be to utilize its effective registration statement on Form S–5, particularly since section 24(e) of the Investment Company Act permits the registration of additional shares, rather than filing a new registration statement subject to the requirements of Forms S–5 and S–14. Under this procedure, the post-effective amendment to the effective registration statement on Form S–5 should contain all of the requisite Form S–14 information in an amended prospectus or in a supplement to the current prospectus, and the facing sheet should comply with all the Form S–5 requirements and should clearly indicate: (i) That the amendment is being filed in lieu of Form S–14, (ii) the approximate number of shares designated for the rule 145 transaction, and (iii) that no additional filing fee is due. If the proposed rule 145 transaction would be material to the acquiring investment company, its current prospectus should be stickered to reflect this proposed transaction so that the prospectus can be used for sales other than the rule 145 transaction until such transaction is consummated. Once the post-effective amendment is declared effective, the investment company must deliver its prospectus and supplement thereto, if any, in connection with the rule 145 transaction in accordance with the requirements of rule 153A (17 CFR 230.153a) under the Securities Act. After consummation of the transaction, the acquiring investment company should, in the case of material acquisitions, file another post-effective amendment updating its current prospectus. In the case of non-material acquisitions, an investment company in order to curtail costs need only submit a letter for the Commission's public files indicating that the acquisition has been consummated and the number of shares issued therein. Such a letter should be addressed to the Division's branch chief who processed the registration statement and should refer to Release No. IC–8410 in the caption.

Similar procedures concerning the stickering of prospectuses to reflect proposed material transactions and the updating of prospectuses upon completion of a rule 145 transaction would be applicable to investment companies filing new registration statements for such transactions.

It should be noted that if a registered investment company is acquired by an open-end investment company in a Rule 145 transaction, the acquired company should file an application, pursuant to section 8(f) of the Investment Company Act, requesting an order of the Commission that it has ceased to be an investment company.

By the Commission.

[SEAL] GEORGE A. FITZSIMMONS,
Secretary.

JULY 3, 1974.

[FR Doc.74–16818 Filed 7–22–74;8:45 am]

[Release No. 33–5511, 34–10899]

PART 231—INTERPRETATIVE RELEASES RELATING TO THE SECURITIES ACT OF 1933 AND GENERAL RULES AND REGULATIONS THEREUNDER

PART 241—INTERPRETATIVE RELEASES RELATING TO THE SECURITIES EXCHANGE ACT OF 1934 AND GENERAL RULES AND REGULATIONS THEREUNDER

Guidelines for Filings Related to Extractive Reserves and Natural Gas Supplies Effective Date: August 1, 1974

The Securities and Exchange Commission announced today the adoption of amendments to Guide 28, "Extractive Reserves," of the Guides for Preparation and Filing of Registration Statements (Release No. 4936, as amended) under the Securities Act of 1933 ("Securities Act"). Guide 28 has been amended by adding a new paragraph (b) relating to disclosure by companies engaged in the gathering, transmission, or distribution of natural gas and has been recaptioned "Disclosure of Extractive Reserves and Natural Gas Supplies." The Commission also has adopted the substance of Guide 28, as amended, as Guide 2, "Disclosure of Extractive Reserves and Natural Gas Supplies," of the Guides for Preparation and Filing of Reports and Registration Statements under the Securities Exchange Act of 1934 ("Exchange Act").

Paragraph (a) of Guide 28 states that Instruction 2 to Item 10 ("Description of Property") of Form S–1 (17 CFR 239.11) and Item 5(a) ("Business") of Form S–7 (17 CFR 239.26) require registrants engaged in extractive operations to include in their prospectus appropriate information regarding the quantitative amount of their estimated reserves and indicates the manner in which such information may be set forth. Paragraph (a) of Guide 2 also requires disclosure of the quantitative amount of extractive reserves pursuant to Items 1(b) ("Business") and 3 ("Properties") of Form 10 (17 CFR 249.210). Although the Commission has not determined that such disclosure is required in annual reports on Form 10–K (17 CFR 249.310) or in other periodic reports under the Exchange Act, any company which voluntarily files extractive reserve information in such reports should comply with Guide 2(a).

