(2) *Schedules.* Highway post office routes operate on fixed schedules which are arranged, wherever possible, to provide early morning receipt and late afternoon dispatch for the post offices along the route.

(3) *To intermediate offices.* The mobile services and distribution officers issue instructions for exchange of mail with intermediate offices on highway post office routes.

(4) *Supervision over service.* Mobile services officers and distribution and traffic managers have direct supervision of highway post office service.

§ 94.21 Contracting.

(a) *Ineligible bidders.* Postal employees and members of their immediate families may not submit bids, hold contracts, or be concerned with bonds for highway post office service.

(b) *Agreement of contractors.* The contractor must agree not to discriminate against any employee or applicant for employment because of race, religion, color, or national origin. He will be guided by the provisions contained in Form 5466, "Highway Post Office Contract General Provisions."

(c) *Award of contracts.* Contracts for highway post office service are subject to the terms of the advertisement for the service and are awarded to the lowest responsible bidder meeting these terms.

(d) *Services required of contractor—*

(1) *Providing vehicles.* The contractor must furnish the specified number of vehicles, fitted up, maintained, and operated in accordance with the specifications, rules, and regulations prescribed by the Postmaster General. He must also

have available sufficient spare vehicles to maintain service, while regular vehicles are being serviced or repaired. The specifications (POD Publication 10) require the use of the latest safety features to give the greatest possible protection to personnel and mail. The required construction limits distortion to a minimum in the event of a collision. These vehicles shall be equipped with letter and paper distributing tables, pouch racks, overhead paper boxes, letter cases, drawer which may be locked with LA locks, clothes locker, folding lavatory, and drinking water container. A screened metal partition must be installed between the driver's compartment and the working area.

(2) *Providing drivers.* The contractor must furnish drivers who must comply with laws and regulations, as follows:

(i) *Qualifications.* Drivers must be licensed chauffeurs not less than 21 years of age. They must be of good character and intelligence and physically qualified to perform service. They must have no criminal records involving moral turpitude or dishonesty or traffic records that indicate their driving motor vehicles would be dangerous.

(ii) *Supervision.* Drivers must comply with all proper orders and instructions of the foreman of their vehicles that are consistent with safety. Safe operation of the vehicle is the responsibility of the driver.

(iii) *Schedule of duty.* Drivers' schedules must be arranged to comply with Interstate Commerce Commission safety regulations or Post Office Department regulations requiring sufficient rest periods between trips to assure alert, efficient operation of the vehicles.

(iv) *Duties.* The driver must: (a) Comply with the applicable provisions of subparagraph (4) and (5) of this paragraph regarding the operation of the vehicle and the performance of service.

(b) Transfer mail as provided in subparagraph (6) of this paragraph.

(c) Immediately request instructions from the foreman of the vehicle when the highway on the designated route becomes impassable for any reason.

(v) *Liability for accidents.* The contractor and driver are responsible for accidents occurring in the operation of the vehicle. The Post Office Department is not responsible for damage caused by contract vehicles operated by contractors or their employees.

(3) *Placing vehicles.* The contractor must place the highway post office vehicles at the terminals of the routes at the designated times.

(4) *Operating vehicles.* The contractor must: (i) Furnish evidence of financial ability to cover liability for personal injuries in the amount of \$100,000.

(ii) Know and comply with both intrastate and interstate laws governing the operation of motor vehicles.

(iii) Observe all safety measures for the protection of the general public and operating personnel as prescribed by applicable State and Federal laws and regulations governing the operation of motor vehicles, as well as the safety regulations of the Interstate Commerce Commission or those prescribed by the Post Office Department.

(iv) Observe schedules on all routes according to standard time unless otherwise specified.

(5) *Performing service.* The contractor must: (i) Perform service promptly, reliably, safely, and without interruption. If he fails to do so after his attention has been called to delinquencies, the Post Office Department may impose fines for past failures and order the removal of the driver and vehicle from the route. It may order the employment of temporary service at the expense of the contractor until he provides a satisfactory driver.

(ii) Perform service within the limit of the running time prescribed in the advertisement under which he submitted bid.

(iii) Comply with all orders and instructions of PTS officials.

(6) *Transporting, transferring, and delivering mail.* The contractor must: (i) Transport all mail to the cubical or weight capacity of the vehicle, promptly, reliably, and safely. This includes foreign mail in transit across the continental United States or its territories.

(ii) Transfer mail between the vehicle and postal installations when the vehicle can normally be driven to a point within 150 feet of the door or tailboard space of the installation, or place the vehicle at the platform or loading dock of a postal installation to permit hand-to-hand exchange of mail between clerks in the door of the vehicle and clerks on duty at the installation. The mobile services officer is expected to make reasonable adjustments in these requirements by agreements with postmasters and contractors to assure on-time operation.

(iii) Deliver mail to each intermediate post office on the route on both outward and inward trips unless otherwise instructed by the mobile service officer.

(7) *Transporting postal officials.* The contractor must transport on regular trips all duly accredited officials of the Post Office Department, traveling on official business, on presentation of their credentials. The contractor or his driver must not make known to any person at any time the presence of a postal inspector in his vehicle or in the vicinity of the route.

(8) *Transporting passengers.* Contractors are prohibited from carrying passengers in highway post office vehicles, other than postal personnel and contractors' employees. Contractors' employees may be permitted to ride in the driver's compartment when traveling on company business directly related to highway post office service, when such travel does not interfere with safe operation of the vehicle.

(e) *Extensions, discontinuances, and changes.* The Postmaster General may:

(1) Order an increase in service on any route.

(2) Change schedule of arrivals and departures in all cases, particularly to make them conform to connections with railroads and other mail routes.

(3) Discontinue, change, or curtail the service, to improve the mail service or to serve the public interest.

(4) Extend the service on a route to improve mail service.

(f) *Subcontracts.* Contractors for highway post office service must not subcontract the service unless the subcontract is approved by the Post Office Department. Approved subcontractors must perform the same service required of the original contractor.

(g) *Payments.* See § 94.3(h). No pay shall be allowed the contractor for service by any vehicle which is not constructed of sound material as provided in paragraph (d) (1) of this section.

(h) *Inspection of highway post office vehicles.* Vehicles and equipment will be inspected by officials of the Post Office Department to assure compliance with departmental instructions.

NOTE: The corresponding Postal Manual sections are 523.1 and 523.2.

Subpart D—Powerboat Service

§ 94.24 Description.

Powerboat service is established by the Post Office Department to provide for the transportation of mail between post office or other designated points in steamboats or other powerboats where surface transportation is not practicable. It is operated under formal contracts, awarded after competitive bidding. In addition to transportation of mail, contracts may require:

(a) Box delivery and collection service.

(b) Sale of stamp supplies.

(c) Delivery of registered, insured, certified and COD matter.

(d) Acceptance of matter presented for registration, certification, or insurance, or to be sent COD, and money with applications for money orders.

(e) Facilities for distribution of mail en route by postal transportation clerks.

§ 94.25 Postal services provided.

(a) *Exchange of mail.* The contractor must exchange mail with:

(1) All intermediate post offices and non-post office points on the route stated in the advertisement on both outward and return trips, unless otherwise instructed.

(2) Post offices established after the advertisement is issued and during the contract term. No additional pay is made in such instances if the distance is not increased.

(3) Post offices at each end of the route, unless the Post Office Department has previously provided for such terminal service.

(4) Mail carriers on connecting routes, if necessary.

(b) *Box delivery and collection service.* Advertisements and contracts state whether box delivery and collection service is required. They also state the scope of such service. The instructions contained in Part 49 of this chapter are applicable to powerboat service, so far as practicable. See also § 94.2 (b) and (c).

(c) *Acceptance of mail en route.* Every mail carrier must receive any mail presented to him, if it is properly prepaid by stamps, and deliver it at the next post office at which he arrives. No fees are allowed for this service.

(d) *Other postal services.* On routes where the provisions of the contract

require, the carrier must sell postal supplies and transact money-order and registry business in accordance with the instructions contained in the advertisement.

§ 94.26 Contracts.

(a) *Contract terms.* See § 94.3(a).

(b) *Securing bids.* See § 94.3(c) except subparagraph (2) (i) (a) thereof, as bidders for water route service are not restricted as to residence.

(c) *Award of contract.* See § 94.3(d).

(d) *Contractor's responsibilities—(1) Providing equipment.* Contractors must provide:

(i) Steamboats or other powerboats which are safe, suitable, and satisfactory to the Post Office Department.

(ii) The means necessary to transport all mail, regardless of size, weight, or increase in volume during the term of the contract.

(2) *Performing service.* Contractors must:

(i) Carry the mail or supervise the service in person or by an agent.

(ii) Be held accountable for the acts and omissions of the persons to whom they commit the care and transportation of the mail and for careful and faithful performance of duties by those persons. They shall discharge any persons engaged in carrying the mail whenever the Post Office Department requires that they take such action.

(iii) Carry the mail with certainty, celerity, and security.

(iv) Transport foreign mail in transit across the territory of the United States.

(v) Not carry, otherwise than in the mail, letters that should go by mail or transport any person engaged in carrying letters that should go by mail.

(3) *Maintaining schedules.* Contractors must:

(i) Provide service by schedules satisfactory to the Post Office Department.

(ii) Observe the schedule stated in the advertisement or such other schedule of like running time as may be directed by the transportation planning and procurement officer having supervision over the route.

(4) *Giving preference to mail.* See § 94.3(e) (3).

(5) *Transporting postal employees and equipment.* (i) Postal transportation clerks may be assigned to powerboat routes. The contractor on those routes must provide and fit up suitable space for their use in accordance with specifications in the advertisements.

(ii) Contractors must furnish post office officials, upon exhibition of credentials, transportation on trips handling mail between scheduled points on the mail route.

(iii) The contractor shall transport, without extra charge, all post office blanks, mail bags, lock and keys, and other postal supplies offered to him.

(6) *Providing carriers.* (i) *Qualifications.* See § 94.3(e) (7) (i).

(ii) *Persons Ineligible.* See § 94.3(e) (7) (ii).

(iii) *Oaths.* See § 94.3(e) (7) (iii).

(e) *Renewals, extensions, and changes without advertising—(1) Renewals.* See § 94.3(f) (1).

(2) *Extensions of contract period.* See § 94.3(f)(2).

(3) *Changes in service.*—(i) *Extensions of service.* Service may be increased or extended by allowing a pro rata increase in compensation, but the contractor, if he prefers, may elect to relinquish the service on timely notice.

(ii) *Reduction of service.* Service may be curtailed or discontinued in whole or in part by allowing 1 month's extra pay on the amount of service dispensed with and not exceeding pro rata compensation for the service retained.

(f) *Irregularities.*—(1) *Deductions or fines.* See § 94.3(g)(1).

(2) *Forfeitures or contract annulment.* See § 94.3(g)(2).

(g) *Payments.*—(1) *Payments.* See § 94.3(h)(1).

(2) *Readjustment of compensation.* See § 94.3(h)(3).

§ 94.27 Protection of mail.

See § 94.6.

§ 94.28 Records and reports.

See § 94.7. In lieu of Form 5400 "Report of Service on Star Route" postmasters and other designated installation heads may be required by transportation planning and procurement offices to submit reports on Form 2227, "Power Boat Mail Bill."

NOTE: The corresponding Postal Manual sections are 524.1 through 524.5.

Subpart E—Panel Body Service

§ 94.32 Description.

Panel body service is similar to mail messenger service, except that it is provided under formal contracts with bonds for specified terms. It is used for the same purposes as shown for mail messenger service. See § 94.12

§ 94.33 Establishment.

(a) *Authorization.* Transportation of mail in regulation panel body vehicles may be authorized in cities, under formal contract with bond.

(b) *Advertisements.* Panel body service is advertised the same as star routes, except that advertisements are prepared on Form 5447, "Advertisement For Mail Service (Panel Body Route)." See § 94.3(c)(1).

(c) *Requirements for applicants.* Applicants must meet the following qualifications:

(1) *Age.* Panel body contractors must not be under 21 years of age, and their assistants not under 18.

(2) *Residence.* See § 94.13(c)(2).

(3) *Reliability.* See § 94.13(c)(3).

(4) *Dual employment.* See § 94.3(c)(2)(i) (b) and (c).

(d) *Bid procedures.* See § 94.3(c). Form 5449, "Panel Body Service Bid and Bond," is used in submitting bids for panel body service.

(e) *Oaths.* See § 94.3(d)(6).

(f) *Employment of assistants.* Panel body contractors must not assign or sublet their contracts without the consent of the Postmaster General. They may employ assistants, when necessary, at their own expense under the provisions stated for mail messengers. See § 94.13(g).

§ 94.34 Operation.

(a) *Postal services provided.* Panel body contractors and their assistants must receive and dispatch mail in accordance with regulations stated for mail messengers. See § 94.14(a).

(b) *Instruction for contractors.* Postmasters must instruct panel body contractors as to service requirements in accordance with instructions contained in advertisements.

(c) *Changes in service.*—(1) *Extension.* The transportation planning and procurement officer will issue orders for extension of panel body service.

(2) *Reduction.* Postmasters must report promptly to the transportation planning and procurement officer when panel body requirements are reduced, so that a lower rate may be negotiated.

(d) *Irregularities.* Take the following steps to process any irregularities in service:

(1) *Observation of service.* Postal transportation employees shall observe panel body service at railroad stations and report failures or irregularities that come to their attention.

(2) *Report of irregularities.* The postmaster shall report irregularities involving panel body contractors to the transportation planning and procurement officer by memorandum. The postmaster shall show the nature and cause of failures and irregularities.

(3) *Investigation of complaints.* Transportation planning and procurement officers shall investigate and take remedial action on complaints regarding improper service by panel body contractors.

(4) *Assessing fines.* See § 94.14(d)(3).

§ 94.35 Protection of mail.

Panel body contractors and their employees must protect the mail in the manner stated in § 94.15. Contractors and sureties may be held financially liable for loss or damage to mail in their custody.

§ 94.36 Termination.

