such reasons are based on matters of law, a supporting opinion of counsel. The management shall at the same time, if it has not already done so, notify the security holder submitting the proposal of its intention to omit the proposal from its proxy statement and shall forward to him a copy of the statement of the reasons why the management deems the omission of the proposal to be proper and a copy of such supporting opinion of counsel.

3. Notice of proposed rule making with respect to these amendments was published, together with an explanation of their purpose, in the FEDERAL REGISTER of October 7, 1967 (32 F.R. 13984). The Board took its action following consideration of all relevant matter that was presented by interested persons. The amendments as adopted are identical with the amendments as proposed.

Dated at Washington, D.C., this 29th day of November 1967.

By order of the Board of Governors.

[SEAL] MERRITT SHERMAN,
Secretary.

[F.R. Doc. 67-14132; Filed, Dec. 5, 1967; 8:45 a.m.]

Chapter III—Federal Deposit Insurance Corporation

SUBCHAPTER B—REGULATIONS AND STATEMENTS OF GENERAL POLICY

PART 335—SECURITIES OF INSURED STATE NONMEMBER BANKS

On October 7, 1967, a notice of proposed rule making was published in the FEDERAL REGISTER (32 F.R. 13982) stating that the Board of Directors of the Federal Deposit Insurance Corporation was considering the amendment of Part 335 of its rules and regulations. Interested parties were afforded an opportunity to participate in the rule making through the submission of comments within 30 days from the date of publication in the FEDERAL REGISTER. After consideration of all such relevant material as was submitted by interested persons, the amendments as proposed are hereby adopted as set forth below.

Part 335, which became effective January 1, 1965, was promulgated under the authority of Public Law 88-467 of the 88th Congress, 2d session, approved August 20, 1964, which provides that the powers, functions, and duties vested in the Securities and Exchange Commission to administer and enforce sections 12, 13, 14(a), 14(c), and 16 of the Securities Exchange Act of 1934 be vested in the Federal Deposit Insurance Corporation with respect to securities issued by insured State banks which are not members of the Federal Reserve System.

The purpose of the new amendments is (a) to clarify the meaning of the term "beneficial ownership" as it relates to the reporting of ownership of bank stock held by family members or relatives who reside in the homes of directors, officers, and principal stockholders and (b) to include a provision relating to inclusion of minority stockholder proposals in banks' proxy soliciting material.

Reporting of beneficial ownership of bank securities is presently required in registration statements, proxy statements, and reports by "insiders" detailing securities transactions; the amendment does not change these requirements but is designed to achieve greater uniformity in such reporting. The other major amendment is believed to be in the public interest by providing requirements for management presentation of minority stockholder proposals in banks' proxy soliciting material, if submitted to management within a specified period prior to a stockholders meeting, but with proper safeguards to protect management against undue demands.

Effective December 31, 1967, Part 335 is amended as follows:

1. Amend § 335.2 by adding § 335.2(ff) immediately following § 335.2(ee) to read as follows:

§ 335.2 Definitions.

* * * * *

(ff) The terms "beneficial ownership," "beneficially owned," and the like, when used with respect to the reporting of ownership of the bank's equity securities in any statement or report required by this regulation, shall include, in addition to direct and indirect beneficial ownership by the reporting person, ownership of such securities (1) by the spouse (except where legally separated) and minor children of such reporting person, and (2) by any other relative of the reporting person who has the same home as such person.

2. Amend § 335.5(d) (1) and (3) and add a new paragraph (k) to read as follows:

§ 335.5 Proxies, proxy statements, and statements where management does not solicit proxies.

* * * * *

(d) *Requirements as to proxy.* (1) The form of proxy (i) shall indicate in boldface type whether or not the proxy is solicited on behalf of the management of the bank, (ii) shall provide a specifically designated blank space for dating proxy, and (iii) shall identify clearly and impartially each matter or group of related matters intended to be acted upon, whether proposed by the management or by security holders. No reference need be made, however, to matters as to which discretionary authority is conferred pursuant to subparagraph (3) of this paragraph.