Pursuant to Items 9(a) ("Description of Business") and 10 of Form S–1 and Item 5(a) of Form S–7, Guide 28 requires in new paragraph (b) thereof that registrants engaged in the gathering, transmission, or distribution of natural gas dicslose material information, based upon the facts and circumstances of their particular situation, with respect to the current availability of gas supplies. The Guide sets forth certain factors that firms in the gas industry should consider in making disclosure of their capacity to respond to users' needs for natural gas. Paragraph (b) of Guide 2 relates to similar disclosure required by Items 1(b) and 3 of Forms 10 and 10–K under the Exchange Act.

These amendments were published for public comment in Securities Act Release No. 5454 (39 FR 8353). In response to the views and comments of interested persons, the Commission has made minor revisions to certain portions of the Guides and has defined certain terms used therein so as to clarify the nature of the disclosure which is required.

These Guides are designed to provide more meaningful and understandable information in registration statements filed pursuant to the Securities Act and in reports and registration statements filed pursuant to the Exchange Act. However, in light of present energy shortages and the actual or possible impact which a demand for natural gas in excess of current supply may have on the operations of firms in the gas industry, the Commission reiterates that, as a matter of policy, prompt and accurate disclosure should be made to the investing public with respect to information, both favorable and unfavorable, concerning the current availability of such firms' natural gas supplies.

Guide 28 of the Guides for Preparation and Filing of Registration Statements in Securities Act Release No. 4936 (33 FR 18617) is amended to read as follows:

28. *Disclosure of Extractive Reserves and Natural Gas Supplies.* (a) Instruction 2 to Item 10 of Form S–1 and Item 5(a) of Form S–7 require that registrants engaged in extractive operations include in their prospectus, where appropriate, the quantitative amount of their estimated reserves. If appropriate, the current market price per barrel of oil, m.c.f. of gas, or the assay value per ton of ore may also be shown, but it is deemed inappropriate to show a dollar amount equal to the market price multiplied by the number of barrels of oil, m.c.f. of gas, or tons of ore.

(b) Pursuant to Items 9(a) and 10 of Form S–1 and Item 5(a) of Form S–7, registrants engaged in the gathering, transmission, or distribution of natural gas are required to disclose material information with respect to the current availability[1] of gas supplies. Each such registrant should develop disclosure based upon the facts and circumstances of its particular situation, including, where appropriate, disclosure by areas or regions. Such disclosure should be in a form understandable to investors and should include, but not be limited to, descriptions of the following factors:

1. Estimates of gas supplies (proved reserves, whether developed or undeveloped, or other sources) owned, dedicated, or contracted to a system, whether or not based on reports of outside consultants, are not necessarily indications of the registrant's ability to meet its current obligations (whether or not evidenced by contract) to its customers;

2. The total gas supply available to the registrant's system may include significant amounts of gas subject to priorities which may affect quantities delivered to certain classes of customers, such as customers receiving services under low priority and interruptible contracts;

3. Priority allocations and price limitations imposed by federal and state regulatory

[1] The term "availability" is used herein to mean that quantity of gas which can be delivered from current sources of supply for a given future time period such as a day, a month, or a year. This term is not intended to have the same meaning as the term "deliverability" which is used by the Federal Power Commission in Form 15 Annual Reports.

agencies, as well as other factors beyond the control of the registrant, may affect the ability of the registrant to meet its contractual obligations;

4. Numerous factors beyond the control of the registrant, such as other parties having control over the drilling of new wells, competition for the acquisition of gas, and the availability of foreign reserves, may affect the ability of the registrant to acquire additional gas supplies, or to maintain or increase the capacity to deliver; and

5. The registrant's earnings and financing needs may be affected by its inability to meet its short or long-term contractual obligations.

6. Investors would be better informed concerning the current availability of gas supplies if registrants would publish in tabular form information concerning gas supplies, delivery commitments, and customers' requirements. Such presentations should set forth historical information with respect to gas obtained from registrants' sources of supply [2] the principal sources of supply relied upon, and the amounts received from each such source, together with estimates of gas available from present sources for the next year, or such other period of years as may be appropriate. Information also should be provided as to steps that may be taken by the registrant to insure available gas for current and future commitments. [3]

Guide 2 is adopted to read as follows:

2. *Disclosure of Extractive Reserves and Natural Gas Supplies.* (a) Items 1(b) and 3 of Form 10 require that companies engaged in extractive operations include, where appropriate, the quantitative amount of their estimated reserves. If appropriate, the current market price per barrel of oil, m.c.f. of gas, or the assay value per ton of ore may also be shown, but it is deemed inappropriate to show a dollar amount equal to the market price multiplied by the number of barrels of oil, m.c.f. of gas, or tons of ore.