(a) The transportation planning and procurement officer, after approval by the Bureau of Transportation, may annul any panel body contract for failure by the contractor or any of his employees to perform service or to furnish equipment in accordance with the provisions of the advertisement.

(b) The transportation planning and procurement officer may discontinue the service under a panel body contract whenever the public interest requires discontinuance, by allowing, as full indemnity to the contractor, as extra pay one-twelfth of the per annum rate, unless the contract has been terminated for cause.

§ 94.37 Payments.

(a) *Contract payments.* Regional controllers must pay panel body contractors at the close of each accounting period upon certification that service has been performed. Payment may not be made without an order awarding or renewing contract.

(b) *Readjustment of compensation.* The Post Office Department may make

readjustments of compensation of panel body contractors based on changed conditions or increased living costs under the provisions of Public Law 262, 82d Congress. See § 94.17(c)(1).

NOTE: The corresponding Postal Manual sections are 525.1 through 525.6.

III. Strike out Part 96—Air carriers, and insert in lieu thereof a new comprehensive Part 96—Air Transportation, to read as follows:

PART 96—AIR TRANSPORTATION

Subpart A—Domestic Air Transportation

Sec.	
96.1	Carriers responsibilities.
96.2	Flight operations.
96.3	Handling of mail.
96.4	Reports.
96.5	Submission of claims.
96.6	Deductions and fines.
96.7	Definitions.

Subpart B—Air Star Route

96.11	Description.
96.12	Contracts.
96.13	Protection of mail.
96.14	Reports and records.

Subpart C—Forms and Procedures for Dispatching Mail

96.19	Form 2729, Airmail Dispatch Record.
96.20	Form 2733, Interline Airmail Record.
96.21	Form 2734, Airmail Exception Record.
96.22	Form 2753, Receipt to Airline.
96.23	Form 2753-a, Mail Delivery Receipt.
96.24	Form 2759, Report of Irregular Handling of Airmail.
96.25	Applicability of Forms and Procedures.

Subpart D—International Air Transportation

96.30	Authority.
96.31	Carriers Operations.
96.32	Transportation of mail
96.33	Mail transportation irregularities.
96.34	Records and reports.
96.35	Rates of compensation.
96.36	Payment for transportation of mail.
96.37	International air handbook.

AUTHORITY: §§ 96.1 to 96.37 issued under R.S. 161, as amended, 396, as amended, 4010, as amended; sec. 5, 43 Stat. 806, sec. 6, 52 Stat. 219, secs. 1, 2, 54 Stat. 1175, as amended, 1176, sec. 2, 62 Stat. 1097, sec. 405, 72 Stat. 760; 5 U.S.C. 22, 369, 39 U.S.C. 465, 470, 475, 488a, 488b, 655, 49 U.S.C. 1375.

Subpart A—Domestic Air Transportation

§ 96.1 Carriers responsibilities.

(a) *For giving mail priority.* Each commercial airline certified by the Civil Aeronautics Board to engage in the transportation of mail by air (hereafter referred to as air carriers) must give the following priority to mail:

(1) From each point served, the normal mail load for each trip must be given priority of transportation over all other traffic on each trip designated for the transportation of mail. The normal mail load for each trip is determined for each day of the week on the basis of the mail dispatched to that trip on the same day of the week for the 5 previous weeks (excluding mail dispatched under unusual conditions).

(2) If additional fuel is necessary for a particular trip, the air carrier must allow for its weight when booking other traffic for that trip. No part of the mail load must be displaced by the additional fuel.

(3) Mail in excess of normal must be given priority over all other traffic except revenue passengers with space confirmed prior to knowledge that additional mail would be available. Mail aboard a plane must not be reduced below normal to accommodate local boarding passengers.

(4) Air carriers in the Alaskan Service must provide adequate weight space on all flights to accommodate the normal or expected volume of mail.

(5) In loading, unloading, transferring mail to connecting planes, and delivering mail to the designated postal representative, mail must be given preference over all other cargo (including baggage).

(b) *For protecting mail.* (1) Air carriers are held strictly responsible and accountable for mail in their custody. Mail must not be left exposed on trucks or otherwise subjected to depredation or weather. Every precaution must be taken to protect the mail from fire. Mail handlers must be identified by a cap or badge or by clothing.

(2) When an air carrier discovers a pouch damaged so that loss or depredation could result, the air carrier will turn the pouch in to the first possible postal unit for repouching and redispach. Form 2734, "Airmail Exception Record," must accompany the damaged pouch to the postal unit.

(c) *For cooperating with postal inspectors.* Postal inspectors are special representatives of the Postmaster General. All employees of air carriers engaged in the transportation of mail are required to cooperate with and assist inspectors in the performance of their duties which may include the opening of pouches and sacks and the examination of mail therein.

(d) *For providing quarters.* (1) At air stops. Air carriers must furnish adequate and suitable quarters at air stops where necessary for the receipt, dispatch, distribution, and transfer of mail, unless and until otherwise provided by the Post Office Department.

(2) *Location of quarters.* Quarters must be located so as to provide expeditious handling of mail to and from planes. They must also be conveniently accessible to all mail-carrying vehicles.

(3) *Requests for changes in quarters.* Requests by air carriers or by officials of the Postal Service for changes in existing quarters or for the establishment of new quarters must be made through the distribution and traffic manager, Post Office Department, in the area concerned. Plans and specifications are subject to the approval of the Assistant Postmaster General, Bureau of Transportation.

(e) *For preparing schedules.* Schedules must be prepared north to south and east to west, with flights arranged in chronological order left to right. A brief explanatory letter or cover sheet must accompany proposed new schedules. Copies of changes to existing schedules must be filed with the Post Office Department not less than 10 days prior to the effective date. Three copies must be filed with the Assistant Postmaster General, Bureau of Transportation, Post Office Department, Washington, D.C.

One copy must be filed with the distribution and traffic manager, Post Office Department, in each region concerned. The date of filing will be the date of receipt in the office of the Assistant Postmaster General, Bureau of Transportation, Washington 25, D.C. A copy of the schedule of all Alaskan routes must also be furnished the distribution and traffic manager, Post Office Department, Seattle, Washington. The Assistant Postmaster General, Bureau of Transportation, will determine which trips are to be designated for the transportation of mail and will notify the carrier accordingly.

(f) *For answering correspondence.* Air carriers must answer promptly all correspondence from officials of the Post Office Department. Correspondence concerning the operation of the Alaskan airmail service must be channeled through the distribution and traffic manager, Post Office Department, Seattle, Washington.

§ 96.2 Flight operations.

(a) *Notification of plane movement.* Air carriers must operate designated trips as nearly as practicable at times shown in filed schedules. In the event of irregular operation, as much advance notice as possible must be given to the airport mail facility or post office at the initial terminal. When a plane is operating 30 minutes or more late, dispatching offices en route should be notified as to the approximate arrival and departure.

(b) *Originating sections, resumed flights, and delayed operations.* Delayed scheduled trips may operate with available mail from the initial terminal or intermediate points. When a scheduled trip has been canceled at the initial terminal or at some intermediate point, a section may be originated at any intermediate point on the route.

(c) *Omissions of service.* If a scheduled stop will not be made by a trip, the air carrier must immediately notify the local postal representative. If service is to be suspended for 1 week or more, the air carrier must immediately notify the Assistant Postmaster General, Bureau of Transportation, Washington 25, D.C.; the distribution and traffic manager, Post Office Department, in the regions concerned; and the postal units concerned. The same offices must be notified when service is to be resumed.

(d) *Emergency trips and extra sections.* Emergency trips and extra sections operated by the air carrier may be used for the transportation of mail. It may be placed on the plane at an unscheduled stop when offered for dispatch by the local postal representative, except that mail will not be accepted if the air carrier is not authorized to serve that city. In Alaska, air carriers must obtain postal authority for the transportation of mail on emergency trips and extra sections.

(e) *Holding orders.* In unusual situations, the Assistant Postmaster General, Bureau of Transportation, may require the holding of planes at junction points for the connection of mail. If any air carrier desires to take exception to a holding order, a complete statement giving

the particulars will be submitted by the carrier promptly to the Assistant Postmaster General, Bureau of Transportation.

§ 96.3 Handling of mail.

(a) *Delivery to air carriers.* (1) *Authorized location.* Mail for outgoing trips must be delivered to the air carrier at the time and place authorized by the distribution and traffic manager in the region.

(2) *Dispatch lists required.* (i) The postal unit delivering mail to air carriers for transportation must prepare Form 2729, "Airmail Dispatch Record," showing weights of mail for each destination and listing mail for off-line points of transfer.

(ii) On receipt of mail from the local postal units, the air carrier must check entries and weights on the pouch labels against entries in the dispatch list.

(iii) Mail received from mail messengers or vehicle service at airports without a mail facility must correspond with mail listed on Form 2729; or air carrier must make corrections. If pouches are listed but not received, cross out the individual listing, destination subtotal, station total, and grand total. Insert correct adjacent totals. If mail is received but not listed, insert weight of each pouch in the proper destination column and amend totals as instructed. In either event, note facts prominently on Form 2729 in any blank space. Advise messenger of any discrepancy.

(iv) In the Alaskan Service, Form 2713-A, "Alaskan Airmail Dispatch Record," is used instead of Form 2729. At non-post-office points on Alaskan routes where it has not been possible to arrange for the preparation of Form 2713-A, the carrier's on-and-off record on Form 2702, "Report of One-way Trip," is acceptable as evidence of service performed to these points.

(v) Air carriers must obtain a receipt on Form 2753-A, "Mail Delivery Receipt," for mail delivered to airport mail facilities. Form 2753, "Receipt to Airline," must be obtained by the air carriers for all mail delivered to postal units other than airport mail facilities. In the latter case, receipt must be prepared by the air carrier for signature of either the mail messenger or motor vehicle service driver.

(b) *Direct transfer between planes.*

(1) Air carriers must make transfers according to routing authorized on original Forms 2729, 2733 or 2734. Form 2733, "Interline Air Mail Record," must be carried with the related mail from point of dispatch to point of transfer and delivered with the mail to the receiving air carrier. When actual mail does not agree with listing on Form 2733, the delivering air carrier must prepare Form 2734, "Air Mail Exception Record," listing actual mail transferred by online destination of receiving air carrier. The delivering air carrier is responsible for determining that mail tendered is accurately recorded on transfer documents, Form 2733 or 2734, and verified by receiving air carrier.

(2) All transfers are based on normal operations and, under normal conditions, should be made as authorized. If the

arriving air carrier is off schedule, it is the responsibility of that air carrier to determine whether the intended connection can be made. If, because of his late operation the intended trip cannot be connected, the arriving air carrier should obtain new routing instructions from local postal personnel and transfer mail accordingly. The delivering air carrier will complete Form 2734 and deliver the mail to an alternate air carrier, or to a postal representative, as instructed. After acceptance of transferred mail, if the trip of the receiving air carrier to which the mail was routed (i) is delayed more than one hour, (ii) is canceled, or (iii) for any other reason cannot provide the ordered service, the receiving air carrier is responsible for securing new routing instructions and for transferring the mail as required. Air carriers must accept mail tendered them by transfer, unless the mail is not properly listed on transfer forms or the mail is not routed for delivery or transfer at a point on their routes.

(3) To facilitate transfers, air carriers are responsible for concluding mutually agreeable local arrangements regarding the point of exchange between air carriers. These arrangements are subject to approval by the distribution and traffic manager to assure that they are adequate for postal needs.

(c) *Delivery to postal representative.* Upon arrival of the plane at the stop point, air carrier representatives must immediately unload the mail and deliver it to the authorized postal representative at such point as may be designated. Maximum unloading time may be specified by the distribution and traffic manager, in the region concerned. Mail for outgoing trips must be delivered to the air carrier at the time and place authorized by the distribution and traffic manager, in the region concerned.

(d) *Disposition of mail; canceled or irregular flights.* (1) When a trip is to be canceled at the initial terminal or any point en route, the air carrier must promptly notify the local post office concerned. (Dispatch forms covering mail not explained must be voided if no mail is dispatched.)

(2) Disposition of mail will be in accordance with instructions of the local postal unit. If unable to obtain instructions, the air carrier will reroute the mail on the basis of the best available information. The air carrier must observe current procedures in preparing necessary forms to accomplish any rerouting and to provide for the accounting adjustments required.

(3) When it becomes necessary to transport mail to the local post office or railroad station, available regular scheduled trips of the mail messenger or vehicle service may be used. Air carriers will not be required to transport to the post office local destination mail which is received from trips operating off schedule. However, carriers are responsible for transporting to the post office or railroad station, as directed, local origin mail being returned or through mail received from canceled trips, mail dispatched to the airport for a trip which overflies the local air stop,

and mail dispatched to the airport for a trip which is to overfly a scheduled downline air stop.

(4) Mail from canceled trips arriving by train to connect a resumed trip must be transported to the airport by the air carrier whose service was canceled, unless otherwise instructed by the Postal Transportation Service.

(e) *Refusals and removals of mail.* Refusals and removals of mail by an air carrier (except as provided in § 96.1(a)) may result in diversion of the mail to another air carrier and in the imposition of fines.

(f) *Form 2734, air-mail exception record.* See § 96.21.

§ 96.4 Reports.

(a) *Refusal or removal report.* When an air carrier cannot accommodate all mail offered for a trip or when mail already on board is removed, the air carrier concerned must submit Form 2760, "Refusal or Removal Report," in duplicate, to the distribution and traffic manager in whose area the refusal or removal occurs. The report must give the reason for the refusal or removal. It must contain detailed information on the mail refused, removed, and transported, and information relative to the number of passengers and other cargo aboard the plane on departure.

(b) *One-way trip report.* Form 2702, "Report of One-Way Trip," is an operating form used by the Post Office Department in determining performance by the air carrier. The form in duplicate (triplicate in Alaska) is required for each trip designated by the Post Office Department for the transportation of mail over helicopter airmail routes 84, 96, and 111 and over all routes operating within Alaska. The following instructions apply:

(1) The air carrier must prepare the forms, listing all stops made in proper station sequence.

