[6450-01-M]

Title 10—Energy

CHAPTER II—DEPARTMENT OF ENERGY

PART 430—ENERGY CONSERVATION PROGRAM FOR CONSUMER PRODUCTS

Notification of Authority Citation

AGENCY: Department of Energy.

ACTION: Notification of authority citation.

SUMMARY: At page 48986 of the October 19, 1978, FEDERAL REGISTER, the Department of Energy adopted a final rule amending its test procedures for water heaters. This document adds the authority citation for that amendment, effective November 28, 1978.

FOR FURTHER INFORMATION CONTACT:

James A. Smith, Office of Conservation & Solar Applications, Department of Energy, Room 2248, 20 Massachusetts Avenue, NW., Washington, D.C. 20545, 202-376-4815.

SUPPLEMENTARY INFORMATION: In document 78-29535, published at page 48986 of the October 19, 1978, FEDERAL REGISTER, the following citation of authority is added:

(Energy Policy and Conservation Act, Pub. L. 94-163, as amended by Pub. L. 94-385; Federal Energy Administration Act of 1974, Pub. L. 93-275, as amended by Pub. L. 94-385; Department of Energy Organization Act., Pub. L. 95-91; E.O. 12009, 42 FR 46267.)

Issued in Washington, D.C., January 3, 1979.

OMI WALDEN,
Assistant Secretary, Conservation and Solar Applications, Department of Energy.

[FR Doc. 79-772 Filed 1-8-79; 8:45 am]

[6450-1-M]

PART 430—ENERGY CONSERVATION PROGRAM FOR CONSUMER PRODUCTS

Test Procedures for Unvented Home Heating Equipment; Correction

AGENCY: Department of Energy.

ACTION: Correction.

SUMMARY: This document corrects a final rule that appeared on page 20128 in the FEDERAL REGISTER of May 10, 1978.

EFFECTIVE DATE: These regulations became effective on June 15, 1978.

FOR FURTHER INFORMATION CONTACT:

James A. Smith U.S. Department of Energy Office of Conservation and Solar Applications, Room 2248, 20 Massachusetts Avenue, N.W., Washington, D.C. 20545 (202) 376-4614

SUPPLEMENTARY INFORMATION: In FR Doc. 78-12461 appearing at page 20128 in the FEDERAL REGISTER of May 10, 1978, references in amendment 1 on page 20131 in both the amendatory statement and text of Section 430.2, subparagraph "7(i)" is changed to "7".

Issued in Washington, D.C., January 3, 1979.

OMI WALDEN,
Assistant Secretary, Conservation and Solar Applications.

[FR Doc. 79-817 Filed 1-8-79; 8:45 am]

[6320-01-M]

Title 14—Aeronautics and Space

CHAPTER II—CIVIL AERONAUTICS BOARD

[Regulation ER-1073; Amdt. No. 32 to Part 241]

PART 241—UNIFORM SYSTEM OF ACCOUNTS AND REPORTS FOR CERTIFICATED AIR CARRIERS

Revision of Route Air Carrier Reporting Entities

AGENCY: Civil Aeronautics Board.

ACTION: Final rule.

SUMMARY: This final rule revises the listing of geographic reporting entities included in the Board's Economic Regulations for three route air carriers which were recently granted authority to conduct transatlantic flights.

DATES: Adopted: August 31, 1978. Effective: August 31, 1978.

FOR FURTHER INFORMATION CONTACT:

Raymond Kurlander, Director, Bureau of Accounts and Statistics, Civil Aeronautics Board, 1825 Connecticut Avenue, N.W., Washington, D.C. 20428, 202-673-5270.

SUPPLEMENTARY INFORMATION: Section 21 of Part 241 of the Board's Economic Regulations lists the operating authority of each air carrier according to geographical area ("entity") for purposes of reporting financial and statistical data. On January 26, 1978, the Board granted transatlantic operating authority to Braniff Airways, Delta Air Lines and Northwest Airlines, Order 78-1-118. Section 21 of Part 241 is therefore amended to reflect the addition of these routes.