* * * * *

(3) A proxy may confer discretionary authority with respect to other matters that may come before the meeting, if (i) the persons on whose behalf the solicitation is made are not aware a reasonable time prior to the time the solicitation is made that any such other matters are to be presented for action at the meeting and (ii) a specific statement to that effect, except with respect to proposals omitted pursuant to paragraph (k) of this section for which discretionary authority may also be conferred, is made in the proxy statement or in the form of proxy.

* * * * *

(k) *Proposals of security holders.* (1) If any security holder entitled to vote at a meeting of security holders of the bank shall submit to the management of the bank, within the time hereinafter specified, a proposal which is accompanied by notice of his intention to present the proposal for action at the meeting, the management shall set forth the proposal in its proxy statement and shall identify it in its form of proxy and provide means by which security holders can approve or disapprove the proposal. The management of the bank shall not be required by this section to include the proposal in its proxy statement for an annual meeting unless the proposal is submitted to management not less than 60 days in advance of a day corresponding to the first date on which the management's statement was released to security holders in connection with the preceding annual meeting of security holders. A proposal to be presented at any other meeting shall be submitted to the management of the bank a reasonable time before the solicitation is made. This paragraph (k) shall not apply, however, to elections to office.

(2) If the management opposes the proposal, it shall also, at the written request of the security holder, include in the proxy statement (i) the name and address of the security holder, or a statement that such name and address will be furnished upon request, and (ii) a statement of the security holder, which shall not include such name and address, of not more than 100 words in support of the proposal. The statement and request of the security holder shall be furnished to the management at the same time that the proposal is furnished. Neither the management nor the bank shall be responsible for such statement.

(3) Notwithstanding subparagraphs (1) and (2) of this paragraph, the management may omit a proposal and any statement in support thereof from its proxy statement and form of proxy under any of the following circumstances:

(i) If the proposal is impossible to accomplish or, under applicable law, is not a proper subject for action by security holders; or

(ii) If the proposal consists of a recommendation or request that the management take action with respect to a matter relating to the conduct of the ordinary business operations of the bank; or

(iii) If it appears that the proposal is submitted by the security holder principally for the purpose of enforcing a personal claim or redressing a personal grievance against the bank or its management, or principally for the purpose of promoting general economic, political, racial, religious, social, or similar causes; or

(iv) If the management has at the security holder's request included a proposal in its proxy statement and form of proxy relating to either of the two preceding annual meetings of security holders or any special meeting held subsequent to the earlier of such two annual meetings, and such security holder has failed without good cause to present the proposal, in person or by proxy, for action at the meeting; or

(v) If substantially the same proposal has previously been submitted to security holders in the management's proxy statement and form of proxy relating to any meeting of security holders held within the preceding 5 calendar years, it may be omitted from the proxy statement relating to any meeting of security holders held within the 3 calendar years after the latest such previous submission: *Provided*, That (*a*) if the proposal was submitted at only one meeting during such preceding period, it received less than 5 percent of the total number of votes cast in regard thereto, or (*b*) if the proposal was submitted at only two meetings during such preceding period, it received at the time of its second submission less than 10 percent of the total number of votes cast in regard thereto, or (*c*) if the proposal was submitted at three or more meetings during such period, it received at the time of its latest submission less than 20 percent of the total number of votes cast in regard thereto; or

(vi) If, prior to the receipt of such proposal, substantially the same proposal has been received by the management from another security holder and is to be included in the bank's proxy soliciting material.

(4) Whenever the management asserts that a proposal and any statement in support thereof may properly be omitted from the proxy statement and form of proxy, it shall file with the Corporation, not later than 20 days prior to the date the preliminary copies of the proxy statement and form of proxy are filed pursuant to paragraph (f)(1) of this section or such shorter period prior to such date as the Corporation may permit, a copy of the proposal and any statement in support thereof as received from the security holder, together with a statement of the reasons why the management deems such omission to be proper in the particular case, and, where such reasons are based on matters of law, a supporting opinion of counsel. The management shall at the same time, if it has not already done so, notify the security holder submitting the proposal of its intention to omit the proposal from its proxy statement and shall forward to him a copy of the statement of the reasons why the management deems the omission of the proposal to be proper and a copy of such supporting opinion of counsel.