(2) In the column headed "Remarks," the air carrier must explain all failures, irregularities, and delays in handling the mail.

(3) Where transfers are made by air carriers, mail and weights transferred must be entered by both the delivering and receiving air carrier on their respective Forms 2702 in the space immediately below that listing the station at which the transfer is made.

(4) Form 2729 must be used to correct entries of weight of on-and-off mail on Form 2702 "Report of One Way Trip." The weight of mail placed on the plane (as listed on Form 2729) is the weight due off. When corrections on Form 2702 are necessary, the original figures should be lined out but not erased or obliterated. In Alaska Form 2713-A, "Alaskan Airmail Dispatch Record," is used instead of form 2729.

(5) When a flight is canceled at an intermediate or off-line point, Form 2702 must be completed with a brief explanation under *Remarks* as to the reason for cancellation and the disposition of the mail.

(6) The air carrier must submit Form 2702 promptly to the designated distribution and traffic manager, Post Office Department. In any event the form

must be submitted within 14 days after the completion of a trip. The original and triplicate copy of Form 2702 for Alaskan routes must be forwarded to the distribution and traffic manager, Seattle, Washington.

(c) *Irregularly-handled mail report.* Form 2734, "Airmail Exception Record," properly completed and endorsed by the air carrier, must be used to record any mail not handled by the air carriers concerned in accordance with the routing as originally planned. An irregular handling is termed as an off loading short of or beyond the scheduled destination, and the mail is forwarded via another air carrier or turned in to the post office for redispach, removals en route, refusals after mail is accepted by the air carrier, and transfers to an air carrier other than as ordered in dispatch forms.

(d) *Accident report.* Air carriers must make an immediate telegraph or telephone report of any accident resulting in possible damage to or loss of mail. The report must be made to the distribution and traffic manager, Post Office Department, in the area concerned. Mail should not be disturbed, except to prevent further damage. It must be guarded until the arrival of a postal official.

§ 96.5 Submission of claims.

(a) *Domestic—(1) Forms used.* All air carriers operating within the continental United States and between the United States and terminal points in Canada must submit claims for the transportation of airmail on Form 2703, "Carrier's Claim for Airmail Transportation." Separate claims must be prepared for each calendar month and include all airmail transported that month. Claims must be prepared from Form 2729, "Airmail Dispatch Record," Form 2733, "Interline Airmail Record," and Form 2734, "Airmail Exception Record." Forms 2729 and 2733 are prepared by postal personnel. Form 2734 is prepared by either carrier or postal representative when an error in handling is discovered that affects airmail compensation. Form 2703, "Carrier's Claim for Airmail Transportation," shall be supported by either Form 2732, "Monthly Summary of Airmail Carried," or by Form 2730, "U.S. Airmail Billing Card—Domestic." Air carriers must provide their own supply of Forms 2703, 2730, 2732, and 2734. Samples of these forms may be obtained from Bureau of Transportation.

(2) *Claims prepared manually.* Separate Forms 2732 must be prepared for the normal transportation of mail on regular, and equalized and interchange flights, and for each origin within each type of flight. Prepare the forms in triplicate as follows:

(i) *For regular flights.* (a) Enter the route and trip number, the origin code, and the month and year of service in the appropriate boxes across the top of the form.

(b) Enter the final airmail stops on the billing air carrier's system in the "Dest" boxes. Make these entries in ascending order of the Airline Clearing House numerical codes.

(c) Enter the weights shown on Forms 2729, 2733, and 2734 in the appropriate "Dest" column and on line with the flight date. Weights shown on each form for a particular destination and date may be added together.

(d) After all entries have been made to Form 2732, add, cross-add, and cross-foot the pound columns.

(e) Enter the composite pound rate in the appropriate "Rate or Miles" boxes. (Helicopter carriers should use scheduled miles flown in airmail service.)

(f) Multiply the total pounds by the appropriate composite rate, and enter the product in the appropriate box on the line labeled "Total Pound Miles or Charge."

(g) Add the products on the line labeled "Total Pound Miles or Charge" to determine the grand total pound miles or charge for each Form 2732.

(h) Add the grand total pound miles or charge on each Form 2732, and enter the total to Form 2703.

(i) For equalized and interchange flights. Prepare Form 2732 in the same manner as specified above. The following instructions also apply:

(a) Enter the applicable equalization agreement number in the space provided.

(b) Enter the total claim for equalized and interchange flights on Form 2703.

(c) List excepted shipments on a worksheet which contains the following columns:

Carrier Serial No. of 2734	Flight No.	Flight date	Air stop points		Pounds	Rate per pound between A and B ¹	Amount
			A	B			
			Actually off-loaded	Waybilled by POD			

¹ Line haul and terminal charge as contained in the mileage and rate manual. (Helicopters use scheduled miles flown in airmail service and extend pound miles.)

(d) List Forms 2734 on the worksheet in ascending serial number order.

(e) Enter the sum of the deduction for excepted flights on Form 2703.

(f) Submit Form 2703 to the regional controller designated to pay the claim of each air carrier supported by the original and duplicate of both Form 2732 and the worksheet of exceptions.

(3) Claims prepared on punchcards.

(i) Air carriers will support Form 2703 with a deck of punchcards, Forms 2730, "U.S. Airmail Billing Cards—Domestic," processed from Forms 2729, 2733, and 2734. Forms 2730 shall be submitted in serial number order to support a one-line entry on Form 2703. Form 2703 and deck of Forms 2730 must be submitted to the designated paying regional controller.

(ii) Air carriers will prepare Forms 2730 in accordance with the following card layout.¹

(b) Stub end airmail claims—(1) Forms used. Air carriers must submit claims on Form 2703 "Carriers Claim for Airmail Transportation" supported with copies of Forms AV-7 bearing the signature of postal representative at the receiving exchange office. Forms AV-7 will be arranged in the same order as they are listed on machine listings or Forms 2732 "Monthly Summary of Airmail Carried."

(2) Claims prepared on punched cards. (i) Prepare from Forms AV-7 a continuous machine listing for each pair of cities for all trips made in a calendar month or postal accounting period. Prepare in such a manner as to develop pound totals for each segment within each trip. Listings must show the following information for each item of service claimed:

- Date of service.
- Route number.
- Trip number.
- Origin.
- Destination.
- Composite rate.
- Pounds.
- List items of service in ascending date order by trip and segment and show

total pounds for each segment. From these totals, prepare a brief summary showing computation of total charge for each segment; enter totals on Form 2703.

(3) Claims prepared manually. Prepare from Forms AV-7 "Delivery List of Air Mail Dispatches" a separate Form 2732 in triplicate for each origin point within each flight as follows:

(i) Enter route, trip number, origin code, and period of service in appropriate boxes at top of forms.

(ii) Enter stop point at exchange office of destination in the "Dest" boxes. Use letter code in ascending alphabetical order.

(iii) Enter weights in pounds (converted to pounds from kilograms as shown on Form AV-7) in appropriate "Dest" column and on line with flight date. Add totals of weights shown on each Form AV-7 for a particular destination and date.

(iv) After all entries have been made to Form 2732, add, cross-add, and cross-foot the pound columns.

(v) Enter appropriate pound rate in the "Rate" or "Miles" box. (AV-7's prepared at exchange offices other than at the originating point on the foreign airmail route will show on the "Carrier, flight and routing" line, the point from which the mileage shall be computed. For example, airmail billed from New York to Mexico on American Airlines flight 87 (AM-4) would show the dispatching office as New York, the airport of delivery as Mexico City, and on the routing line "DAL AAL 159" or "DAL FAM 26-159.")

(vi) Multiply the total pounds by the related rate and enter result in "Total Pound Miles" or "Charge" box.

(vii) Total all columns to determine the grand total charge for each Form 2732.

(viii) Add the grand total charge on each Form 2732 and enter these totals to Form 2703.

(c) Hawaiian Islands, Puerto Rico, and Virgin Islands. All United States air

carriers operating within the Hawaiian Islands, Puerto Rico, and the Virgin Islands must submit claims for the transportation of airmail on Form 2703, "Carrier's Claim for Airmail Transportation," supported by Form 2732. Separate claims must be prepared for each calendar month, including all airmail transported that month. They must be prepared from Form 2942, "Delivery List of Airmail Dispatches AV-7." (Within Puerto Rico and Virgin Islands, claims are prepared from Form 2729, "Airmail Dispatch Record.") Air carriers must provide their own supplies of Forms 2703 and 2732.

(d) States; Alaska and intra-Alaska. Air carriers operating over States-Alaska and intra-Alaska routes (except NWA) must prepare and submit Form 2703 in accordance with CAB rate orders and specific instructions issued by the Department.

(e) Designated regional controllers.

(1) Domestic air carriers, other than as provided in subparagraphs (2) and (3) of this paragraph, will be paid for the carriage of domestic airmail by the regional controller, Post Office Department, in the region dispatching the airmail. The region number, mailing address, and the states included in each region are shown below:

Region No.	Region	States
6	Regional Controller, Post Office Department, Air Claims Unit, Federal Annex Building, Atlanta 3, Ga.	Fla., Ga., N.C., S.C., Puerto Rico.
1	Regional Controller, Post Office Department, Air Claims Unit, P.O. and Courthouse, Boston 9, Mass.	Conn., Maine, Mass., N.H., R.I., Vt.
7	Regional Controller, Post Office Department, Air Claims Unit, Main Post Office Building, Chicago 100, Ill.	Ill., Mich.
4	Regional Controller, Post Office Department, Air Claims Unit, Atlas Bank Building Annex, Cincinnati 2, Ohio.	Ind., Ky., Ohio.
11	Regional Controller, Post Office Department, Air Claims Unit, Main Post Office Building, Dallas 21, Tex.	La., Tex.
14	Regional Controller, Post Office Department, Air Claims Unit, Federal Center, Building 56, Denver 21, Colo.	Ariz., Colo., N.M., Utah, Wyo.
13	Regional Controller, Post Office Department, Air Claims Unit, 161 Jefferson Avenue, Memphis 31, Tenn.	Ala., Miss., Tenn.
9	Regional Controller, Post Office Department, Air Claims Unit, Main Post Office Building, Minneapolis 40, Minn.	Minn., N.D., Ark., S.D., Wis.
2	Regional Controller, Post Office Department, Air Claims Unit, Main Post Office Building, New York 1, N.Y.	N.Y.
3	Regional Controller, Post Office Department, Air Claims Unit, Main Post Office Building, Philadelphia 1, Pa.	Del., N.J., Pa.
15	Regional Controller, Post Office Department, Air Claims Unit, Main Post Office Building, Portland 8, Oreg.	Mont., Idaho, Oreg., Wash.
5	Regional Controller, Post Office Department, Air Claims Unit, Parcel Post Annex, Richmond 19, Va.	D.C., Md., Va., W. Va.

¹ Filed as part of the original document.

Region No.	Region	States
12	Regional Controller, Post Office Department, Air Claims Unit, 1011 Bryant Street, San Francisco 10, Calif.	Cal., Nev.
8	Regional Controller, Post Office Department, Air Claims Unit, 5709 Waterman Boulevard, St. Louis 12, Mo.	Ark., Iowa, Mo.
10	Regional Controller, Post Office Department, Air Claims Unit, 1628 George Washington Boulevard, Wichita 25, Kans.	Kans., Nebr., Okla.

(2) Helicopter carrier bills will be settled by the following regional controllers, Post Office Department:

Paying regional controller	Carrier
Chicago	Chicago Helicopter Airways.
San Francisco	Los Angeles Airways.
New York	New York Airways.

(3) Alaska, Territorial Service and stub-end air carriers and those carrying "First Class and Preferential Mail by Air" will submit Form 2703 and necessary supporting documents for this service to the regional controllers, Post Office Department, designated below:

Paying regional controller	Route No.	Carrier
Atlanta	8	Delta.
	31	National.
	FAM 32	National.
	59	Caribbean-Atlantic.
	98	Southern.
	121	AAXICO.
Boston	27	Northeast.
Chicago	96	Chicago Helicopter Airways.
Cincinnati	88	Lake Central.
Dallas	9	Braniff.
	81	Central.
	82	Trans-Texas.
	101	Slick.
Denver	1	United.
	FAM 30	United.
	29	Continental.
	73	Frontier.
Minneapolis	3	Northwest.
	86	North Central.
New York	111	New York Airways.
Philadelphia	94	Mohawk.
Portland	77	West Coast.
	128	Alaska (Intra Alaska).
	138	Alaska (States Alaska).
	122	Alaska Coastal.
	124	Cordova.
	125	Ellis.
	141	Kodiak.
	126	Northern Consolidated.
	142	Pacific Northern (Intra Alaska).
	139	Pacific Northern (States Alaska).
	20	Pan American (States Alaska).
	127	Reeve Aleutian.
	143	Western Alaska.
St. Louis	123	Wien.
	2	Trans World.
	107	Ozark.
San Francisco	13	Western.
	FAM 36	Western.
	33	Hawaiian.
	76	Pacific.
	84	Los Angeles.
	99	Aloha.
	100	Flying Tiger.
	105	Bonanza.
Washington (Regional Controller, Richmond, Va.)	5	Eastern.
	FAM 33	Eastern.
	FAM 35	Eastern.
	14	Capital.
	87	Piedmont.
	97	Allegheny.
	120	Riddle.
Wichita	4	American.
	FAM 26	American.

NOTE: Each air carrier must file with the appropriate regional controller the name of the person or persons authorized to sign the Form 2703.

§ 96.6 Deductions and fines.

Air carriers transporting mail will observe all applicable postal laws, and regulations issued by the Post Office Department. Air carriers may be subject to fines and deductions for failure to comply therewith.

§ 96.7 Definitions.

(a) Applicability: This subpart applies to air carriers engaged in transporting air mail and air parcel post in Interstate Air Transportation.

(b) As used in Subparts A, B and C of this part:

(1) "Air Carrier" means a citizen or company of the United States authorized by the Civil Aeronautics Board to engage in interstate air transportation.