Because this amendment reflects a grant of authority that has already been made, the Board finds that notice and public procedure are unnecessary and that an immediate effective date is in the public interest.

Accordingly, Part 241 of the Economic Regulations (14 CFR Part 241) is amended as follows:

1. Amend Section 21, "Introduction to System of Reports," revising the list of route air carrier reporting entities contained in paragraph (i) to read in pertinent part as follows:

SECTION 21—INTRODUCTION TO SYSTEM OF REPORTS

* * * * *

(i) * * *

ROUTE AIR CARRIER REPORTING ENTITIES

Air Carriers	Entities
Airlift International, Inc	Domestic, Latin America
Air Micronesia, Inc	Pacific
Air Midwest, Inc	Domestic
Air New England, Inc	Domestic
Alaska Airlines, Inc	Domestic
Allegheny Airlines, Inc	Domestic
Aloha Airlines, Inc	Domestic
American Airlines, Inc	Domestic, Latin America
Aspen Airways, Inc	Domestic
Braniff Airways, Inc	Domestic, Atlantic, Latin America
Chicago Helicopter Airways, Inc	Domestic
Continental Air Lines, Inc	Domestic, Pacific
Delta Air Lines, Inc	Domestic, Atlantic, Latin America
Eastern Air Lines, Inc	Domestic, Latin America
The Flying Tiger Line, Inc	Domestic, Pacific
Frontier Airlines, Inc	Domestic
Hawaiian Airlines, Inc	Domestic
Hughes Air Corps., d/b/a Hughes Airwest	Domestic
Kodiak-Western Alaska Airlines, Inc	Domestic
Munz Northern Airlines, Inc	Domestic
National Airlines, Inc	Domestic, Atlantic, Latin America
New York Airways, Inc	Domestic
North Central Airlines, Inc	Domestic
Northwest Airlines, Inc	Domestic, Atlantic, Pacific
Ozark Air Lines, Inc	Domestic
Pan American World Airways, Inc	Domestic, Atlantic, Latin America, Pacific
Piedmont Aviation, Inc	Domestic
Reeve Aleutian Airways, Inc	Domestic
Seaboard World Airlines, Inc	Atlantic
Southern Airways, Inc	Domestic
Texas International Airlines, Inc	Domestic

ROUTE AIR CARRIER REPORTING ENTITIES—Continued

Air Carriers	Entities
Trans World Airlines, Inc	Domestic, Atlantic, Pacific
United Air Lines, Inc	Domestic
Western Air Lines, Inc	Domestic, Latin America
Wien Air Alaska, Inc	Domestic
Wright Air Lines, Inc	Domestic

* * * * * * *

(Authority: Secs. 204(a) and 407, Federal Aviation Act of 1958, as amended (72 Stat. 743, 766, as amended (49 U.S.C. 1324(a) and 1377.))

By the Civil Aeronautics Board.

PHYLLIS T. KAYLOR,
Secretary.

[FR Doc. 79-771 Filed 1-8-79; 8:45 am]

[3510-07-M]

Title 15—Commerce and Foreign Trade

CHAPTER I—BUREAU OF THE CENSUS, DEPARTMENT OF COMMERCE

PART 30—FOREIGN TRADE STATISTICS

MISCELLANEOUS AMENDMENTS

AGENCY: Bureau of the Census, Commerce.

ACTION: Notification of Authority Citation.

SUMMARY: At 43 FR 56030, November 30, 1978, the Bureau of the Census adopted a final rule incorporating miscellaneous amendments into the Foreign Trade Statistics Regulations. This document adds the authority citation under which the amendments were issued.

EFFECTIVE DATE: November 30, 1978.