Dated this 27th day of November 1967.

FEDERAL DEPOSIT INSURANCE CORPORATION,
[SEAL] E. F. DOWNEY,
Secretary.

[F.R. Doc. 67-14057; Filed, Dec. 5, 1967; 8:45 a.m.]

Title 14—AERONAUTICS AND SPACE

Chapter I—Federal Aviation Administration, Department of Transportation

[Docket No. 8561; Amdt. 151-20]

PART 151—FEDERAL AID TO AIRPORTS

U.S. Share of Project Costs in Public Land States

The purpose of this amendment to Part 151 of the Federal Aviation Regulations is to revise the table of percentages in § 151.43(c) that states the U.S. share of project costs in public land States.

Section 10(b) of the Federal Airport Act (49 U.S.C. 1109(b)) provides: "In the case of any State containing unappropriated and unreserved public lands and nontaxable Indian lands (individual and tribal) exceeding 5 per centum of the total area of all lands therein, the U.S. share under subsection (a) shall be increased by whichever is the smaller of the following percentages thereof: (1) 25 per centum, or (2) a percentage equal to one-half the percentage that the area of all such lands in such State is of its total area." The percentages for those States are now stated in § 151.43(c).

Based on information received from the Department of the Interior, the FAA periodically redetermines the percentages in § 151.43(c) (see Amdts. 151-2, 151-10, and 151-16). The FAA is amending § 151.43(c) to reflect the most recent Department of Interior information. The amendment increases the percentages for Colorado and Utah, decreases the percentages for Arizona, Idaho, Montana, New Mexico, Washington, and Wyoming, and leaves the percentages for Alaska, California, Nevada, Oregon, and South Dakota unchanged.

Since this amendment relates to public grants, benefits, and contracts, it is excepted from the procedural and effective date provisions of section 553 of Title 5, United States Code. Therefore, it may be made effective upon publication in the FEDERAL REGISTER.

In consideration of the foregoing, effective December 6, 1967, Part 151 of the Federal Aviation Regulations is amended by amending § 151.43(c) to read as follows:

§ 151.43 U.S. share of project costs.

* * * * *

(c) The U.S. share of the costs of an approved project for airport development in a State in which the unappropriated and unreserved public lands and nontaxable Indian lands (individual and tribal) is more than 5 percent of its total land, is the percentage set forth in the following table:

State	*Percent*	*State*	*Percent*
Alaska	62.50	New Mexico	56.28
Arizona	60.99	Oregon	55.64
California	53.63	South Dakota	52.55
Colorado	53.36	Utah	61.00
Idaho	55.84	Washington	51.52
Montana	53.01	Wyoming	57.09
Nevada	62.50		

(Secs. 1-15, 17-21, Federal Airport Act; 49 U.S.C. 1101-1114 and 1116-1120)

Issued in Washington, D.C. on November 29, 1967.

WILLIAM F. MCKEE,
Administrator.

[F.R. Doc. 67-14195; Filed, Dec. 5, 1967; 8:46 a.m.]

Title 15—COMMERCE AND FOREIGN TRADE

Chapter III—Bureau of International Commerce, Department of Commerce

SUBCHAPTER B—EXPORT REGULATIONS

[10 Gen. Rev. of Export Regs., Admt. 42]

PART 373—LICENSING POLICING AND RELATED SPECIAL PROVISIONS

Export Licensing of Copper-Bearing Scrap Not Commercially Processable in the United States

Part 373 of Title 15 of the Code of Federal Regulations is amended as set forth below.

(Sec. 3, 63 Stat. 7; 50 U.S.C. App. 2023; E.O. 10945, 26 F.R. 4487, 3 CFR 1959-63 Comp.; E.O. 11038, 27 F.R. 7003, 3 CFR 1959-63 Comp.)

Effective date. December 1, 1967.

RAUER H. MEYER,
Director,
Office of Export Control.