(2) "Interstate Air Transportation" means the carriage of mail by aircraft between a place in any State of the United States, or the District of Columbia, and a place in any other State of the United States, or the District of Columbia; or between places in the same State of the United States or between places in the same territory or possession of the United States, or the District of Columbia.

(3) "Mail" means United States or foreign transit mail.

NOTE: The corresponding Postal Manual sections are 531.1 through 531.8.

Subpart B—Air Star Route Service

§ 96.11 Description.

Air star route service is established and operated under contracts for air transportation of any and all classes of mail in areas where such service is in the public interest between points where the Civil Aeronautics Board has not authorized the transportation of mail. The service may be justified by the nature of the terrain or the impracticability or inadequacy of surface transportation. Air star route contracts are awarded by the Postmaster General when the cost is considered reasonable and compatible with the service to be provided.

§ 96.12 Contracts.

(a) Obtaining bids—(1) Advertisements. After obtaining a certification from the Civil Aeronautics Board that the proposed route does not conflict with the development of air transportation, an advertisement is issued by the Department inviting proposals for air transportation of mail between the points and on the terms stated. Copies of the advertisement are furnished to postmasters for posting at terminal offices.

(2) Requirements of bidders. Bidders must meet the following requirements:

(i) Eligibility. (a) No proposal for a contract for air star route service shall be considered unless the bidder is a resident of, or is qualified to do business as a common carrier by air, in a State within which one or more points to be served under the proposed contract are located. The term State as used here includes the several States, and the District of Columbia.

(b) For further eligibility requirements, see § 94.3(c) (2) (i) of this chapter.

(ii) Bonds. See § 94.3(c) (2) (iii) of this chapter.

(3) Obtaining proposal forms. See § 94.3(c) (5) of this chapter.

(4) Submitting bids. See § 94.3(c) (6) of this chapter.

(b) Award of contract. See § 94.3(d) of this chapter.

(c) Application of contract regulations. Where there is no conflict, all laws and regulations governing surface star routes in general apply to contracts made under the air star route law.

(d) Payments. See § 94.3(h) of this chapter.

(e) Cancellation of air star route contract. A contract shall be canceled by the Post Office Department upon the issuance by the Civil Aeronautics Board of an authorization to any air carrier to engage in the transportation of mail by aircraft between any of the points named in the air star route contract.

§ 96.13 Protection of mail.

The contractor is required to take all necessary steps to protect the mail in accordance with the terms of the advertisement.

§ 96.14 Reports and records.

Postmasters at terminal points must maintain such records and submit such reports as may be directed by the distribution and traffic manager.

NOTE: The corresponding Postal Manual sections are 532.1 through 532.4.

Subpart C—Forms and Procedures for Dispatching Airmail

§ 96.19 Form 2729, airmail dispatch record.

(a) *Description.* Form 2729 covers airmail dispatched to all domestic air carriers operating within the continental United States and to Canada. It is the basic document from which payment to the original carrier of dispatch is calculated.

(b) *Preparation.*—(1) Who prepares. The form is prepared in four-part sets by the designated clerk at the airport mail facility or, at nonairport mail facility points, by the dispatching clerk at the post office.

(2) *Trip identification.* (i) *Route number.* Enter the route number of the air carrier to which the mail is dispatched.

(ii) *Trip number.* Enter the trip number of actual dispatch.

(iii) *Origin trip date.* Enter the scheduled date of origin of the trip.

(iv) *Today's date.* Enter the date on which the trip of dispatch is scheduled to depart from your airport.

(v) *Origin code.* Enter the official airline code of the airport from which the mail is due to be dispatched. If more than one postal unit prepares Form 2729 for dispatch through the same airport, use the airport code followed by the first letter of the dispatching post office. For example show Alcoa, Tennessee, as TYS-A.

(3) *Routing.*—(i) *Destination.* (a) Using the States dispatch scheme and other applicable pouching instructions, enter in code the final airline destination of the dispatches.

(b) Show each destination in station order of removal from the original trip of dispatch. Listing from left to right, use a separate block for each destination. Continue the listing in the second row of blocks, if necessary.

(c) Enter under the proper destination mail which is labeled to that point, mail which is scheduled to continue from that point by surface transportation, and mail for another air carrier when the transfer is to be effected through the airport mail facility. Use the individual actual weights indicated on the labels of pouches, sacks, and outside parcels except where permission has been granted to bulk weigh mail on platform scales direct to the air carrier. Enter the total pouches and total weight of each weighing when bulk weighing is permitted and when making bulk entries other than bulk weighing. Do not identify pouches, sacks, outside parcels, or register as such on this form.

(ii) *Transfer point and connection.* Enter in code according to the scheduled routing:

(a) Stations served by trip of dispatch. Enter only the destination.

(b) Stations served by the air carrier dispatch but not by the trip of dispatch. Enter the destination and the first transfer point.

(c) Routing involving connection to a trip of another air carrier. Enter the

destination and the interline transfer point, plus the route and trip numbers of the second air carrier. This applies also to interchange trips.

(d) Routing via two trips of initial air carrier, plus trip of another air carrier. Enter the destination, the first intraline transfer point, and the interline transfer point, plus the route and trip numbers of the second air carrier.

(e) Routing involving two interline transfers after air carrier of initial dispatch. Enter the destination and the interline transfer point, plus the route and trip numbers of the second air carrier. The service to be performed by the third air carrier must be shown on Form 2733, "Interline Air Mail Record." (See § 96.20 of this chapter for instructions on preparation of Form 2733.)

(4) *Equalization dispatches.* (i) Trips due to carry equalized destination mail are identified in the airmail States dispatch scheme by an x, in parentheses, ahead of the trip listing. Following the trip of dispatch, the equalized destinations are identified by an x, in parentheses, preceding the letter code of the destination. An x, in parentheses, will also appear between the letter code of the transfer point and the route number of the interline carrier. This indicates the need for an equalized Form 2733 for the carrier receiving the mail at the transfer point. The following is an example of an equalized dispatch from MKC to CLE via AM 9-40 as it would appear in the MKC States Dispatch Scheme:

(x) 9-40 (x) CLE mdw (x) 14-800
(1) (2) (3)

(1) Indicates equalized trip.
(2) Identifies equalized destination.
(3) Indicates need for special Form 2733 for 14-800.

(ii) Forms 2729 must be identified as follows: When schemes show an x in parentheses at (1) and (2), as in the example in subdivision (i) of this subparagraph, an x will be inserted in the E block on the "conn" line for the equalized destination; i.e., CLE.

(5) *Completion.* (i) Total the pieces and weights for each column, even if more than one column is used to list the mail dispatched to the same destination.

(ii) Total the subtotals of all columns, and enter in the "Grand Total" space.

(iii) Recap all columns under the actual destinations served by the trip of dispatch. Enter each airport served, with the appropriate total, in the right-hand column.

(iv) Total the Recap column, and verify against the previously entered Grand Total. If more than one form has been used, the Recap and Grand Total entries must appear on the final form. (See subparagraph (6) of this paragraph.)

(v) At nonairport mail facility points, the post office employees preparing Form 2729 will not total the "Dest," "Recap," and "Grand Total" columns if the mail messenger or motor vehicle service driver picks up additional mail at the railroad station or other postal unit en route to the airport. On arrival at the airport, the mail must be weighed and proper entry must be made on Form 2729 by the

messenger or driver. This instruction applies also to Form 2733, if involved.

(vi) Below the "Grand Total" space, enter the total number of sets of Forms 2733 prepared for the interline transfers scheduled to be made from the trip.

(vii) In the "Mail Ready" space, enter the time at which the mail and forms are ready for delivery to the air carrier at the airport. At nonairport mail facility points, this time must be entered by the mail messenger or vehicle service driver. The messenger or driver must obtain the signature of the receiving air carrier representative at the time the mail is delivered.

(6) *Continuation forms.* If the volume of mail is too large to be listed on one Form 2729, use a new numbered form, line through but do not obliterate the printed number, and write in the serial number of the first form. Number the sets consecutively, identifying the last by adding x after the number.

(c) *Labeling pouches, sacks, and outside parcels.* Pouches, sacks, and outside parcels listed on Form 2729 must be identified so that airline and postal personnel handling the mail enroute can provide the transportation ordered by the dispatching office. Before delivering the mail to the air carrier prepare the labels of pouches and sacks to indicate final airline destination and the route over which it is to travel. Attach Label 53, "Air-mail Parcel Routing Sticker," for each air parcel dispatched outside. The information on pouch and sack labels and Label 53 for outside parcels must coincide with the corresponding entries on Form 2729 as follows:

(1) For mail billed to the final destination over the routes of two or more air carriers, enter on pouch or sack label in airline code the inter-line transfer points and the route number of the connecting air carrier at these points. Show this information in the left center of the label between the destination and from lines. Enter the same information in the "Transfer point" block on Label 53 for outside parcels.

Example. Mail from Toledo to AMF Houston Tex via AM 1 for transfer to AM 8 at Chicago and AM 4 at Memphis will be labeled as follows:

Pouch or Sack Label

AMF HOUSTON TEX	
MDW-8, MEM-4	30
Fr Toledo, Ohio	

Outside Parcel (Label 53)

Tr. Pt.	Billed to—	Wt.
MDW-8, MEM-4	(HOU)-----	15

(The figure on the right of the label represents the weight of the pouch (or sack).)

(2) For mail billed to the final destination over the routes of a single air carrier, no transfer point codes or route numbers will be used on the pouch and sack labels or on Label 53 for outside parcels.

Example. Mail from Zanesville, O., to AMF Cincinnati, O., via 88-816:

Pouch or Sack Label

AMF CINCINNATI, O.	30
Fr Zanesville O.	

Outside Parcel (Label 53)

Tr. Pt.	Billed to—	Wt.
	(CVG).....	15

(3) For mail billed to an Air Stop Point other than the actual destination on the pouch and sack labels or on Label 53 for outside parcels, enter in code the point to which billed on Form 2729, in brackets, on the same line after the address on the pouch and sack label. Enter in the "Billed to" block on Label 53 the code for the point to which billed on Form 2729. Use the same procedure as that for pouch and sack labels for entry of transfer point and route number, if required.

Example. Mail from Zanesville, O., to Lexington, Ky., via 88-816, cmh 2-533, billed to AMF Cincinnati.

Pouch or Sack Label

LEXINGTON, KY. (CVG)
CMH-2
Fr Zanesville, O.

Outside Parcel (Label 53)

Tr. Pt.	Billed to—
CMH-2.....	(CVG).....

(4) Weigh each pouch, sack, and outside parcel. Record the weight on the pouch and sack label (see example in subparagraph (1) of this paragraph), on the Label 53 for outside parcels, and on the Form 2729 in even pounds. When weighing, ignore fractions of a pound of 8 ounces or less. Add one pound for fractions over 8 ounces.

Example:

<i>Actual weight</i>	<i>Weight shown on label</i>
From 1 oz. to and including 1 lb. 8 oz.	1 lb.
Over 1 lb. 8 oz. to and including 2 lb. 8 oz.	2 lb.

(d) *Disposition of copies*—(1) *First and second copies.* Deliver to the air carrier with the mail. (If voided or mutilated, do not deliver to air carrier but combine with third copy and send to regional controller.)

(2) *Third copy.* Send to the designated regional controller daily. Include the third copies of all forms that have been voided, mutilated, etc. Since all of these forms are serially numbered, they must be accounted for. *Note*—At non-airport mail facility points, the first three copies of Form 2729 must accompany the mail: After obtaining the carrier's signature, the mail messenger or vehicle service driver must return the third copy to the post office.

(3) *Fourth copy.* This is the dispatching office copy. Enter the actual departure time (as provided by the air carrier) in the proper space, and file.

NOTE: In the Alaskan Service, Form 2713-A "Alaskan Airmail Dispatch Record" is used in lieu of the dispatch list.

§ 96.20 Form 2733, interline airmail record.

(a) *Description.* Form 2733 covers mail due to be transferred from the original air carrier of dispatch to another air carrier. It is the basic document from which payment to the transferee air carrier is calculated. The form must not be used for intraline transfers. Entries on Form 2733 are taken from the Form 2729 which covers the original shipment. When the routing involves two air carriers after the original dispatch, a separate Form 2733 is required for each subsequent air carrier.

(b) *Preparation.* Show the following information under the appropriate headings:

(1) *Serial number.* Copy from Form 2729.

(2) *Origin code.* Follow the instructions in § 96.19(b) (2) (v).

(3) *Route number.* Enter the route number of the air carrier to which the mail is dispatched.

(4) *Trip number.* Enter the trip number of actual dispatch.

(5) *Origin trip date.* Enter the scheduled date of origin of the trip.

(6) *Transfer point.* Enter the code of the airport at which the interline connection is to be made.

(7) *Routing.* Enter the route and flight number of the air carrier to which the mail is to be transferred.

(8) *Destination.* As applied to this form, destination is defined as the off-loading point (either for delivery to the post office or for transfer to another air carrier). Enter the codes of the airports served by the trip, also the codes of airports served by connecting trips of the same air carrier for which mail is available.

(9) *Pieces and weight.* Enter the mail by totals (obtained from Form 2729) for each of the destinations involved. Include any mail for connection to a trip of another air carrier.

(10) *Grand total.* Enter the total of pieces and weights listed. For instructions regarding exceptions to this step, see § 96.19(b) (5) (v).

1-678 MIA	lax 4-966	dal (I)	8-966	msy (I)	31-966
TRANSPORTATION COVERED BY	FORM 2729	REGULAR FORM 2733	IDENTIFIED FORM 2733	IDENTIFIED FORM 2733	

(e) *Disposition of copies*—(1) *First and second copy.* Deliver to air carrier along with first and second copy of related Form 2729 and the mail.

(2) *Third copy.* Retain, staple to the upper left corner and on top of the related third copy of Form 2729, and send to the designated regional controller's office daily.

§ 96.21 Form 2734, airmail exception record.