FOR FURTHER INFORMATION CONTACT:

Emanuel A. Lipscomb, Chief, Foreign Trade Division, Bureau of the Census, Washington, D.C. 20233, 301-763-5342.

SUPPLEMENTARY INFORMATION: The proper authority citation for FR Doc. 78-33481 published at 43 FR 56030 is as follows: (title 13, United States Code, section 302; and 5 U.S.C. 301; Reorganization Plan No. 5 of 1950; Department of Commerce Organization Order No. 35-2A, August 4, 1975, 40 FR 42765).

MANUEL D. PLOTKIN,
Director,
Bureau of the Census.

JANUARY 4, 1979.

[FR Doc. 79-717 Filed 1-8-79; 8:45 am]

[3510-25-M]

CHAPTER III—INDUSTRY AND TRADE ADMINISTRATION, DEPARTMENT OF COMMERCE

PART 373—SPECIAL LICENSING PROCEDURES

Revision of Distribution License Procedure and Phasing out of Foreign-Based Warehouse Procedure

AGENCY: Office of Export Administration, Bureau of Trade Regulation, U.S. Department of Commerce.

ACTION: Final rule.

SUMMARY: Two of the special licensing procedures of the Office of Export Administration (OEA), the Foreign-Based Warehouse procedure and the Distribution License procedure, have many elements in common. The major difference is that a wider range of reexports is permitted under the Warehouse procedure. As part of OEA's program of simplifying the Export Administration Regulations, the Distribution License procedure is revised to encompass the reexport provisions of the Warehouse procedure, thus permitting the latter to be phased out.

EFFECTIVE DATE: January 9, 1979.

FOR FURTHER INFORMATION CONTACT:

Mr. Charles C. Swanson, Director, Operations Division, Office of Export Administration, U.S. Department of Commerce, Washington, D.C. 20230 (Tel. 202-377-4196).

SUPPLEMENTARY INFORMATION: The Foreign-Based Warehouse procedure was established a number of years ago to authorize a U.S. exporter (1) To stock commodities abroad at a central location for distribution to customers in the country where the stock is located or in other countries; (2) To ship commodities directly from the United States to these customers to fill an urgent need or a specialized requirement that cannot be filled from the Foreign-Based Stock; or (3) To ship directly from the United States to these customers parts or components not stocked abroad to be used to repair equipment exported by the U.S. exporter.

Subsequently, the Distribution License procedure was established to authorize exports of certain commodities under an international marketing program to consignees that have been approved in advance as foreign distributors or users. Also, the Service Supply procedure was established to enable persons or firms in the United States or abroad to provide prompt service of equipment (1) Exported from the United States, (2) Produced abroad by a subsidiary, affiliate, or branch of a U.S. firm, or (3) Produced abroad by a manufacturer who uses parts imported from the United States in the manufactured product.

The latter two procedures offered advantages to the U.S. exporter not found in the Foreign-Based Warehouse procedure, and most firms that had been using the latter switched to the Distribution and the Service Supply procedures. However, reexports under the Distribution License procedure could only be made from one approved consignee to another, whereas an approved customer under the Foreign-Based Warehouse procedure who had been assigned a sales territory encompassing several countries could be authorized to reexport to customers in those countries, even though the customers had not been approved in advance as participants in this procedure. Therefore, a few exporters elected to remain under the Foreign-Based Warehouse procedure. This revision makes foreign subsidiaries which have been assigned multinational sales territories and other foreign distributors who have entered into written agreements with U.S. exporters to distribute commodities in more than one country eligible as foreign consigneees under the Distribution License procedure. Inasmuch as there no longer exists any advantage for a U.S. exporter to use the Foreign-Based Warehouse procedure, the Export Administration Regulations can be simplified by phasing out this now-extraneous procedure. Foreign-Based Warehouse licenses and authorizations that are valid as of February 8, 1979, will remain in effect until they expire, are replaced by other licenses or authorizations or until June 30, 1979, whichever is earliest. No new licenses or authorizations will be issued under the Foreign-Based Warehouse procedure after February 8, 1979.