(b) Pursuant to Items 1(b) and 3 of Forms 10 and 10–K, companies engaged in the gathering, transmission, or distribution of natural gas are required to disclose material information with respect to the current availability [4] of gas supplies. Each such company should develop disclosure based upon the facts and circumstances of its particular situation, including, where appropriate, disclosure by areas or regions. Such disclosure should be in a form understandable to investors and should include, but not be limited to, descriptions of the following factors:

1. Estimates of gas supplies (proved reserves, whether developed or undeveloped, or other sources) owned, dedicated, or contracted to a system, whether or not based on reports of outside consultants, are not necessarily indications of the company's ability to meet its current obligations (whether or not evidenced by contract) to its customers;

2. The total gas supply available to the company's system may include significant amounts of gas subject to priorities which may affect quantities delivered to certain classes of customers, such as customers receiving services under low priority and interruptible contracts;

3. Priority allocations and price limitations imposed by federal and state regulatory agencies, as well as other factors beyond the control of the company, may affect the ability of the company to meet its contractual obligations;

4. Numerous factors beyond the control of the company, such as other parties having control over the drilling of new wells, competition for the acquisition of gas, and the availability of foreign reserves, may affect the ability of the company to acquire additional gas supplies, or to maintain or increase the capacity to deliver; and

5. The company's earnings and financing needs may be affected by its inability to meet its short or long-term contractual obligations.

6. Investors would be better informed concerning the current availability of gas supplies if companies would publish in tabular form information concerning gas supplies, delivery commitments, and customers' requirements. Such presentations should set forth historical information with respect to gas obtained from companies' sources of supply,[5] the principal sources of supply relied upon, and the amounts received from each such source, together with estimates of gas available from present sources for the next year, or such other period of years as may be appropriate. Information also should be provided as to steps that may be taken by the company to insure available gas for current and future commitments.[6]

The Commission has amended Guide 28 and has adopted Guide 2 pursuant to authority in sections 6, 7, 10, and 19(a) of the Securities Act, as amended, and sections 12, 13, and 23(a) of the Exchange Act, as amended. The amendments will be effective August 1, 1974, and will apply to registration statements under the Securities Act and to reports and registration statements under the Exchange Act filed on or after that date, but not to such registration statements and reports filed before that date.

(Sections 6, 7, 10, 19, 48 Stat. 78, 81, 85; secs. 12, 13, 23, 205, 209, 48 Stat. 892, 894, 901, 906, 908; sec. 203(a), 49 Stat. 704; secs. 1, 8, 49 Stat. 1375, 1379; secs. 8, 202, 68 Stat. 685, 686; secs. 3, 4, 78 Stat. 565–68–69; sec. 1, 79 Stat. 1051; secs. 1, 2, 82 Stat. 454; sec. 28(c), 84 Stat. 1435; secs. 1, 2, 84 Stat. 1497; 15 U.S.C. 77f, 77g, 77j, 77s(a), 78l, 78m, 78(w)(a))

By the Commission.

[SEAL] GEORGE A. FITZSIMMONS,
Secretary.

JULY 3, 1974.

[FR Doc.74–16819 Filed 7–22–74;8:45 am]

[2] The phrase "sources of supply" is used herein to mean gas owned or controlled by the registrant and gas purchased under both short and long-term contracts from suppliers.

[3] Where such information is unknown or not reasonably available, reference is made to the provisions of Rule 409 under the Act.

[4] The term "availability" is used herein to mean that quantity of gas which can be delivered from current sources of supply for a given future time period such as a day, a month, or a year. This term is not intended to have the same meaning as the term "deliverability" which is used by the Federal Power Commission in Form 15 Annual Reports.

[5] The phrase "sources of supply" is used herein to mean gas owned or controlled by the company and gas purchased under both short and long-term contracts from suppliers.

[6] Where such information is unknown or not reasonably available, reference is made to the provisions of Rule 12b–21 under the Act.

Title 20—Employees' Benefits

CHAPTER III—SOCIAL SECURITY ADMINISTRATION, DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

[Regs. No. 22]

PART 422—ORGANIZATION AND PROCEDURES

Subpart B—General Procedures

Subpart E—Availability of Information and Records to the Public

Fee Schedules

The amendments set forth below revise Subparts B and E of Part 422 of the regulations by bringing charges made by the Social Security Administration for the reproduction of information and records into conformity with those fees charged by the Office of the Secretary. Further, the amendments represent a more liberal policy on fees.

Accordingly, the Secretary of HEW finds that publication with Notice of Proposed Rule Making, as well as publication at least 30 days prior to an effective date, are unnecessary.

Nevertheless, consideration will be given to any comments pertaining to these amendments which are submitted in writing in triplicate to the Commissioner of Social Security, Department of Health, Education, and Welfare, North Building, 4th and Independence Avenue, SW., Washington, D.C. 20201, on or before August 22, 1974.

Copies of all comments received in response to these amendments will be available for public inspection during regular business hours at the Washington Inquiries Section, Office of Public Affairs, Social Security Administration, Department of Health, Education, and Welfare, North Building, Room 4146, 330 Independence Avenue SW., Washington, D.C. 20201.

(Sections 205, 1102, and 1871, 53 Stat. 1368, as amended, 49 Stat. 647, as amended, 79 Stat. 331; 42 U.S.C. 405, 1302, and 1395hh.)

Effective date. The amendments shall be effective July 23, 1974.

(Catalog of Federal Domestic Assistance Program Nos. 13.800–13.807, Social Security)

Dated: June 26, 1974.

J. B. CARDWELL,
Commissioner of Social Security.

Approved: July 16, 1974.

CASPAR W. WEINBERGER,
Secretary of Health, Education, and Welfare.

Subparts B and E of Regulations No. 22 are amended as set forth below.

1. Section 422.125(e)(2) is amended by revising the last sentence thereof to read as follows:

§ 422.125 Statements of earnings; resolving earnings discrepancies.

* * * * *

(e) * * *

(2) * * *

If the individual requests that the information be certified by the custodian of the records there will be an additional charge of $3.

2. Section 422.430 is revised to read as follows:

§ 422.430 Materials available at district offices and branch offices.

(a) *Materials available for inspection.* The following are available or will be made available for inspection at the district offices and branch offices:

(1) Compilation of the Social Security Laws.

(2) The Public Information Regulation of the Department of Health, Education, and Welfare (45 CFR Part 5).

(3) Regulations of the Social Security Administration under the retirement, survivors, disability, health insurance, and supplemental security income programs, i.e., Regulation No. 1 (Part 401 of this chapter), Regulations No. 5 (Part 405 of this chapter); regulations under Part B of title IV (Black Lung Benefits) of the Federal Coal Mine Health and Safety Act of 1969, Regulations No. 10 (Part 410 of this chapter), Regulations No. 16 (Part 416 of this chapter), and Regulations No. 22 (this Part 422).

(4) Social Security Rulings.

(5) Social Security Handbook.

(b) *Materials available for inspection and copying.* The following materials are available or will be made available for inspection and copying at the district offices and branch offices:

(1) Claims Manual of the Social Security Administration.

(2) Department Staff Manual on Organization, Department of Health, Education, and Welfare, Part 8, Chapter 8000.

(3) Handbook for State Social Security Administrators.

(4) Disability Insurance State Manual.

(5) Parts 2 and 3 of the Part A Intermediary Manual (Provider Services under Medicare).

(6) Parts 2 and 3 of the Part B Intermediary Manual (Physician and Supplier Services).

(7) BHI (Bureau of Health Insurance) Intermediary Letters Related to Parts 2 and 3 of the Part A and Part B Intermediary Manuals.

(8) State Buy-In Handbook (State Enrollment of Eligible Individuals under the Supplementary Medical Insurance Program) and Letters.

(9) Group Practice Prepayment Plan Manual (HIM–8) and Letters.

(10) State Operations Manual (HIM–7).

(11) BHI Letters to State Agencies.

(12) Extended Care Facility Manual (HIM–12).

(13) Hearing Officers Handbook (Supplementary Medical Insurance Program—HIM–21).

(14) Hospital Manual (HIM–10).

(15) Home Health Agency Manual (HIM–11).

(16) Outpatient Physical Therapy Provider Manual (HIM–9).

(17) Provider Reimbursement Manual (HIM–15).

(18) Audit Program Manuals for Hospital (HIM–16), Home Health Agencies (HIM–17), and Extended Care Facilities (HIM–18).

(19) Statements of deficiencies based upon survey reports of health care institutions or facilities prepared after January 31, 1973, by a State agency, pursuant to its agreement entered into under section 1864 of the Social Security Act, and such reports (including pertinent written statements furnished by such institution or facility on such statements of deficiencies), as set forth in § 401.3(v)(1) of this chapter. Such statements of deficiencies, reports, and pertinent written statements shall be available or made available only at the district office and the regional office servicing the area in which the institution or facility is located, except that such statements of deficiencies and pertinent written statements shall also be available at the local public assistance offices servicing such area.

(20) Supplemental Security Income Handbook.

(21) Service Area Directory (including the addresses and geographic areas serviced by district offices, branch offices, regional offices, and payment centers).

(22) Indexes to the materials listed in paragraph (a) of this section and in this paragraph (b) and an index to the Bureau of Hearings and Appeals Handbook.

3. Section 422.440 is revised to read as follows:

§ 422.440 Fees and charges.

(a) *Applicability.* The provisions of this section do not apply to a request for information pursuant to Part 401 of this chapter (see §§ 401.5 and 401.6 of Part 401 of this chapter) or to a request for a detailed statement of earnings for a purpose not related to title II of the Act (see § 422.125(e)(2)).

(b) *Policy on fees.* It is the policy of the Social Security Administration to provide routine information to the general public without charge. Special information services involving a benefit that does not accrue to the general public are subject to the payment of fees which are fixed in such amounts as to recover the cost to the Government of providing such services. Fees will be charged for the following special services:

(1) Reproduction, duplication, or copying of records;

(2) Searches of or for records;

(3) Certification or authentication of records; and

(4) Preparing materials from punch cards, magnetic tape, or microfilm.

No charge will be made for time spent in making an administrative decision regarding whether to provide the requested copies, or for time spent securing authorization. Similarly, there will be no charge for forwarding the materials to the requester.

(c) *Copying.* A charge of 10 cents per page (one side of a sheet) will be made for the first copy of documents or records; a fee of 5 cents per page (one side of a sheet) will be made for each subsequent copy based on the same request; except that no fee will be charged if total copying cost is less than $1.00. If we furnish copies which were already printed, the actual printing costs per page or cost of printing the report should be charged, in lieu of copying costs.

(d) *Searches.* No fee will be charged for searching for materials described in §§ 422.430 and 422.432. In the event a search is required to locate other materials, a charge of $3 per hour will be made (fractional parts of an hour will be charged on a one-half hour basis) except that no charge will be made for the first one-half hour.

(e) *Certification.* A fee of $3 will be charged for each certification of records or documents if certification is requested.

(f) *Preparing other materials.* The actual cost, determined on a case-by-case basis, will be charged for preparing materials from punch cards, magnetic tape, or microfilm. (Costs are determined according to type of request and the processing necessary to prepare the materials; thus the costs will be determined on a request-by-request basis.)

(g) *Applicability.* These policies and fees are applicable for all components of the Social Security Administration.

4. Section 422.448 is revised to read as follows:

§ 422.448 Review by the Commissioner.

(a) The Commissioner of Social Security or his delegatee will, when a request for review has been filed as provided in § 422.444, review the decision in question and the findings upon which it was based, and upon the basis of the data considered in connection with the decision and whatever other evidence and written argument is submitted by the person requesting the review or which is otherwise obtained, the Commissioner or his delegatee will affirm or revise in whole or in part the findings and decision in question. Written notice of the decision of the Commissioner or his delegatee shall be mailed to the person who requested the review. The decision shall state the basis therefor.

(b) Decisions on review shall be in writing within 20 working days from receipt of the request for review. If the decision is in favor of the requester, the decision shall order records made available to the requester as provided in the decision.

[FR Doc.74–16753 Filed 7–22–74;8:45 am]

Title 26—Internal Revenue

CHAPTER I—INTERNAL REVENUE SERVICE, DEPARTMENT OF THE TREASURY

SUBCHAPTER B—ESTATE AND GIFT TAXES

[ESTATE TAX REGULATIONS]

[T.D. 7319]

PART 20—ESTATE TAX; ESTATES OF DECEDENTS DYING AFTER AUGUST 16, 1954

[GIFT TAX REGULATIONS]

PART 25—GIFT TAX; GIFTS MADE AFTER DECEMBER 31, 1954

Valuation of Shares in an Open-End Investment Company

By a notice of proposed rulemaking appearing in the FEDERAL REGISTER on