(a) *Description.* Form 2734 provides a source of information as to the actual movement of airmail that does not move via the original scheduled routing. It also provides a means of making accounting adjustments since it serves (1)

(c) *Equalization dispatches*—(1) *From equalized origin points.* When an x, in brackets, appears immediately preceding the interline transfer route and trip designation on the States dispatch scheme, a Form 2733 will be prepared listing only equalized destination mail for transfer to the same air carrier at the indicated point. On these forms, an x will be inserted in the E block between the "Transfer Point" and the "Routing."

(2) *From nonequalized origin points.* Mail from these points does not become equalized until it enters the system of another air carrier who is a party to an equalized agreement at an equalized origin point on his route. Separate Forms 2733 will be prepared to provide transportation over the routes of the equalizing air carriers as follows:

(i) *For first equalizing air carrier.* (a) Insert x in "E" block after "Transfer Point." (See paragraph (b) of this section.)

(b) Insert equalized destination in brackets after the destination on this air carrier. (List only equalized mail on this form.)

(ii) *For second equalized carrier.* (a) On the first "Transfer Point" line, insert code of equalized origin.

(b) On second line, show usual information, and in addition insert an x in the "E" block. (List only equalized mail on this form.)

(d) *Interchange trips.* (1) Mail moving over more than one airmail route on one aircraft must be properly identified on Form 2733. No terminal charge is due at the interchange point, as mail remains on board the aircraft. To enable post office accounting personnel to properly identify this mail, dispatching postal clerks must insert an I in the "E" block of Form 2733 for the air carrier who is not due to receive a terminal charge.

(2) Scheme clerks, who prepare the States dispatch schemes in the office of the distribution and traffic manager, will insert an "I" in brackets following the interchange point as listed on the scheme. States dispatch scheme would appear as follows for dispatch of MIA mail from PDX:

as the basis for deduction of payment for scheduled services not performed and (2) as the basis for payment for new services ordered. See paragraph (d) of this section for specific types of irregularities.

(b) *Preparation*—(1) *Who prepares.* The delivering air carrier must prepare five copies of Form 2734 to cover the irregularities outlined in paragraph (d) of this section. The form will be prepared in a few instances at airport mail facilities, or post offices, when the air carrier fails in his responsibility.

(2) *Completion of form.* Form 2734 must clearly describe transportation originally designated by the dispatching postal unit but which was not performed.

The Form 2734 is always prepared at the city where the first deviation in the routing of the mail is known. These forms are printed and furnished by each carrier involved. General instructions for completion of the form are printed on the reverse side of the fifth copy of the form. In addition, the following instructions must be followed:

(i) *Route numbers, City code, and Form serial number.* The first line directly under the printed name of the airline indicates three things:

(a) Numerical airmail route number assigned to the air carrier by the U.S. Government. This number will be pre-printed on the form.

(b) The three-letter alphabetical city code of the city at which the irregularity occurs and where the form is prepared. This city code designator must be inserted by the airline preparing the form.

(c) The serial number of the form. This number will be preprinted on the form and is provided to permit checking of differences between Post Office Department and air carrier records. The maximum number of digits is five.

(ii) *Route-Trip-Date.* (a) On the second line are blocks for the airmail route number and trip number of the air carrier from whose flight the mail covered by the form was received. If mail was not boarded, this is the route and trip to which the mail was billed for dispatch. The date on which the flight, from which mail was received, was scheduled to originate will be indicated in the "Scheduled Origin Date Block."

(b) The equalization box will not be used unless it appears on the related Form 2729, "Airmail Dispatch Record," or 2733, "Airmail Exception Record," in which case an *x* will be inserted. Any voided Forms 2733 must be attached to the related Forms 2734.

(iii) *Routing shown on pouch label.* (a) *Transfer point route number.* There may be two or more transfer points—route numbers shown on a pouch label or an outside piece(s) label. Form 2734 is provided for the purpose of showing only that portion of the original scheduled routing which was not completed. If a transfer point shown on the pouch label is overflown, the overflown transfer point and the remaining transfer points, if any, must be shown.

(b) *Destination.* Enter alphabetical code of actual destination. If the destination is followed by a bracketed "billed" destination, then this should be entered instead. Pouch labels with the same destination and incomplete routing may be grouped in one entry.

(iv) *Amount of mail.* The amount of mail, pieces, and weight for a common destination may be combined when they have the same incomplete routing as shown on the labels.

(v) *New routing.* The air carrier destination is the city (alphabetical code) to which the air carrier shown in this section is to carry the mail. Likewise, the Route and Trip Number to be inserted in this section are the airmail numerical route number of the air carrier which is to transport the mail and that air carrier's trip number.

(vi) *Reason for preparation.* Specific boxes have been provided for nine of the

most common reasons for preparing Form 2734. Whenever the form is prepared because of one of these nine basic reasons, the box opposite the reason for preparation must be checked. Explain other reasons not listed.

(vii) *Signature.* The signature of the representative of the air carrier or of the Post Office Department who receives the mail, followed by the air carrier or Post Office Department station code; and the time (24-hour clock time) the mail is received by the air carrier or the Department must be entered on the form.

(c) *Distribution of Form 2734.* Normal distribution of the five copies is printed on each copy of the form. The only deviations from this normal distribution are:

(1) When the receiving and delivering air carrier are the same. Staple the receiving and delivering air carriers' billing copies together.

(2) When mail is delivered to the Post Office Department by Form 2734. Retain the second copy, and turn in all other copies to the postal unit.

(3) When Form 2734 is prepared to cancel or alter an original interline routing segment(s). The voided copies of related Forms 2733 must be attached to copies of Form 2734 as follows:

Forms 2733 (voided)	Forms 2734
Copy No. 1 attach to	Copy 3 & 4—Local Postal Unit.
Copy No. 2 attach to	Copy 2—Delivering Carrier.

(d) *Irregularities requiring preparation of Form 2734.* (1) The following irregularities must be reported on Form 2734 when mail involved is delivered to Post Office Department at other than destination, or delivered to an air carrier not specified in the original billing.

(i) Part of mail not boarded.
(ii) Carry by and/or overfly.
(iii) Removed short of air carrier destination in error.
(iv) Missed a scheduled interline connection.
(v) Missed a scheduled intraline connection.

(vi) Mail boarded in error.
(2) Additional irregularities requiring Form 2734 preparation are:

(i) Cancellation of flight:
(a) Where only part of mail is delivered to Post Office Department.
(b) Where part of mail is given to another air carrier for transportation to destination.

(ii) Overfly of transfer point to next air carrier destination.
(iii) Missing papers.

(iv) Truck haul by air carrier: only when mail is trucked to a point more distant from the ultimate destination than the point from which trucked.

(v) Mail received on Form 2942, Delivery List of Air Mail Dispatches, and requiring domestic billing.

(e) *Irregularities that do not require preparation of Form 2734.* (1) Part of mail not boarded—forwarded to destination by the air carrier which received and failed to board the mail.

(2) None of mail received from Post Office Department boarded—returned to postal unit with all copies of the Forms 2729 and 2733. The postal unit will de-

stroy Form 2733 and void all copies of Form 2729.

(3) Carry by and/or overfly—returned to destination by the air carrier which carried the mail by or overflowed the destination.

(4) Removed short of air carrier destination—forwarded to destination by the air carrier which removed the mail short.

(5) Missed a scheduled interline connection—rerouted to the same destination via a different trip number of the same connecting air carrier as shown on the pouch label or the Form 2733.

(6) Missed a scheduled intraline connection—rerouted to the same destination via a different trip but on the same air carrier.

(7) Boarded in error—returned or forwarded to destination by the air carrier which boarded the mail in error.

(8) Cancellation of flight—all local boarding mail returned to the Post Office Department with the Forms 2729 and 2733.

(9) Mail does not agree with Form 2729. At nonairport mail facility stations, the air carrier must make correction to all copies of Form 2729 as specified in § 96.3 (a) (2).

§ 96.22 Form 2753, receipt to airline.

(a) *Description.* Form 2753 is a receipt to air carriers for mail delivered to postal units other than airport mail facilities. It is not used for mail that is delivered with Form 2734. (See § 96.21.)

(b) *Preparation.* (1) The form will be prepared in triplicate by the air carrier agent with all pertinent information indicated.

(2) Postal personnel of the receiving unit will count the pieces of mail delivered by each trip, check the count against the airline employee's count, and enter the post office total count on the form for the air carrier involved. Labels are to be examined to determine that mail delivered by the air carrier is addressed or coded for delivery to the receiving unit. To the extent possible, and without delaying the mail, receiving clerks shall determine whether all the mail is due to be received via the route and trip of delivery.

(3) If a discrepancy exists in the post office and airline count, immediate action shall be taken with the airline operations office to ascertain the reason for the discrepancy and whether additional mail may be found at the airline ramp or elsewhere.

(4) The first copy of the form shall be delivered to the mail messenger or vehicle service driver with the mail. The messenger or driver must sign and return it to the air carrier as a receipt.

(5) The second and third copies of the form are to be delivered to the post office with the mail. The post office clerk must sign both copies, returning the third copy to the messenger or driver as his receipt.

§ 96.23 Form 2753-a, mail delivery receipt.

(a) *Description.* Form 2753-a is a receipt for mail delivered to airport mail

facilities. It is not used for mail that is delivered with Form 2734. (See § 96.21.)

(b) *Preparation.* (1) Airport mail facility personnel will prepare a 24-hour Form 2753-a in duplicate to record all mail deliveries from the air carrier. Where an exceptionally large number of trips are involved for any one air carrier, separate forms may be prepared for each tour of duty.

(2) Postal personnel of the receiving unit will count the pieces of mail delivered by each trip, check the count against the airline employee's count, and enter the post office total count on the form for the air carrier involved. Labels are to be examined to determine that mail delivered by the air carrier is addressed or coded for delivery to the receiving unit. To the extent possible, and without delaying the mail, receiving clerks shall determine whether all the mail is due to be received via the route and trip of delivery.

(3) If a discrepancy exists in post office and airline counts, immediate action shall be taken with the airline operations office to ascertain the reason for the discrepancy and whether additional mail may be found at the airline ramp or on board the aircraft.

(4) The original copy of the form shall be signed and delivered to the air carrier's agent as a receipt.

(5) The duplicate copy of the form shall be retained in the airport mail facility files.

§ 96.24 Form 2759, report of irregular handling of airmail.

(a) *Description.* Form 2759 is used as a basis for brief against an air carrier for irregular handling.

(b) *Preparation.* Postal employees must prepare Form 2759 promptly to report any irregular refusal, removal, or receipt of mail by air carriers.

§ 96.25 Applicability of forms and procedures.

(a) *Airmail.* The forms and procedures described in Subparts A, B, and C of this part are applicable to all domestic air carriers on all their routes within the continental United States. They are also applicable, except as otherwise provided, to airmail routes of U.S. flag carriers between the continental United States and Alaska, Hawaii, Puerto Rico and the Virgin Islands, and within and between those areas, for mail originating therein intended for any of the areas indicated, but not for other destinations.

(b) *Emergency first-class mail by air.* When dispatching first-class mail by air under emergency situations, the forms described in this part will be used. Separate airmail forms will be used, however, and all copies must be clearly endorsed "First-Class Mail by Air."

(c) *Mexico and Cuba.* Procedures for airmail routes to and within Mexico and Cuba are covered by special instructions.

NOTE: The corresponding Postal Manual sections are 533.1 through 533.7.

Subpart D—International Air Transportation

§ 96.30 Authority.

(a) *Applicability:* This subpart applies to air carriers and foreign air carriers engaging in overseas or foreign air transportation of mail on FAM numbered routes assigned by the Post Office Department to the extent noted herein, and supplement the provisions of the Convention of the Universal Postal Union.

(b) As used in this subpart:

(1) "Air Carrier," also called American Flag Carrier, means any citizen or company of the United States authorized by the Civil Aeronautics Board to engage in overseas or foreign air transportation.

(2) "Foreign Air Carrier," also called Foreign Flag Carrier, means any individual or company not of the United States authorized by the Civil Aeronautics Board to engage in foreign air transportation.

(3) "Carrier" means both air carrier and foreign air carrier.

(4) "Overseas Air Transportation" means the carriage of mail by aircraft between a place in any State of the United States and any place in a Territory or possession of the United States; or between a place in a Territory or possession of the United States and a place in any other Territory or possession of the United States.

(5) "Foreign Air Transportation" means the carriage of mail by aircraft between a place in any State, Territory or possession of the United States and any place wholly outside thereof.

(6) "Mail" means United States and foreign-transit mail.

(c) *Authority to engage in air transportation—*(1) *American flag air carriers.* Air carriers shall not engage in air transportation unless a certificate has been issued by the Civil Aeronautics Board authorizing them to do so. Each such certificate states the terminal points and intermediate points, if any, between which the air carrier is authorized to engage in air transportation.

(2) *Foreign flag air carriers.* Foreign air carriers shall not engage in air transportation from U.S. soil without a permit issued by the Civil Aeronautics Board authorizing such transportation.

(d) *Rules and policy.* The Department will make such rules and regulations as may be necessary for the safe and expeditious transportation of air mail by aircraft. The Assistant Postmaster General, Bureau of Transportation, will establish the policy for transportation of mail and for exchange of mail between postal employees and carriers.

(e) *Agreements.* The Department may enter into agreements with postal administrations of other countries with respect to airmail transportation. The Department may also make arrangements with foreign air carriers for the transportation of mail if they have been issued permits by the Civil Aeronautics Board.

(f) *Transportation of foreign origin mail.* Air carriers transporting mail of

foreign countries are subject to control and regulation of the United States.

§ 96.31 Carrier operations.

(a) *Filing of schedules.* Carriers authorized to engage in air transportation shall transport mail only after filing their schedules of operations with the Department. The Department will designate the flights required for the transportation of mail and inform the carriers accordingly. No carrier shall transport mail in accordance with any schedule other than one designated or ordered to be established by the Department for the transportation of mail.