Accordingly, Part 373 of the Export Administration Regulations (15 CFR Part 373) is revised as follows:

1. Section 373.3 is amended by revising paragraphs (a) (c) (i) (ii), (d) (3) (iii) and (iv), (h) (4), and (i) (1) as follows:

§ 373.3 Distribution License.

* * * * *

(a) *Eligible Countries*

The Distribution License procedure may authorize exports and reexports and reexports to:

(1) All countries in Country Group T; and

(2) All countries in Country Group V, except:

Algeria	Sudan
Egypt	Syria
Iraq	Yemen (Aden)
Libya	Yemen (Sanaa)

* * * * *

(c) *Eligible Exporters and Consignees*

(1) Applicant-consignee relationship. The ultimate consignee of a Distribution License must be:

* * * * *

(ii) An agent, representative, or any other person or firm distributing the commodities to be exported under this license pursuant to a written agreement with the U.S. exporter or its wholly-owned subsidiary that (*a*) Effectively assures compliance with U.S. Export Administration Regulations, including the provisions set forth in § 373.3(1), and (*b*) lists the country or countries in which the commodities are to be distributed, or

* * * * *

(d) * * *

(3) * * *

(iii) *Form ITA-6052.* Unless the ultimate consignee is a foreign-government agency, other than a government-controlled institution of higher learning (university, academy, college, etc.), three copies of Form ITA-6052 shall be manually signed by the consignee or by a responsible official of the consignee who is authorized to bind the consignee to all of the terms, undertakings, and commitments set forth on the form. All copies shall be cosigned by the applicant and submitted with the application to the Office of Export Administration. If reexport authorization is sought, the specific countries of destination shall be included in Item 5 of the form. If the ultimate consignee is a foreign government agency, see § 373.3(d)(3)(ii)(c) for required notation on application.

(iv) *Comprehensive narrative statement.* A comprehensive narrative statement shall be submitted by the applicant in support of the application. This statement shall describe the applicant's marketing program pertinent to the application and shall detail the nature and duration of the business relationship existing between the applicant and each consignee. If the consignee is a subsidiary, affiliate, or branch of the U.S. exporter, the statement shall show clearly that the qualifications set forth in § 373.3(c) are met and shall show the form of ownership or other control exercised by the U.S. exporter. If the U.S. exporter has assigned a sales territory to the consignee that includes a country or countries other than the one in which the consignee is located, the statement shall list the country or countries. If the consignee is a distributor other than a subsidiary, affiliate, or branch of the U.S. exporter, the statement shall include the terms of the distributorship agreement and a copy of the portion of the written agreement assuring compliance with U.S. Export Administration Regulations as described in § 373.3(c)(1)(ii). If the written agreement assigns a sales territory to the consignee that includes a country or countries other than the one in which the consignee is located, a copy of that portion of the written agreement shall also be included. In addition, the statement shall list, for each consignee, the volume of business in the commodities involved for the preceding year, describing the commodities in the same detail as on the license application. If the government of the country where the consignee is located prohibits the inspection of records by a representative of the U.S. government, the narrative statement must be accompanied by a statement from the consignee describing in full an alternative arrangement that would permit a review of his activities adequate to determine whether or not he has complied with the U.S. export control laws and regulations, as required by § 373.3(1)(4).

* * * * *

(h) * * *

(4) *Destination control statement.* The U.S. exporter shall enter one of the two following destination control statements on the commercial invoice and bill of lading or air waybill covering exports under the Distribution License procedure:

(i) "These commodities licensed by the United States for ultimate destination (name of country where the distributor is located). Diversion contrary to U.S. law prohibited."

(ii) "These commodities licensed by the United States for ultimate destination (name of country where the distributor is located) and for distribution or resale in (name(s) of country(ies) to which reexport has been authorized as indicated on approved Form ITA-6052). Diversion contrary to U.S. law prohibited."