Purpose and effect. The Export Regulations are revised to provide that applications for licenses to export copper bearing scrap that cannot be processed in the United States for technological or economic reasons, or because of the nonavailability of custom smelting facilities due to strike conditions in the domestic copper industry, may be approved without being charged to the copper export quota.

An applicant for an export license may be authorized to export all of his copper bearing scrap if it cannot be processed in the United States for technological or economic reasons not related to the strike.

An applicant whose copper bearing scrap of types normally processed by custom smelting facilities cannot be processed in the United States because of the nonavailability of custom smelting facilities due to strike conditions may be authorized to export 100 percent of his stock of such scrap if the refined copper derived therefrom, or an equivalent amount of refined copper, will be imported into the United States for consumption. If such exports of copper bearing scrap will not result in the import of refined copper into the United States for consumption, an applicant may be authorized to export as much as 80 percent of his inventory of copper-bearing scrap as of October 31, 1967 and 80 percent of his receipts of this commodity during each month thereafter.

No. 235——2

It is required that such an applicant forward to the Office of Export Control a report of his stock levels as of October 31, 1967 and a report of his receipts of copper-bearing scrap during each month thereafter.

NOTE: The reporting requirements contained herein have been approved by the Bureau of the Budget in accordance with the Federal Reports Act of 1942.

Accordingly, the Export Regulations are amended in that § 373.20(b)(2) is revised to read as follows:

§ 373.20 Copper ores, concentrates, matte, ash, residues, waste, scrap, and blister copper.

* * * * *

(b) *Copper and copper-base alloy waste and certain nickel scrap.* * * *

(2) *Shipments not commercially processable in the United States*—(i) *Commodities that cannot be processed for technological or economic reasons other than strike conditions.* An application for a license to export any of the commodities described above[1] that for technological or economic reasons other than strike conditions cannot be processed commercially in the United States will be considered for licensing, without a charge against the copper export quota. Where an application covers commodities that cannot be processed for a technological reason, such application shall be accompanied by a copy(ies) of a letter(s) received by the applicant from a recognized scrap processor(s) who has (have) declined to process the scrap described on the application. Additionally, such an application shall be accompanied by the documentation set forth in paragraph (a)(2)(i) of this section. An application for a license to export any of the commodities described above[1] that cannot be processed for an economic reason shall include a statement setting forth such reason in full detail.

(ii) *Commodities that cannot be processed commercially because of strike conditions.* (*a*) An application for a license to export any of the commodities described above[1] that cannot be processed commercially in the United States due to the nonavailability of custom smelting facilities caused by strike conditions in the domestic copper industry will be considered for licensing without a charge against the copper export quota. The approval of such an application shall be contingent further upon the determination by the Department of Commerce that the commodities covered by the application cannot be economically absorbed otherwise by the domestic economy. Such an application shall include the following certification:

I (We) certify that the copper bearing scrap commodities described on this application are of a type normally processed by domestic custom smelting facilities. Due to strike conditions there are no domestic custom smelting facilities available for the processing of these commodities.

(*b*) Where an application covers commodities to be exported under the provisions of this subdivision that it will be smelted and refined abroad and the resulting refined copper, or an equivalent quantity thereof, will be imported into the United States for consumption, it shall also contain the certification set forth in paragraph (a)(2)(ii)(*a*) of this section. Such applications may be for 100 percent of the stocks of the commodities held by the applicant. However, the refined copper resulting from the export of copper bearing scrap commodities must be imported into the United States no later than 120 calendar days after the scrap export to which it is related.

(*c*) Where the export of commodities under the provisions of this subdivision (ii) will not result in the import of refined copper into the United States for consumption, consideration will be given to applications for licenses to export as much as 80 percent of an applicant's inventory of the commodities described above as of October 31, 1967, and 80 percent of his receipts of such commodities during each month thereafter.

(*d*) An export license granted under the provisions of this subdivision (ii) will be valid for no more than 60 days.

(iii) *Reporting requirement.* A person or firm participating in exports under the provisions of subdivision (ii) of this subparagraph shall forward a report of his stock levels as of October 31, 1967, and a report of his receipts during each successive month thereafter of the commodities described in subparagraph (1) of this paragraph to the Office of Export Control (Attention: 862), U.S. Department of Commerce, Washington, D.C. 20230.

[F.R. Doc. 67-14228; Filed, Dec. 5, 1967; 8:49 a.m.]

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[1] Export Control Commodity No. 28401—Copper metalliferous ash and residues.
Export Control Commodity No. 28402—Copper or copper-base alloy waste and scrap.
Export Control Commodity No. 28403—Nickel alloy waste and scrap containing 50 percent or more copper irrespective of nickel content.

Title 21—FOOD AND DRUGS

Chapter I—Food and Drug Administration, Department of Health, Education, and Welfare

SUBCHAPTER B—FOOD AND FOOD PRODUCTS

PART 120—TOLERANCES AND EXEMPTIONS FROM TOLERANCES FOR PESTICIDE CHEMICALS IN OR ON RAW AGRICULTURAL COMMODITIES

N-Butyl-*N*-Ethyl-α,α,α-Trifluoro-2,6-Dinitro-*p*-Toluidine

A petition (PP 7F0610) was filed with the Food and Drug Administration by Elanco Products Co., a division of Eli Lilly and Co., Indianapolis, Ind. 46206, proposing the establishment of a tolerance of 0.05 part per million for negligible residues of the herbicide *N*-butyl-*N*-ethyl-α,α,α-trifluoro-2,6-dinitro-*p*-toluidine in or on the raw agricultural commodity lettuce.

The Secretary of Agriculture has certified that this pesticide chemical is useful for the purposes for which the tolerance is being established.

Based on consideration given the data submitted in the petition, and other relevant material, the Commissioner of Food and Drugs concludes that the tolerance established by this order will protect the public health. Therefore, by virtue of the authority vested in the Secretary of Health, Education, and Welfare by the Federal Food, Drug, and Cosmetic Act (sec. 408(d)(2), 68 Stat. 512; 21 U.S.C. 346a(d)(2)) and delegated by him to the Commissioner (21 CFR 2.120), § 120.208 is amended to read as follows to establish the subject tolerance:

§ 120.208 *N*-Butyl-*N*-ethyl-α,α,α-trifluoro-2,6-dinitro-*p*-toluidine; tolerances for residues.

Tolerances are established for negligible residues of the herbicide *N*-butyl-*N*-ethyl-α,α,α-trifluoro-2,6-dinitro-*p*-toluidine in or on the raw agricultural commodities alfalfa, birdsfoot trefoil, clover, lettuce, and peanuts at 0.05 part per million.

Any person who will be adversely affected by the foregoing order may at any time within 30 days from the date of its publication in the FEDERAL REGISTER file with the Hearing Clerk, Department of Health, Education, and Welfare, Room 5440, 330 Independence Avenue SW., Washington, D.C. 20201, written objections thereto, preferably in quintuplicate. Objections shall show wherein the person filing will be adversely affected by the order and specify with particularity the provisions of the order deemed objectionable and the grounds for the objections. If a hearing is requested, the objections must state the issues for the hearing. A hearing will be granted if the objections are supported by grounds legally sufficient to justify the relief sought. Objections may be accompanied by a memorandum or brief in support thereof.

Effective date. This order shall become effective on the date of its publication in the FEDERAL REGISTER.

(Sec. 408(d)(2), 68 Stat. 512; 21 U.S.C. 346a(d)(2))

Dated: November 27, 1967.

J. K. KIRK,
Associate Commissioner for Compliance.

[F.R. Doc. 67-14220; Filed, Dec. 5, 1967; 8:48 a.m.]

PART 121—FOOD ADDITIVES

Subpart C—Food Additives Permitted in Feed and Drinking Water of Animals or for the Treatment of Food-Producing Animals

AMPROLIUM

Effective upon publication of this order in the FEDERAL REGISTER, the text for item 2.9n under the "Limitations" column of table 1 in § 121.210(c) is changed to read "§ 121.254(c), item 1" to correct a codification error.