(b) *Schedule revisions.* Changes to existing schedules must be filed with the Department not less than 10 days before their effective dates. Three copies should be filed with the Director, International Service, Bureau of Transportation, Post Office Department, Washington 25, D.C., one with the distribution and traffic manager, Post Office Department, in each region concerned, and three with the claim for the mail transportation.

(c) *Flight movement.* Carriers should operate designated flights as nearly as practicable at the times indicated in published schedules. Whenever earlier or later departures are required, sufficient advance notice should be given the local postal representatives in order that appropriate adjustments may be made in the dispatch schedules.

(d) *Extra sections.* Extra sections of a designated scheduled flight may be used for the transportation of mail.

(e) *Emergency flights.* Emergency flights operated by a carrier may be used for the transportation of mail. However, carriers should not accept mail for any country served by the emergency flight if they are not authorized to serve that country regularly.

(f) *Omission of service.* If a scheduled stop is to be omitted on a designated flight, the carrier must immediately notify the local postal representatives concerned. If the service is to be suspended for one week or more, the carrier must notify the Director, International Service, Post Office Department, Washington 25, D.C., and the local postal representative at the point involved. The same officials should be notified when the service is resumed.

(g) *Canceled flights.* When a flight is canceled at the initial terminal or any point en route, the carrier should promptly notify the local postal representatives concerned.

(h) *Delayed departures.* If a flight is delayed after accepting mail and the delay is estimated to be six hours or less beyond the scheduled departure, the mail will be retained aboard the flight. If the flight is delayed over six hours, the dispatching postal unit should be informed of the delay and the probable time of departure. In such cases, the postal representative will determine whether the mail should be returned to the postal unit.

(i) *Accidents.* Carriers will immediately inform the Post Office Department, Washington, D.C., of any accident re-

sulting in possible damage to or loss of United States mail. When an accident occurs in the United States, the distribution and traffic manager, Post Office Department, in the region concerned should also be notified. Accidents occurring outside the United States must be reported to the postal administration of the country to which the carrier belongs and to the postal administration of the country in which the accident occurs. (See § 96.33.)

§ 96.32 Transportation of mail.

(a) *Tender of mail.* When authorized to transport mail, carriers shall provide necessary and adequate facilities and service for its transportation and will be held strictly accountable for the proper care of mail and postal equipment while in their custody.

(b) *Priority of mail and allocations—*
(1) *Priority.* Air carriers shall transport all mail available for each flight designated by the Department. If the mail available for dispatch exceeds the weight allocation or normal load, the excess shall have priority of transportation over all unconfirmed and non-revenue traffic. (See § 96.1(a) (1) for normal mail load.)

(2) *Allocations and estimates.* Weight allocations are for planning purposes to assist the Postal Service as well as air carriers to fully realize the maximum payload on each flight. Postal units will give air carriers an advance estimate of the mail anticipated for the flight, which may be above or below the weight allocation already agreed upon. If the estimate is in excess of the allocation, the air carrier may refuse the excess if confirmed traffic prevents its acceptance. If the air carrier refuses mail, Form 2759 "Report of Irregular Handling of Air Mail," should be prepared for the difference between the amount accepted and the allocation or normal load. (See § 96.33.)

(3) *Backlog.* Carriers will be expected to provide sufficient lift to accommodate any backlog of mail which has accumulated due to irregular operations or cancellations.

(4) *Removal or refusal.* When it becomes necessary to reduce the load of an aircraft due to weather or other cause, the following order of removal or refusal shall prevail:

- (i) Company material
- (ii) Express and cargo
- (iii) All categories of mail other than letters and cards (LC)
- (iv) Diplomatic pouches not carried as first-class mail
- (v) Company mail
- (vi) LC mail after removal of all other traffic except revenue passengers with space confirmed prior to knowledge that the load must be reduced.

(c) *Delivery of mail to carriers—*
(1) *Documentation.* The postal unit delivering mail must prepare the AV-7s "Delivery List of Air Mail Dispatches" listing the origin, destination, weight of the mail, and dispatch and routing instructions. One set of AV-7s must be prepared for each stop point on the flight where mail is available for transportation.

(2) *Verification by carriers.* The carriers shall verify all mail tendered for

transportation against the entries appearing on the AV-7s—Mail Waybills. If an irregularity in the condition of the mail is observed at the time of acceptance, it should be brought to the attention of the postal unit before signing the AV-7s.

(d) *Delivery of mail to carriers on delayed flights and extra sections—*
(1) *Delayed flights.* After flight documents have been completed for imminent departure and a delay occurs additional mail should not be accepted by carriers unless it can be done without detriment and cause no further delay in departure of the flight. Additional mail will be tendered if space is available and it will not cause removal of passengers or cargo already manifested on the aircraft documents.

(2) *Extra sections.* Mail may be conveyed on extra sections of a designated flight. Mail carried on extra sections shall be considered as having been conveyed on the regular scheduled flights for purposes of arriving at the base weight for the flight.

(e) *Transfer between flights.* Each carrier must transfer mail between its own flights whenever the transfer is shown on the AV-7s. It must transfer mail at points in the United States, its territories or possessions with domestic air carriers as directed by the Department. It must transport Form 2733, "Interline Airmail Record" from the point of despatch to the point of transfer, delivering the forms to the receiving air carrier with the mail. The receiving air carrier must accept and receipt for all mail listed on Form 2733. If the mail does not agree with the listing on the form, the delivering air carrier must prepare Form 2734, "Airmail Exception Record." Actual mail transferred must be listed by on-line destination. In case of failure to connect the trip prescribed in Form 2733, air carrier should deliver the mail, together with the forms, to the local postal unit.

(f) *Retaining mail in foreign countries.* In a foreign country, carriers may retain custody of United States civilian mail aboard a flight when the departure is delayed up to 24 hours. On delays over 24 hours, or upon cancellation, civilian mail must be delivered to the local post office for disposition. The original documents, properly endorsed, must accompany the mail. Military airmail must be held in the custody of the air carrier, and the Post Office Department, Washington 25, D.C., should be promptly requested by wire to furnish instructions for disposition. Under no circumstances should military airmail be turned over to a foreign post office or to a foreign air carrier.

(g) *Delivery of mail by carriers to postal representatives.* Upon arrival of a flight, the carrier must unload the mail and make delivery as soon as possible to the authorized postal representative at such point as may be designated.

(1) *AV-7s, Delivery list of air mail dispatches.* One copy of each set of AV-7s and additional copies which are required for receipt to the carrier must be delivered with the mail. Any irregularities must be noted on all copies of the AV-7.

(2) *No documents in the United States.* Carriers delivering mail to United States postal installations without AV-7s will obtain receipt on P.O. Form 2753 "Receipt to Airline" for all mail delivered to the postal unit. The receipt will show only the total number of pieces being delivered. If a postal unit is not located at the airport, Form 2753 must be prepared by the carrier for signature by the postal service motor vehicle driver.

(3) *No documents in foreign countries.* Carriers delivering mail to foreign postal installations without AV-7s will obtain receipt on such form as may be prescribed in that country.

(4) *Delivery of all mail aboard an aircraft.* At terminal points of flights, all mail on board the aircraft will be delivered to the postal unit unless there is an agreement to the contrary between carriers and the governments concerned.

(5) *Irregular stops.* Carriers making irregular landings in the United States due to weather or other causes may retain the mail for six hours while holding for clearance to proceed to the designated terminal point. If the flight cannot proceed within the six hours, the mail on board, together with the mail documents, shall be delivered to the local postal unit.

(h) *Irregularities—*
(1) *Labels lost in transit.* When a dispatch has lost its label in transit, the carrier may transport the dispatch to its off-loading point if it can be identified from the mail documents. Otherwise, the dispatch should be delivered to a postal unit for identification and re-labeling. Receipt should be obtained by the carrier from the accepting postal unit.

(2) *Damaged mail dispatches.* When mail is discovered in a damaged condition, it should be offloaded at the first stop or at the destination of the dispatch whichever occurs first. The damaged mail should be tendered to the local post office for handling and a receipt obtained therefor.

(3) *Mail depredations.* All sealed mail containers that have been tampered with while in a carrier's custody should be surrendered immediately to the local post office with a statement of facts for action deemed appropriate according to the laws of the country where the depredations or tampering of the mail occurred.

(i) *Refusals and removals of mail.* Refusals and removals of mail by a carrier may result in diversion of the mail to another carrier and in the imposition of fines.

§ 96.33 Mail transportation irregularities.

(a) *Deductions and fines.* Carriers transporting mail will observe all applicable rules and regulations issued by the Department. The Department may impose a penalty against air carriers for failure to comply.

(b) *Reporting of irregularities.* It is the responsibility of postal personnel at international exchanges offices to report all instances of irregularities that come to their attention. These reports should be made on Form 2759 "Report of the Irregular Handling of Air Mail," the

RULES AND REGULATIONS

original and first copy of which will be sent to the distribution and traffic manager having jurisdiction over that unit; the second copy to the local station manager of the carrier concerned; and the third copy retained at the office preparing the report. Reports of irregularities not chargeable to a carrier should be forwarded to the distribution and traffic manager; with the usual copy being retained for files of the reporting unit.

(c) *Processing Form 2759.* If it is determined that a penalty is in order, the 2759 will be sent to the fining region with recommendation by the 20th of the month following that in which the irregularity occurred.

(d) *Notification to the air carrier.* The copy of Form 2759 sent to the air carrier serves as notice of the irregularity. It is not contemplated that there will be a letter of acceptance of responsibility by the air carrier. Failure to inform the distribution and traffic manager in whose region the 2759 was prepared by the 10th of the following month will be considered as an acceptance of the facts as stated in the report.

(e) *Assessing penalties.* All irregularities occurring during a month will be processed as a unit and cleared by the end of the following month. It is not intended that a penalty be imposed if the irregularity is the result of weather conditions or other circumstances beyond the control of the air carrier. The following schedule shall be used to determine the amount of each penalty:

(1) *Refusal and removal.* Air carriers using pre-determined weight allocations need not submit Form 2760 "Refusal and/or Removal of Air Mail." In such cases, an explanation should be furnished the distribution and traffic manager within 15 days after the irregularity occurs but no later than the 10th of the following month, including such facts as the weight of company material and cargo carried on the flight. Failure to accept the allocation or advance estimate, if any is given, will be analyzed to determine whether a penalty should be imposed. The basis for such penalty shall be \$1 for each kilogram or fraction.

(2) *Failure to notify postal authorities.* Failure to notify postal authorities of non-operation, late departure, additional sections, additional stops, omission of scheduled stops, etc., will be subject to a penalty if in the opinion of the distribution and traffic manager there is significant failure to cooperate. Such penalties should be in multiples of \$25 for each offense.

(3) *Delayed delivery to postal unit.* Air carriers delivering mail to the postal unit at the airport in excess of the prescribed time limit shall be assessed a penalty of \$3 for each piece unless appropriate explanation is furnished.

(4) *Non-receipt of mail documents.* Air carriers delivering mail without AV-7s, "Delivery list of Air Mail Dispatches," or mail manifest will be penalized on the basis of \$10 for each such occurrence unless a satisfactory explanation is given.

(5) *Serious infractions.* In the event of a serious infraction which requires

punitive action not specifically mentioned herein, the distribution and traffic manager will communicate these facts to the Director, International Service, for decision.

(f) *Computing penalties.* After computing penalties for a month and the total penalties amount to \$50 or less, the cases shall be filed and no penalty imposed for that month.

(g) *Appeal by air carrier.* If an air carrier should appeal the amount of the penalty on any particular irregularity, all papers should be forwarded to the

Director, International Service, for review.

(h) *Notification to the office settling the accounts.* The distribution and traffic manager will advise the office settling the accounts as indicated below, the total deduction to be made from mail pay due the air carrier. A copy of such advice should also be sent to the Director, International Service. Also a copy should be sent to the air carrier concerned, together with a copy of Form 2759 "Report of the Irregular Handling of Air Mail," on which penalties have been assessed.

Name of carrier	Route No.	Region assessing fines	Office settling accounts
American Airlines, Inc.	FAM 26	Fort Worth	Reg. Controller, Wichita.
Brant Airways, Inc.	FAM 34	Fort Worth	(*)
Delta Airlines, Inc.	FAM 31	Atlanta	(*)
Eastern Air Lines, Inc.	FAMs 33 & 35	New York	Reg. Controller, Richmond.
National Airlines, Inc.	FAM 32	Washington	Reg. Controller, Atlanta.
Northwest Airlines, Inc.	FAM 28	Minneapolis	(*)
Pan American Airways, Inc. (Latin American Div.)	FAM 5	Atlanta	(*)
Pan American Airways, Inc. (Pacific Division)	FAM 14	San Francisco	(*)
Pan American Airways, Inc. (Atlantic Division)	FAM 18	New York	(*)
Pan American-Grace Airways, Inc.	FAM 9	New York	(*)
Seaboard & Western Air Lines, Inc.	FAM 38	New York	(*)
Trans World Airlines, Inc.	FAM 27	Chicago	(*)
United Air Lines, Inc.	FAM 30	Denver	Reg. Controller, Denver.
Western Air Lines, Inc.	FAM 36	San Francisco	Reg. Controller, San Francisco.

*Post Office Department, Bureau of Finance, International Accounts Section, Washington 25, D. C.

§ 96.34 Records and reports.

(a) *FORM 2759, "Report of irregular handling of airmail."* Postal employees must prepare Form 2759 promptly to report all irregularities in the handling of mail, including refusals by carriers. The form serves as a basis for assessing penalties against air carriers whenever the circumstances warrant.

(b) *FORM 2753, "Receipt to airline."* Form 2753 is a receipt prepared by postal personnel and given carriers delivering mail without AV-7s. The receipt is prepared in duplicate and will show only the total number of pieces and flight data.

(c) *FORM 2734, Airmail exception record.* Form 2734 will be prepared by air carriers due to effect transfer of airmail to a United States domestic air carrier when circumstances prevent following the original routing, loss of papers, etc. (See § 96.21.)

§ 96.35 Rates of compensation.