Use of statement (i) does not preclude the consignee from reexporting to any of the exporter's other approved consignees or to other countries for which *specific* prior approval has been received from the Office of Export Administration. In such instances, diversion (i.e., reexport) is *not* contrary to U.S. law and, hence, is not prohibited.

* * * * *

(i) *Reexports.* (1) *Distributor.* A distributor who is an approved consignee under a Distribution License may reexport commodities received under the Distribution License in accordance with the following rules.

(i) An approved consignee may reexport to any of the U.S. exporter's other consignees who have been approved under the Distribution License procedure.

(ii) An approved consignee who is a subsidiary, affiliate or branch of the U.S. exporter may reexport to any approved destination included in the sales territory assigned by the U.S. exporter, provided the country is an eligible country as defined in § 373.3(a).

(iii) Other approved distributors may reexport to any approved destination that is included in a formal written agreement with the U.S. exporter or its wholly-owned subsidiary, provided the country is an eligible country as defined in § 373.3(a).

(iv) An approved consignee, regardless of whether it is a subsidiary, affiliate or branch of the U.S. exporter, may reexport for use or distribution within Switzerland or Yugoslavia only if the reexport is covered by a Swiss Blue Import Certificate or a Yugoslav End-Use Certificate, as applicable. The Swiss Blue Import Certificate need *not* be submitted to the Office of Export Administration, but shall be retained in accordance with the recordkeeping provisions described in § 373.3(1)(3). The original of each Yugoslav End-Use Certificate issued, or a reproduced copy, if the original is required by the government of the country in which the distributor is located, shall be immediately forwarded by the distributor to the U.S. exporter. The original or reproduced copies received from the distributor shall be submitted by the U.S. exporter, on a monthly basis, to the Office of Export Administration (Room 1617M), U.S. Department of Commerce, Washington, D.C. 20230, with a letter identifying the distributors from which received. While an approved consignee in Switzerland, without obtaining a Swiss Blue Import Certificate, may stock commodities in Switzerland for reexport to other approved consignees in other countries, such commodities may be released for distribution or use within Switzerland only after a Swiss Blue Import certificate covering the transaction has been obtained. These documents shall be retained in accordance with the recordkeeping provision of § 373.3(1)(3).

* * * * *

2. Section 373.4 is amended by adding a note immediately under the title to that section to read as follows:

§ 373.4 Foreign-based warehouse procedure.

NOTE.—The Distribution License procedure (§ 373.3) was revised, effective January 9, 1979, to include provisions under which distributors may be authorized to reexport commodities received under the procedure. At the time this revision was made, the Office of Export Administration announced that the Foreign-based Warehouse Procedure was being phased out. Export licenses and authorizations issued under this procedure that were valid as of February 8, 1979, will remain in effect until they expire, are replaced by other licenses or authorizations or until June 30, 1979, whichever is earliest. No new licenses or authorizations will be issued under the Foreign-based Warehouse procedure after February 8, 1979.

* * * * *

(Sec. 4 Pub. L. 91-184, 83 Stat. 842 (50 U.S.C. App. 2403), as amended; E. O. 12002, 42 FR 35623 (1977); Department Organization Order 10-3, dated December 4, 1977, 42 FR 64721 (1977); and Industry and Trade Administration Organization and Function Order 45-1, dated December 4, 1977, 42 FR 64716 (1977).

STANLEY J. MARCUSS,
Deputy Assistant Secretary for Trade Regulation.

JANUARY 4, 1979.

[FR Doc. 79-729 Filed 1-8-79; 8:45 am]

[1505-01-M]

CHAPTER III—INDUSTRY AND TRADE ADMINISTRATION, DEPARTMENT OF COMMERCE

PART 377—SHORT SUPPLY CONTROLS

Establishment of Supplementary Export Quota for Butane During the Fourth Quarter 1978

Correction

In FR Doc. 78-34050 appearing at page 57141 in the issue for Wednesday, December 6, 1978, in the middle column of page 57142, the amendatory language for § 377.6 now reading "A new § 377.6 (d)(1) is established to read as follows:" should have read "A new § 377.6 (d)(12) is established to read as follows:"

[8010-01-M]

Title 17—Commodity and Securities Exchanges

CHAPTER II—SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-15423]

PART 240—GENERAL RULES AND REGULATIONS, SECURITIES AND EXCHANGE ACT OF 1934

Uniform Net Capital Rule

AGENCY: Securities and Exchange Commission.

ACTION: Final rule.

SUMMARY: The Commission is adopting previously proposed amendments to this uniform net capital rule, which set forth the treatment to be accorded specific receivables and undue concentration deductions relating to transactions in municipal securities.

EFFECTIVE DATE: February 1, 1979.

FOR FURTHER INFORMATION CONTACT:

Nelson S. Kibler, Assistant Director, Division of Market Regulation, Securities and Exchange Commission, Washington, D.C. 20549 (202) 376-8131.

SUPPLEMENTARY INFORMATION: The Securities and Exchange Commission today announced the adoption of certain amendments to Rule 15c3-1 (17 CFR 240.15c3-1) under the Securities Exchange Act of 1934, the uniform net capital rule. The amendments[1] which become effective on February 1, 1979 are substantially the same as those contained in Securities Exchange Act Release No. 14995, July 26, 1978, 43 FR 33935 (August 2, 1978), with minor modifications to Rule 15c3-1(c)(2)(iv)(C) distinguishing secondary joint accounts from underwritings, and Rule 15c3-1(c)(2)(vi)(M) and Rule 15c3-1(f)(3)(iii) clarifying that the 20 consecutive day holding period for determining the application of the undue concentration haircut requirements begins on the date of delivery of the securities to the broker or dealer and not on the date the commitment is made by the broker or dealer to purchase municipal securities from a syndicate.

Six comment letters were received to the amendments proposed in Release No. 14995. All commentators favored the adoption of the proposed amendments with minor technical modifications. One commentator, however, expressed the opinion that municipal broker-brokers should be exempt from the undue concentration requirements. It is the view of the Commission that such an exemption is not necessary as such brokers generally do not take a position in municipal securities. However, to the extent such firms are required to take a position they should conform to the same undue concentration requirement as apply to other brokers or dealers in municipal securities.

DISCUSSION

Rule 15c3-1(c)(2)(iv)(C) originally required the deduction from net worth of good faith deposits arising in connection with an underwriting of any security and outstanding longer than eleven business days. In addition, profits derived from participation in an underwriting syndicate were treated as "unsecured receivables" which pursuant to Rule 15c3-1(c)(2)(iv)(E) were deducted from net worth. In Securities Exchange Act Release No. 11854[2] the Commission adopted temporary amendments to Rule 15c3-1(c)(2)(iv)(C) permitting the inclusion in net worth, for ninety (90) days after settlement of the underwriting with the issuer, good faith deposits and receivables arising from participation in municipal securities underwritings. In Release No. 14995 the Commission proposed to reduce the ninety (90) day period to sixty (60) days. It was also proposed in Release No. 14995 that profits receivable from municipal securities secondary joint accounts would be includable in net worth for 60 days. Rule 15c3-1(c)(2)(iv)(C) has been adopted substantially as proposed with minor language modifications indicating that secondary joint accounts are not considered to be underwritings for purposes of that provision, and to distinguish non-municipal securities underwritings from municipal securities underwritings.

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[1] Those sections amended are §§ 240.15c3-1(c)(2)(iv)(C); 240.15c3-1(c)(2)(vi)(M) and 240.15c3-1(f)(3)(iii).

[2] Securities Exchange Act Release No. 11854, November 20, 1975; 40 FR 57786 (December 12, 1975).