(a) *Rates for air carriers; United States mail.* Rates of compensation due air carriers for the transportation of mail are fixed by the Civil Aeronautics Board and amounts due them are paid by the Department from appropriations for the transportation of mail by aircraft.

(b) *Rates for air carriers; foreign mail.* The Department will fix from time to time the rates of compensation that are charged foreign countries for the conveyance of their mail by air carriers.

(c) *Rates for foreign air carriers; United States mail.* The Department will not pay to a foreign air carrier or his national government, a rate for transporting mail between the United States and such country, higher than that paid to air carriers by foreign governments for transporting their mail between such foreign countries and the United States.

§ 96.36 Payment for transportation of mail.

(a) *Air carrier accounts; payment for foreign mail.* All revenue received from foreign governments for the transportation of their mail by air carriers is for their account. Collections of amounts due from foreign countries may be effected from such foreign countries direct by air carriers (with prior approval of the Department) or by the Department.

(b) *Air carrier accounts; payment for United States mail.* Air carriers will submit their claims, prepared and supported according to instructions furnished by the Department, to the offices named below:

Carrier	FAM Route No.	Office settling accounts
American Airlines, Inc.	FAM 26	Reg. Controller, POD, Wichita.
Eastern Air Lines, Inc.	FAMs 33 & 35	Reg. Controller, POD, Richmond.
National Airlines, Inc.	FAM 32	Reg. Controller, POD, Atlanta.
United Air Lines, Inc.	FAM 30	Reg. Controller, POD, Denver.
Western Airlines, Inc.	FAM 36	Reg. Controller, POD, San Francisco.
Brant Airways, Inc.	FAM 34	
Delta Air Lines, Inc.	FAM 31	
Northwest Airlines, Inc.	FAM 28	
Pan American World Airways, Inc. (Latin American Division)	FAM 5	
Pan American Airways, Inc. (Pacific Division)	FAM 14	
Pan American Airways, Inc. (Atlantic Division)	FAM 18	
Pan American-Grace Airways, Inc.	FAM 9	
Seaboard & Western Air Lines, Inc.	FAM 38	
Trans World Airlines, Inc.	FAM 27	

Post Office Department, Bureau of Finance, International Accounts Section, Washington 25, D. C.

(c) *Foreign air carrier accounts*—payment for mail loaded in the United States. Foreign flag air carriers authorized by their governments to collect direct from the United States Post Office Department will submit their claims prepared and supported according to instructions furnished by the Post Office Department, Washington 25, D.C. Transportation charges for mail explained in the United States will be claimed from the United States Post Office Department irrespective of actual origin of the mail transported from the United States by foreign air carriers.

§ 96.37 International air handbook.

Exchange offices will be governed by instructions contained in Transportation Handbook Series T-1, Instructions for Handling and Reporting of International Airmail at Exchange Offices, together with such special instructions as may be issued from time to time.

NOTE: The corresponding Postal Manual sections are 542.1 through 542.8.

[SEAL] HERBERT B. WARBURTON,
General Counsel.

[F.R. Doc. 59-10519; Filed, Dec. 11, 1959;
8:47 a.m.]

Title 7—AGRICULTURE

Chapter I—Agricultural Marketing Service (Standards, Inspection, Marketing Practices), Department of Agriculture

PART 47—RULES OF PRACTICE UNDER THE PERISHABLE AGRICULTURAL COMMODITIES ACT

Miscellaneous Amendments

Notice of rule making regarding proposed amendments to the rules of practice (7 CFR Part 47) effective under the Perishable Agricultural Commodities Act, 1930 (46 Stat. 531 et seq., as amended; 7 U.S.C. 499a et seq.), was published in the FEDERAL REGISTER of November 4, 1959 (24 F.R. 8974). The notice afforded interested persons opportunity to submit written data, views, or arguments for consideration in connection with the proposed amendments within twenty days after publication in the FEDERAL REGISTER. None was submitted.

Pursuant to the authority contained in sec. 15, 46 Stat. 537, as amended; 7 U.S.C. 499o, the rules of practice (7 CFR Part 47) under the Perishable Agricultural Commodities Act, 1930, are hereby amended, as follows:

1. In § 47.2 amend paragraph (i) to read as follows:

§ 47.2 Definitions.

(i) "Examiner" means, when used herein in connection with a disciplinary proceeding, any examiner in the Office of Hearing Examiners, United States Department of Agriculture; and, when used herein in connection with a reparation proceeding, "examiner" is

synonymous with "presiding officer," and means any attorney employed in the Office of the General Counsel of the Department.

2. Amend § 47.4 to read as follows:

§ 47.4 Service; proof of service.

Service of all papers and documents required to be served on the parties in any proceeding under these rules shall be made by the Division, unless otherwise provided herein or directed by an examiner or the Secretary, and shall be made either (a) by registering or certifying and mailing a copy of the document or paper, addressed to the individual, partnership, corporation, organization, or association, or to his or its attorney or agent of record, at his or its last known principal office, place of business, or residence; or (b) if such registered or certified matter is returned undelivered for any reason, by mailing by regular mail a copy of the document or paper, addressed to such individual, partnership, corporation, organization, or association, or to his or its attorney or agent of record, at his or its last known principal office, place of business, or residence; or (c) by leaving a copy of the document or paper at the principal office, or place of business, or residence, of such individual, partnership, corporation, organization, or association, or of his or its attorney or agent of record and by mailing by regular mail another copy to such person at such address; or (d) by delivering a copy of the document or paper to the individual to be served, or to a member of the partnership to be served, or to the president, secretary, or other executive officer or any director of the corporation, organization, or association to be served, or to the attorney or agent of record of such individual, partnership, corporation, organization, or association. Proof of service hereunder by a person other than an employee of the Department or a United States Marshal or his deputy shall be made by the affidavit of the person who actually made the service. Proof of service hereunder by an employee of the Department or a United States Marshal or his deputy shall be made by the certificate of the person who actually made the service; *Provided*, That if the service be made by registered or certified mail, as outlined in paragraph (a) of this section, proof of service shall be made by the return post-office receipt, except that, if the registered or certified matter is returned undelivered for any reason, proof of service may be made by the certificate of the person who thereafter mailed the same matter by regular mail. The affidavit, certificate, or post-office receipt contemplated herein shall be filed with the hearing clerk.

3. Amend § 47.7 to read as follows:

§ 47.7 Report of investigation.

Where the facts and circumstances are deemed by the Director to warrant such action, the Division shall serve upon each of the parties a copy of the report made by the Division in connection with its investigation of the informal or formal complaint. Whenever the Secre-

tary, or the Director, or the examiner deems it necessary, a supplemental investigation shall be made by the Division and a copy of the report thereon shall be served upon the parties. If an answer is filed by respondent, a copy of any report or reports of investigation served upon the parties shall be filed with the hearing clerk and shall be considered as part of the evidence in the proceeding; *Provided*, That either party shall be permitted to submit evidence in rebuttal in the same manner as is provided in the regulations in this part for the submission of other evidence in the proceeding.

4. In § 47.8 add paragraph (d) to read as follows:

§ 47.8 The answer.

(d) *Procedure upon admission of facts*. Upon the admission, in the answer or by failure to file an answer, of all the material allegations of fact contained in the complaint, an order may be issued without further procedure, official notice being taken of the license status of the respondent and the date of filing of the informal complaint, as disclosed by the records of the Department.

5. In § 47.11 amend paragraph (a) to read as follows:

§ 47.11 Examiners.

(a) *Disqualification*. No person who (1) has any pecuniary interest in any matter of business involved in the proceeding, or (2) is related within the third degree by blood or marriage to any of the persons involved in the proceeding shall serve as examiner in such proceeding.

§ 47.15 [Amendment]

6. In § 47.15 delete subparagraph (7) of paragraph (f).

7. In § 47.25 amend the heading and add a new paragraph (f) as follows:

§ 47.25 Filing; extensions of time; effective date of filing; computations of time; reopening after default; official notice.

(f) *Official notice*. In any proceeding official notice may be taken of (1) such matters as are judicially noticed by the courts of the United States; (2) any other matter of technical, scientific, or commercial fact of established character; and (3) relevant publications and records of the Department.

§ 47.45 [Deletion]

8. Delete § 47.45.

It is hereby found that good cause exists for not postponing the effective date of these amendments beyond the date of publication in the FEDERAL REGISTER (5 U.S.C. 1001-1011) in that the amendments clarify and facilitate procedures applicable to reparation cases under the act and compliance therewith will not require any special preparation on the part of interested persons.

(Sec. 15, 46 Stat. 537, as amended; 7 U.S.C. 499o)

Dated: December 8, 1959, to become effective upon publication in the FEDERAL REGISTER.

ROY W. LENNARTSON,
Deputy Administrator,
Agricultural Marketing Service.

[F.R. Doc. 59-10521; Filed, Dec. 11, 1959;
8:47 a.m.]

Chapter VII—Commodity Stabilization Service (Farm Marketing Quotas and Acreage Allotments), Department of Agriculture

[Amdt. 1]

PART 722—COTTON

Subpart—Regulations Pertaining to Acreage Allotments for the 1960 Crop of Upland Cotton

COUNTY ALLOTMENT; ALLOCATIONS TO COUNTIES FROM STATE'S SHARE OF NATIONAL RESERVE AND FROM STATE RESERVE; REMAINDER OF THE STATE RESERVE; ALLOTMENTS FOR OLD COTTON FARMS

Correction

In F.R. Document 59-10074, appearing in the issue for Friday, December 4, 1959, at page 9693, make the following changes:

1. In the heading for column (1) wherever the word "allotment" appears, it should read "allotment".
2. In the heading for column (6) wherever the word "forms" appears, it should read "farms".
3. Under Mississippi, following the entry for "Winston", the county should read "Yalobusha".
4. Under Mississippi, column (5), opposite Webster, the figure should read "8,635.0".
5. Under Texas, following "Comal," the county should read "Comanche" and in the same line, column 2, the figure should read "835.6".
6. Under Texas, opposite Washington, column (5), the figure should read "23,231.0".
7. Under Texas, opposite Sabine, column (7), the figure should read "83.7".
8. Under Virginia in c. following the leaders, the figure "93" should read "936". Delete the figure "6" in the line below.

[Amdt. 1]

PART 722—COTTON

Subpart—Regulations Pertaining to Acreage Allotments for the 1960 Crop of Extra Long Staple Cotton

COUNTY ALLOTMENT; ALLOCATIONS TO COUNTIES FROM STATE RESERVE; AND REMAINDER OF THE STATE RESERVE

Correction

In F.R. Document 59-10073, appearing in the issue for Friday, December 4, 1959, at page 9703, make the following change: Under Arizona, b., at the end of the line the figure "3" should read "30".

Chapter IX—Agricultural Marketing Service (Marketing Agreements and Orders), Department of Agriculture

[Navel Orange Reg. 175]

PART 914—NAVEL ORANGES GROWN IN ARIZONA AND DESIGNATED PART OF CALIFORNIA

Limitation of Handling

§ 914.475 Navel Orange Regulation 175.

(a) *Findings.* (1) Pursuant to the marketing agreement, as amended, and Order No. 14, as amended (7 CFR Part 914), regulating the handling of navel oranges grown in Arizona and designated part of California, effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601-674), and upon the basis of the recommendation and information submitted by the Navel Orange Administrative Committee, established under the said amended marketing agreement and order, and upon other available information, it is hereby found that the limitation of handling of such navel oranges as hereinafter provided will tend to effectuate the declared policy of the act.

(2) It is hereby further found that it is impracticable and contrary to the public interest to give preliminary notice, engage in public rule-making procedure, and postpone the effective date of this section until 30 days after publication hereof in the FEDERAL REGISTER (5 U.S.C. 1001-1011) because the time intervening between the date when information upon which this section is based became available and the time when this section must become effective in order to effectuate the declared policy of the act is insufficient, and a reasonable time is permitted, under the circumstances, for preparation for such effective time; and good cause exists for making the provisions hereof effective as hereinafter set forth. The committee held an open meeting during the current week, after giving due notice thereof, to consider supply and market conditions for navel oranges and the need for regulation; interested persons were afforded an opportunity to submit information and views at this meeting; the recommendation and supporting information for regulation during the period specified herein were promptly submitted to the Department after such meeting was held; the provisions of this section, including its effective time, are identical with the aforesaid recommendation of the committee, and information concerning such provisions and effective time has been disseminated among handlers of such navel oranges; it is necessary, in order to effectuate the declared policy of the act, to make this section effective during the period herein specified; and compliance with this section will not require any special preparation on the part of persons subject hereto which cannot be completed on or before the effective date hereof. Such committee meeting was held on December 10, 1959.

(b) *Order.* (1) The respective quantities of navel oranges grown in Arizona and designated part of California

which may be handled during the period beginning at 12:01 a.m., P.s.t., December 13, 1959, and ending at 12:01 a.m., P.s.t., December 20, 1959, are hereby fixed as follows:

- (i) District 1: 500,000 cartons;
 - (ii) District 2: 100,000 cartons;
 - (iii) District 3: Unlimited movement;
 - (iv) District 4: Unlimited movement.
- (2) All navel oranges handled during the period specified in this section are subject also to all applicable size restrictions which are in effect pursuant to this part during such period.

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

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

Dated: December 11, 1959.

S. R. SMITH,
Director, Fruit and Vegetable
Division, Agricultural Mar-
keting Service.

[F.R. Doc. 59-10623; Filed, Dec. 11, 1959;
11:31 a.m.]

[Orange Reg. 366]

PART 933—ORANGES, GRAPEFRUIT, TANGERINES, AND TANGELOS GROWN IN FLORIDA

Limitation of Shipments

§ 933.994 Orange Regulation 366.

(a) *Findings.* (1) Pursuant to the marketing agreement, as amended, and Order No. 33, as amended (7 CFR Part 933), regulating the handling of oranges, grapefruit, tangerines, and tangelos grown in Florida effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601-674), and upon the bases of the recommendations of the committees established under the aforesaid amended marketing agreement and order, and upon other available information, it is hereby found that the limitation of shipments of oranges, including Temple oranges, as hereinafter provided, will tend to effectuate the declared policy of the act.

(2) It is hereby further found that it is impracticable and contrary to the public interest to give preliminary notice, engage in public rule-making procedure, and postpone the effective date of this section until 30 days after publication thereof in the FEDERAL REGISTER (60 Stat. 237; 5 U.S.C. 1001 et seq.) because the time intervening between the date when information upon which this section is based became available and the time when this section must become effective in order to effectuate the declared policy of the act is insufficient; a reasonable time is permitted, under the circumstances, for preparation for such effective time; and good cause exists for making the provisions hereof effective as hereinafter set forth. Shipments of oranges, including Temple oranges, grown in the production area, are presently subject to regulation by grades and

sizes, pursuant to the amended marketing agreement and order; the recommendation and supporting information for regulation during the period specified herein were promptly submitted to the Department after an open meeting of the Growers Administrative Committee on December 1, 1959, such meeting was held to consider recommendations for regulation, after giving due notice of such meeting, and interested persons were afforded an opportunity to submit their views at this meeting; the provisions of this section, including the effective time hereof, are, except with respect to the prohibition of shipments recommended for the period December 23-29, 1959, both dates inclusive, identical with the aforesaid recommendation of the committee, and information concerning the recommended provisions and effective time has been disseminated among handlers of such oranges; it is necessary, in order to effectuate the declared policy of the act, to make this section effective during the period hereinafter set forth so as to provide for the continued regulation of the handling of oranges, including Temple oranges, and compliance with this section will not require any special preparation on the part of the persons subject thereto which cannot be completed by the effective time hereof.

(b) *Order.* (1) Terms used in the amended marketing agreement and order shall, when used herein, have the same meaning as is given to the respective term in said amended marketing agreement and order; and terms relating to grade, diameter, standard pack, and standard box, as used herein, shall have the same meaning as is given to the respective term in the amended United States Standards for Florida Oranges and Tangelos (§§ 51.1140 to 51.1186 of this title; 22 F.R. 6676).

(2) During the period beginning at 12:01 a.m., e.s.t., December 14, 1959, and ending at 12:01 a.m., e.s.t., January 11, 1960, no handler shall ship between the production area and any point outside thereof in the continental United States, Canada or Mexico:

(i) Any oranges, including Temple oranges, grown in the production area, which do not grade at least U.S. No. 1 Bronze;

(ii) Any oranges, except Temple oranges, grown in the production area, which are of a size smaller than $2\frac{1}{16}$ inches in diameter, except that a tolerance of 10 percent, by count, of oranges smaller than such minimum diameter shall be permitted, which tolerance shall be applied in accordance with the provisions for the application of tolerances specified in the United States Standards for Florida Oranges and Tangelos (§§ 51.1140 to 51.1186 of this title): *Provided*, That in determining the percentage of oranges in any lot which are smaller than $2\frac{1}{16}$ inches in diameter, such percentage shall be based only on those oranges in such lot which are of a size $2\frac{1}{16}$ inches in diameter or smaller; or

(iii) Any Temple oranges, grown in the production area, which are of a size smaller than $2\frac{1}{16}$ inches in diameter,

except that a tolerance of 10 percent, by count, of Temple oranges smaller than such minimum diameter shall be permitted, which tolerance shall be applied in accordance with the provisions for the application of tolerances specified in the United States Standards for Florida Oranges and Tangelos (§§ 51.1140 to 51.1186 of this title).

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

Dated: December 9, 1959.

S. R. SMITH,
Director, Fruit and Vegetable
Division, Agricultural Mar-
keting Service.

[F.R. Doc. 59-10542; Filed, Dec. 11, 1959;
8:50 a.m.]

[Grapefruit Reg. 318]

PART 933—ORANGES, GRAPEFRUIT, TANGERINES, AND TANGELOS GROWN IN FLORIDA

Limitation of Shipments

§ 933.995 Grapefruit Regulation 318.

(a) *Findings.* (1) Pursuant to the marketing agreement, as amended, and Order No. 33, as amended (7 CFR Part 933), regulating the handling of oranges, grapefruit, tangerines, and tangelos grown in Florida, effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601-674), and upon the basis of the recommendations of the committees established under the aforesaid amended marketing agreement and order, and upon other available information, it is hereby found that the limitation of shipments of grapefruit, as hereinafter provided, will tend to effectuate the declared policy of the act.

(2) It is hereby further found that it is impracticable and contrary to the public interest to give preliminary notice, engage in public rule-making procedure, and postpone the effective date of this section until 30 days after publication thereof in the FEDERAL REGISTER (60 Stat. 237; 5 U.S.C. 1001 et seq.) because the time intervening between the date when information upon which this section is based became available and the time when this section must become effective in order to effectuate the declared policy of the act is insufficient; a reasonable time is permitted, under the circumstances, for preparation for such effective time; and good cause exists for making the provisions hereof effective as hereinafter set forth. Shipments of all grapefruit, grown in the production area, are presently subject to regulation by grades and sizes, pursuant to the amended marketing agreement and order; the recommendation and supporting information for regulation during the period specified herein were promptly submitted to the Department after an open meeting of the Growers Administrative Committee on December 1, 1959, such meeting was held to consider recommendations for regulation, after giving due notice of such meeting, and interested persons were afforded an

opportunity to submit their views at this meeting; the provisions of this section, including the effective time hereof, are, except with respect to the prohibition of shipments recommended for the period December 23-29, 1959, both dates inclusive, identical with the aforesaid recommendation of the committee, and information concerning the recommended provisions and effective time has been disseminated among handlers of such grapefruit; it is necessary, in order to effectuate the declared policy of the act, to make this section effective during the period hereinafter set forth so as to provide for the continued regulation of the handling of grapefruit, and compliance with this section will not require any special preparation on the part of the persons subject thereto which cannot be completed by the effective time hereof.

(b) *Order.* (1) Terms used in the amended marketing agreement and order shall, when used herein, have the same meaning as is given to the respective term in said amended marketing agreement and order; and terms relating to grade, diameter, standard pack, and standard box, as used herein, shall have the same meaning as is given to the respective term in the United States Standards for Florida Grapefruit (§§ 51.750 to 51.790 of this title); and the term "mature" shall have the same meaning as set forth in section 601.16 Florida Statutes, Chapters 26492 and 28090, known as the Florida Citrus Code of 1949, as supplemented by section 601.17 (Chapters 25149 and 28090) and also by section 601.18, as amended June 22, 1955 (Chapter 29760).

(2) During the period beginning at 12:01 a.m., e.s.t., December 14, 1959, and ending at 12:01 a.m., e.s.t., January 11, 1960, no handler shall ship between the production area and any point outside thereof in the continental United States, Canada, or Mexico:

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

(ii) Any white seeded grapefruit, grown in the production area, which are smaller than $3\frac{1}{16}$ inches in diameter, measured midway at a right angle to a straight line running from the stem to the blossom end of the fruit, except that a tolerance of 10 percent, by count, of seeded grapefruit smaller than such minimum size shall be permitted, which tolerance shall be applied in accordance with the provisions for the application of tolerances, specified in said United States Standards for Florida Grapefruit;

(iii) Any pink seeded grapefruit, grown in the production area, which are smaller than $3\frac{1}{16}$ inches in diameter, measured midway at a right angle to a straight line running from the stem to the blossom end of the fruit, except that a tolerance of 10 percent, by count, of seeded grapefruit smaller than such minimum size shall be permitted, which tolerance shall be applied in accordance with the provisions for the application of tolerances, specified in said United States Standards for Florida Grapefruit;

(iv) Any seedless grapefruit, grown in the production area, which are not ma-

ture and do not grade at least U.S. No. 1: *Provided*, That such grapefruit may have discoloration to the extent permitted under the U.S. No. 2 Russet grade, and may have slightly rough texture caused only by speck type melanose; or

(v) Any seedless grapefruit, grown in the production area, which are smaller than $3\frac{1}{16}$ inches in diameter, measured midway at a right angle to a straight line running from the stem to the blossom end of the fruit, except that a tolerance of 10 percent, by count, of seedless grapefruit smaller than such minimum size shall be permitted, which tolerance shall be applied in accordance with the provisions for the application of tolerances, specified in said United States Standards for Florida Grapefruit.

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

Dated: December 9, 1959.

S. R. SMITH,
Director, Fruit and Vegetable
Division, Agricultural Mar-
keting Service.

[F.R. Doc. 59-10541; Filed, Dec. 11, 1959;
8:50 a.m.]

[Tangelo Reg. 19]

PART 933—ORANGES, GRAPEFRUIT, TANGERINES, AND TANGELOS GROWN IN FLORIDA

Limitation of Shipments

§ 933.996 Tangelo Regulation 19.

(a) *Findings*. (1) Pursuant to the marketing agreement, as amended, and Order No. 33, as amended (7 CFR Part 933), regulating the handling of oranges, grapefruit, tangerines, and tangelos grown in Florida, effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601-674), and upon the basis of the recommendations of the committees established under the aforesaid amended marketing agreement and order, and upon other available information, it is hereby found that the limitation of shipments of tangelos, as hereinafter provided, will tend to effectuate the declared policy of the act.

(2) It is hereby further found that it is impracticable and contrary to the public interest to give preliminary notice, engage in public rule-making procedure, and postpone the effective date of this section until 30 days after publication thereof in the FEDERAL REGISTER (60 Stat. 237; 5 U.S.C. 1001 et seq.) because the time intervening between the date when information upon which this section is based became available and the time when this section must become effective in order to effectuate the declared policy of the act is insufficient; a reasonable time is permitted, under the circumstances, for preparation for such effective time; and good cause exists for making the provisions hereof effective as hereinafter set forth. Shipments of tangelos, grown in the production area, are presently subject to regulation by

grades and sizes, pursuant to the amended marketing agreement and order; the recommendation and supporting information for regulation during the period specified herein were promptly submitted to the Department after an open meeting of the Growers Administrative Committee on December 1, 1959, such meeting was held to consider recommendations for regulation, after giving due notice of such meeting, and interested persons were afforded an opportunity to submit their views at this meeting; the provisions of this section, including the effective time hereof, are, except with respect to the prohibition of shipments recommended for the period December 23-29, 1959, both dates inclusive, identical with the aforesaid recommendation of the committee, and information concerning such provisions and effective time has been disseminated among handlers of such tangelos; it is necessary, in order to effectuate the declared policy of the act, to make this section effective during the period hereinafter set forth so as to provide for the continued regulation of the handling of tangelos, and compliance with this section will not require any special preparation on the part of the persons subject thereto which cannot be completed by the effective time hereof.

(b) *Order*. (1) Terms used in the amended marketing agreement and order shall, when used in this section, have the same meaning as is given to the respective term in said amended marketing agreement and order; and terms relating to grade, diameter, standard pack, and standard box as used in this section, shall have the same meaning as is given to the respective term in the amended United States Standards for Florida Oranges and Tangelos (§§ 51.1140 to 51.1186 of this title; 22 F.R. 6676).

(2) During the period beginning at 12:01 a.m., e.s.t., December 14, 1959, and ending at 12:01 a.m., e.s.t., January 11, 1960, no handler shall ship between the production area and any point outside thereof in the continental United States, Canada, or Mexico:

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

(ii) Any tangelos, grown in the production area, which are of a size smaller than $2\frac{1}{16}$ inches in diameter, except that a tolerance of 10 percent, by count, of tangelos smaller than such minimum diameter shall be permitted, which tolerance shall be applied in accordance with the provisions for the application of tolerances specified in the United States Standards for Florida Oranges and Tangelos (§§ 51.1140 to 51.1186 of this title).

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

Dated: December 9, 1959.

S. R. SMITH,
Director, Fruit and Vegetable
Division, Agricultural Mar-
keting Service.

[F.R. Doc. 59-10543; Filed, Dec. 11, 1959;
8:50 a.m.]

[Lemon Reg. 824]

PART 953—LEMONS GROWN IN CALIFORNIA AND ARIZONA

Limitation of Handling

§ 953.931 Lemon Regulation 824.

(a) *Findings*. (1) Pursuant to the marketing agreement, as amended, and Order No. 53, as amended (7 CFR Part 953; 23 F.R. 9053), regulating the handling of lemons grown in California and Arizona, effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601 et seq.; 68 Stat. 906, 1047), and upon the basis of the recommendation and information submitted by the Lemon Administrative Committee, established under the said amended marketing agreement and order, and upon other available information, it is hereby found that the limitation of handling of such lemons as hereinafter provided will tend to effectuate the declared policy of the act.

(2) It is hereby further found that it is impracticable and contrary to the public interest to give preliminary notice, engage in public rule-making procedure, and postpone the effective date of this section until 30 days after publication hereof in the FEDERAL REGISTER (60 Stat. 237; 5 U.S.C. 1001 et seq.) because the time intervening between the date when information upon which this section is based became available and the time when this section must become effective in order to effectuate the declared policy of the act is insufficient, and a reasonable time is permitted, under the circumstances, for preparation for such effective time; and good cause exists for making the provisions hereof effective as hereinafter set forth. The committee held an open meeting during the current week, after giving due notice thereof, to consider supply and market conditions for lemons and the need for regulation; interested persons were afforded an opportunity to submit information and views at this meeting; the recommendation and supporting information for regulation during the period specified herein were promptly submitted to the Department after such meeting was held; the provisions of this section, including its effective time, are identical with the aforesaid recommendation of the committee, and information concerning such provisions and effective time has been disseminated among handlers of such lemons; it is necessary, in order to effectuate the declared policy of the act, to make this section effective during the period herein specified; and compliance with this section will not require any special preparation on the part of persons subject hereto which cannot be completed on or before the effective date hereof. Such committee meeting was held on December 9, 1959.

(b) *Order*. (1) The respective quantities of lemons grown in California and Arizona which may be handled during the period beginning at 12:01 a.m., P.s.t., December 13, 1959, and ending at 12:01 a.m., P.s.t., December 20, 1959, are hereby fixed as follows: