

No comments objecting to the notice were received. Except for editorial changes, this amendment is the same as that proposed in the notice. Section 71.123 of Part 71 of the Federal Aviation Regulations was republished in Advisory Circular AC 70-3A dated January 3, 1983.

### The Rule

This amendment to Part 71 of the Federal Aviation Regulations redesignates segments of VOR Federal Airways V-19, V-60, V-68, V-83, V-187, V-263, and V-291, revokes segments of V-19, V-68, and V-83, and establishes a new V-389 to enhance the traffic flow within the Albuquerque ARTCC's area.

### List of Subjects in 14 CFR Part 71

Aviation safety, VOR Federal Airway.

### Adoption of the Amendment

Accordingly, pursuant to the authority delegated to me, § 71.123 of Part 71 of the Federal Aviation Regulations (14 CFR Part 71) is amended, effective 0901 G.M.T., September 29, 1983, as follows:

#### V-19 [Amended]

By deleting the words "including a west alternate via INT Albuquerque 019° and Santa Fe 268° radials" and "including an E alternate via INT Cimarron 053° and Pueblo 176° radials"

#### V-68 [Amended]

By deleting the words "including an N alternate via INT Albuquerque 103° and Corona 328° radials and also a S alternate via INT Albuquerque 160° and Corona 278° radials; 41 miles 85 MSL, Roswell, NM, including an N alternate 85 MSL INT Corona 124° and Roswell 335° radials, Roswell; Hobbs, NM, including a S alternate;" and substituting the words "41 miles 85 MSL, Roswell, NM; Hobbs, NM, via" and by deleting the words "From Albuquerque, NM," and substituting the words "From Farmington, NM, via INT Farmington 128° and Albuquerque, NM, 345° radials; Albuquerque;"

#### V-60 [Revised]

From Gallup, NM, via INT Gallup 089° and Albuquerque, NM, 303° radials; Albuquerque, via INT Albuquerque 103° and Otto, NM, 253° radials; Otto, to Las Vegas, NM.

#### V-83 [Amended]

By deleting the words "including an E alternate INT Roswell 335° and Corona 124° radials, 85 MSL Corona; Otto, NM"

#### V-187 [Amended]

By deleting the words "including an E alternate via INT Albuquerque 345° and Farmington 128° radials;"

#### V-291 [Amended]

By deleting the words "From Albuquerque, NM" and substituting the words "From Hobbs, NM, via INT Hobbs 287° and Roswell, NM, 136° radials; Roswell, via INT Roswell 335° and Corona, NM, 124° radials; Corona,

via INT Corona 328° and Albuquerque, NM, 103° radials; Albuquerque" and by deleting the words "including a north alternate via INT Albuquerque 303° and Gallup 089° radials"

#### V-263 [Amended]

By deleting the words "From Cimarron, NM," and substituting the words "From Albuquerque, NM, via INT Albuquerque 019° and Santa Fe, NM, 268° radials; Santa Fe; Las Vegas, NM; Cimarron, NM;"

#### V-389 [Amended]

From Cimarron, NM, via INT Cimarron 053° and Pueblo, CO, 176° radials; Pueblo.

(Secs. 307(a) and 313(a), Federal Aviation Act of 1958 (49 U.S.C. 1348(a) and 1354(a)); (49 U.S.C. 106(g) (Revised, Pub. L. 97-449, January 12, 1983)); and 14 CFR 11.89)

Note.—The FAA has determined that this regulation only involves an established body of technical regulations for which frequent and routine amendments are necessary to keep them operationally current. It, therefore—(1) is not a "major rule" under Executive Order 12291; (2) is not a "significant rule" under DOT Regulatory Policies and Procedures (44 FR 11034; February 26, 1979); and (3) does not warrant preparation of a regulatory evaluation as the anticipated impact is so minimal. Since this is a routine matter that will only affect air traffic procedures and air navigation, it is certified that this rule will not have a significant economic impact on a substantial number of small entities under the criteria of the Regulatory Flexibility Act.

Issued in Washington, D.C., on July 21, 1983.

John W. Baier,

Acting Manager, Airspace—Rules and Aeronautical Information Division.

[FR Doc. 83-20405 Filed 7-27-83; 8:45 am]

BILLING CODE 4910-13-M

### 14 CFR Part 71

[Airspace Docket No. 83-AWA-10]

### Alteration of VOR Federal Airways; Minneapolis, MN, Area

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Final rule.

SUMMARY: This amendment realigns a segment of VOR Federal Airway V-161, extends V-246, rennumbers V-410 and V-347, and revokes V-418 to enhance the traffic flow within the Minneapolis Air Route Traffic Control Center's (ARTCC) area.

EFFECTIVE DATE: September 29, 1983.

FOR FURTHER INFORMATION CONTACT: Neil Saunders, Airspace and Air Traffic Rules Branch (AAT-230), Airspace-Rules and Aeronautical Information Division, Air Traffic Service, Federal Aviation Administration, 800 Independence Avenue, SW.,

Washington, D.C. 20591; telephone: (202) 426-8783.

### SUPPLEMENTARY INFORMATION:

#### History

On May 2, 1983, the FAA proposed to amend Part 71 of the Federal Aviation Regulations (14 CFR Part 71) to realign V-161 between Gopher, MN, and Rochester, MN; renumber V-410 between Gopher, MN, and Eau Claire, WI, to V-413; renumber V-347 between Ironwood, MI, to Houghton, MI, to V-148; revoke V-418 from Gopher, MN, to Nodine, MN; and extends V-246 between Dubuque, IA, and La Crosse, WI (48 FR 19739), to enhance the traffic flow within the Minneapolis ARTCC's area. Interested parties were invited to participate in this rulemaking proceeding by submitting written comments on the proposal to the FAA. No comments objecting to the proposal were received. Except for editorial changes, this amendment is the same as that proposed in the notice, except inadvertently, the extension to V-246 was omitted from the Notice and we are including the amended description of V-246 at this time. Section 71.123 of Part 71 of the Federal Aviation Regulations was republished in Advisory Circular AC 70-3A dated January 3, 1983.

#### The Rule

This amendment to Part 71 of the Federal Aviation Regulations realigns a segment of VOR Federal Airway V-161, extends V-246, rennumbers V-410 and V-347, and revokes V-418 to enhance the traffic flow within the Minneapolis ARTCC's area.

### List of Subjects in 14 CFR Part 71

Aviation safety, VOR Federal airways.

### Adoption of the Amendment

Accordingly pursuant to the authority delegated to me, § 71.123 of Part 71 of the Federal Aviation Regulations (14 CFR Part 71), is amended, effective 0901 G.m.t., September 29, 1983, as follows:

#### V-161 [Amended]

By deleting the words "INT Rochester 005° and Gopher, MN 144° radials, Gopher" and substituting for them the words "Farmington, MN; Gopher, MN."

#### V-410 [Revoked]

#### V-418 [Amended]

#### V-347 [Revoked]

#### V-413 [Amended]

By deleting the words "From Gopher, MN;" and substituting the words "From Eau Claire, WI; INT Eau Claire 269° and Gopher, MN, 109° radials; Gopher; INT"

**V-148 [Amended]**

By deleting the words "to Ironwood, MI" and substituting for them the words "Ironwood, MI; to Houghton, MI"

**V-246 [Amended]**

By deleting the words "From Nodine, MN," and substituting the words "From Dubuque, IA, via Waukon, IA; La Crosse, WI; Nodine, MN;"

(Secs. 307(a) and 313(a), Federal Aviation Act of 1958 (49 U.S.C. 1348(a) and 1354(a)); (49 U.S.C. 106(g) (Revised, Pub. L. 97-449, January 12, 1983)); and 14 CFR 11.69)

**Note.**—The FAA has determined that this regulation only involves an established body of technical regulations for which frequent and routine amendments are necessary to keep them operationally current. It, therefore—(1) is not a "major rule" under Executive Order 12291; (2) is not a "significant rule" under DOT Regulatory Policies and Procedures (44 FR 11034; February 26, 1979); and (3) does not warrant preparation of a regulatory evaluation as the anticipated impact is so minimal. Since this is a routine matter that will only affect air traffic procedures and air navigation, it is certified that this rule, will not have a significant economic impact on a substantial number of small entities under the criteria of the Regulatory Flexibility Act.

Issued in Washington, D.C., on July 21, 1983.

John W. Baier,

*Acting Manager, Airspace-Rules and Aeronautical Information Division.*

[FR Doc. 83-20407 Filed 7-27-83; 8:45 am]

BILLING CODE 4910-13-M

**41 CFR Part 71**

[Airspace Docket No. 83-AWA-14]

**VOR Federal Airway; Realignment of V-436**

**AGENCY:** Federal Aviation Administration (FAA), DOT.

**ACTION:** Final rule.

**SUMMARY:** This rule realigns VOR Federal Airway V-436 between Oklahoma City and Tulsa, OK, so the airway will be in the Kansas City Air Route Traffic Control Center's (ARTCC) airspace.

**EFFECTIVE DATE:** September 29, 1983.

**FOR FURTHER INFORMATION CONTACT:** Boyd V. Archer, Airspace and Air Traffic Rules Branch (ATT-230), Airspace-Rules and Aeronautical Information Division, Air Traffic Service, Federal Aviation Administration, 800 Independence Avenue, SW., Washington, D.C. 20591; telephone: (202) 426-8783.

**SUPPLEMENTARY INFORMATION: History**

On May 23, 1983, the FAA proposed to amend Part 71 of the Federal Aviation Regulations (14 CFR Part 71) to realign VOR Federal Airway V-436 to the north, so the airway will be in Kansas City ARTCC's airspace thereby reducing coordination (46 FR 22936). Interested parties were invited to participate in this rulemaking proceeding by submitting written comments on the proposal to the FAA. No comments were received. Except for editorial changes, this amendment is the same as that proposed in the notice. Section 71.123 of Part 71 of the Federal Aviation Regulations was republished in Advisory Circular AC 70-3A dated January 3, 1983.

**The Rule**

This amendment to Part 71 of the Federal Aviation Regulations realigns VOR Federal Airway V-436 between Oklahoma City and Tulsa, OK, so the airway will be in the Kansas City ARTCC's airspace.

**List of Subjects in 14 CFR Part 71**

Aviation safety, VOR Federal airways.

**Adoption of the Amendment**

Accordingly, pursuant to the authority delegated to me, § 71.123 of Part 71 of the Federal Aviation Regulations (14 CFR Part 71), is amended, effective 0901 G.m.t., September 29, 1983, as follows:

**V-436 [Amended]**

By deleting the words "INT Oklahoma City 079" and Tulsa, OK, 228" radials" and substituting for them the words "INT Oklahoma City 074" and Tulsa, OK, 230" radials"

(Secs. 307(a) and 313(a), Federal Aviation Act of 1958 (49 U.S.C. 1348(a) and 1354(a)); (49 U.S.C. 106(g) (Revised, Pub. L. 97-449, January 12, 1983)); and 14 CFR 11.69)

**Note.**—The FAA has determined that this regulation only involves an established body of technical regulations for which frequent and routine amendments are necessary to keep them operationally current. It, therefore—(1) is not a "major rule" under Executive Order 12291; (2) is not a "significant rule" under DOT Regulatory Policies and Procedures (44 FR 11034; February 26, 1979); and (3) does not warrant preparation of a regulatory evaluation as the anticipated impact is so minimal. Since this is a routine matter that will only affect air traffic procedures and air navigation, it is certified that this rule will not have a significant economic impact on a substantial number of small entities under the criteria of the Regulatory Flexibility Act.

Issued in Washington, D.C., on July 21, 1983.

John W. Baier,

*Acting Manager, Airspace-Rules and Aeronautical Information Division.*

[FR Doc. 83-20404 Filed 7-27-83; 8:45 am]

BILLING CODE 4910-13-M

**14 CFR Parts 71 and 75**

[Airspace Docket No. 83-AWA-9]

**Alteration of VOR Federal Airways and Jet Routes, Minneapolis, MN, Area**

**AGENCY:** Federal Aviation Administration (FAA), DOT.

**ACTION:** Final rule.

**SUMMARY:** These amendments revoke several VOR Federal Airways in the vicinity of Minneapolis, MN, realign Jet Routes J-30 and J-113, and realign V-510 to enhance the traffic flow within the Minneapolis Air Route Traffic Control Center's (ARTCC) area.

**EFFECTIVE DATE:** September 29, 1983.

**FOR FURTHER INFORMATION CONTACT:** Neil Saunders, Airspace and Air Traffic Rules Branch (AAT-230), Airspace-Rules and Aeronautical Information Division, Air Traffic Service, Federal Aviation Administration, 800 Independence Avenue, SW., Washington, D.C. 20591; telephone (202) 426-8783.

**SUPPLEMENTARY INFORMATION: History**

On May 5, 1983, the FAA proposed to amend Parts 71 and 75 of the Federal Aviation Regulations (14 CFR Parts 71 and 75) to: (1) Revoke V-13E between Duluth, MN, and Grantsburg, MN; (2) revoke V-414 from Alexandria, MN, to Gopher, MN; (3) revoke V-416 from Alexandria, MN to Gopher, MN; (4) revoke J-30 between Farmington, MN, and Nodine, MN; (5) revoke J-113 between Gopher, MN, and Dubuque, IA; and (6) realign V-510 between Alexandria, MN, and Gopher, MN (48 FR 20241), to enhance the traffic flow within the Minneapolis ARTCC's area. Interested parties were invited to participate in this rulemaking proceeding by submitting written comments on the proposal to the FAA. No comments objecting to the proposal were received. Except for editorial changes, this amendment is the same as that proposed in the notice. Section 71.123 and 75.100 of Parts 71 and 75 of the Federal Aviation Regulations were republished in Advisory Circular AC 70-3A dated January 3, 1983.

## The Rule

These amendments to Parts 71 and 75 of the Federal Aviation Regulations revoke VOR Federal Airways V-13E between Grantsburg, MN, and Duluth, MN, revoke V-414, and V-416; realign Jet Routes J-30 and J-113, and realign V-510 to enhance the traffic flow within the Minneapolis ARTCC's area.

### List of Subjects in 14 CFR Parts 71 and 75

Aviation safety, VOR Federal Airways and jet routes.

### Adoption of the Amendments

Accordingly, pursuant to the authority delegated to me, § 71.123 and § 75.100 of Parts 71 and 75 of the Federal Aviation Regulations (14 CFR Parts 71 and 75) are amended, effective 0901 G.m.t., September 29, 1983, as follows:

#### 1. V-13 [Amended]

By deleting the words "Duluth, MN, including an E alternate; 36 miles, 35 MSL, Thunder Bay, ON, Canada," and substituting them for the words "Duluth, MN; to Thunder Bay, ON, Canada."

#### 2. V-414 [Revoked]

#### 3. V-416 [Revoked]

#### 4. J-30 [Amended]

By deleting the words "Farmington, MN, via Nodine, MN; Joliet, IL," and substituting for them the words "Joliet, IL, via"

#### 5. J-113 [Amended]

By deleting the words "via Dubuque, IA, INT Dubuque 306" and Gopher 155" radials, to Gopher, MN," and substituting for them the words "to Dubuque, IA."

#### 6. V-510 [Amended]

By deleting the words "Alexandria; Gopher, MN;" and substituting the words "Alexandria; INT Alexandria 110" and Gopher, MN, 321" radials, Gopher;"

(Secs. 307(a) and 313(a), Federal Aviation Act of 1958 (49 U.S.C. 1348(a) and 1354(a)); (49 U.S.C. 106(g) [Revised, Pub. L. 97-449, January 12, 1983]); and 14 CFR 11.69)

Note.—The FAA has determined that this regulation only involves an established body of technical regulations for which frequent and routine amendments are necessary to keep them operationally current. It, therefore: (1) is not a "major rule" under Executive Order 12291; (2) is not a "significant rule" under DOT Regulatory Policies and Procedures (44 FR 11034; February 26, 1979); and (3) does not warrant preparation of a regulatory evaluation as the anticipated impact is so minimal. Since this is a routine matter that will only affect air traffic procedures and air navigation, it is certified that this rule will not have a significant economic impact on a substantial number of small entities under the criteria of the Regulatory Flexibility Act.

Issued in Washington, D.C., on July 21, 1983.

John W. Baier,

Acting Manager, Airspace-Rules and Aeronautical Information Division.

[FR Doc. 83-20409 Filed 7-27-83; 8:45 am]

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## SECURITIES AND EXCHANGE COMMISSION

### 17 CFR Part 240

[Release No. 34-19988; File No. S7-952]

### Application of Rule 13e-4 to a Certain Type of Issuer Tender Offer

**AGENCY:** Securities and Exchange Commission.

**ACTION:** Final rule.

**SUMMARY:** The Commission is adopting amendments to Rule 13e-4 under the Securities Exchange Act of 1934. Rule 13e-4 regulates cash tender offers and exchange offers by issuers for their equity securities. The amendments to Rule 13e-4 except from the application of the rule tender offers by issuers to purchase shares from their security holders—exclusive of participants in an issuer's stock purchase, dividend reinvestment, or similar plan—who own a specified number of shares that is less than one hundred as of a specified date prior to the announcement of the offer. The Commission has determined that these tender offers generally do not present the potential for fraud or manipulative abuse addressed by the rule. The Commission is also adopting a companion amendment to Rule 13e-3 under the Securities Exchange Act of 1934.

**EFFECTIVE DATE:** July 28, 1983.

#### FOR FURTHER INFORMATION CONTACT:

Kenneth B. Orenbach (202-272-7391) or Deren E. Manasevit (202-272-7376), Office of Legal Policy and Trading Practices, Division of Market Regulation, Securities and Exchange Commission, 450 5th Street, NW, Washington, D.C. 20549.

#### SUPPLEMENTARY INFORMATION:

##### I. Background

The Securities and Exchange Commission is adopting amendments to Rule 13e-4 (the "Rule") under the Securities Exchange Act of 1934 (the "Act").<sup>1</sup> These amendments were

<sup>1</sup> The Commission is also adopting a companion amendment to Rule 13e-3 under the Act.

published for comment on November 17, 1982.<sup>2</sup>

In August 1979, the Commission adopted the Rule and related Schedule 13E-4, which regulate cash tender offers and exchange offers by issuers for their equity securities.<sup>3</sup> The Rule and Schedule are patterned substantially on the regulatory scheme established by Sections 14(d) and 14(e) of the Act and the rules promulgated thereunder relating to third party tender offers.<sup>4</sup>

One type of issuer tender offer is an offer to purchase the shares of Security holders who own a specified number of shares that is less than one hundred ("Odd-lot Offer"). Generally, the purpose of an Odd-lot Offer is to reduce the disproportionately high costs to the issuer of servicing large numbers of small shareholders accounts and to enable those shareholders to dispose of their securities without incurring the brokerage fees that normally attend odd-lot transactions. In light of their limited purpose and the fact that they are not characterized by large premiums or significant market impact, Odd-lot Offers present minimal potential for fraud and manipulation.

As noted in the Proposing Release, the Commission currently grants exemptions from the Rule to permit issuers to make Odd-lot Offers without complying with the filing and dissemination requirements of the Rule.<sup>5</sup> In the majority of cases, however, the Commission has continued to require that such offers comply with the substantive provisions of the Rule. These provisions, contained generally in

<sup>2</sup> See Securities Exchange Act Release No. 34-19246 (November 17, 1982), 47 FR 53398 ("Proposing Release").

<sup>3</sup> See Securities Exchange Act Release No. 34-16112 (August 16, 1979), 44 FR 49406. The Rule was proposed for public comment in Securities Exchange Act Release No. 34-14234 (December 8, 1977), 42 FR 63066.

<sup>4</sup> See Rules 14d-1 through 14d-9 and 14e-1 through 14e-3, 17 CFR 240.14d-1—14d-9 and 240.14e-1—14e-3.

<sup>5</sup> Paragraph (c) of the Rule requires that the issuer making a tender offer file with the Commission ten copies of a Schedule 13E-4 in connection with its offer, while paragraph (d)(1)(iv) requires dissemination to all eligible participants of the information contained in the Schedule or a fair and adequate summary thereof.

In addition to a five percent limit on the number of shares to be purchased, the Division of Market Regulation, which administers the Rule, has required that an issuer making an Odd-lot Offer exempted from the Rule disseminate to shareholders a letter containing the following information:

a. the terms and purpose of the Odd-lot Offer;  
b. instructions for obtaining, at the issuer's expense, the information required by paragraph (d)(1)(iv) of the Rule; and  
c. a letter of transmittal pursuant to which odd-lot holders may tender their securities.

paragraph (f), require an issuer, among other things, to leave a tender offer open for a minimum period of time; \* grant tendering security holders certain withdrawal rights; \* pays any increase in consideration to holders whose securities have already been accepted for payment \* and refrain from purchasing the security that is the subject of the tender offer and certain related securities for ten business days after the date of termination of the tender offer. \* In addition, Odd-lot Offers are subject to the general antifraud and anti-manipulative provisions of the federal securities laws.<sup>10</sup>

In the Proposing Release, the Commission recommended amendments to the Rule to except Odd-lot Offers from the provisions of the Rule, including its filing, disclosure and substantive requirements. The amendments would have required that an issuer extend Odd-lot Offers to all beneficial and record holders of the specified number of shares as of a record date prior to the announcement of the Odd-lot Offer.

## II. Discussion

The Commission continues to believe generally that odd-lot offers do not require the substantive and procedural protections of the Rule, and has amended the Rule consistent with the proposal with certain modifications.<sup>11</sup> As more fully discussed in the Proposing Release, and odd-lot holder's primary incentive to tender into an odd-lot offer is to avoid the brokerage fees normally charged for odd-lot transactions. Since odd-lot offers do not occur in contested situations and are not used as defensive tactics in response to third party tender offers, odd-lot holders are not pressured to act in haste, and there is little reason for odd-lot holders to withdraw securities previously tendered. In addition, the minimum time periods have little relevance in the context of an odd-lot offer.

Commentators unanimously endorsed the view that odd-lot offers do not present the potential for fraud or manipulative abuse addressed by the Rule, and supported excepting odd-lot

offers from the application of the Rule.<sup>12</sup> Some commentators objected to the proposed requirement that odd-lot offers be extended to beneficial holders to qualify for an exception to the Rule. Of particular concern to many of these commentators was the requirement implicit in the Proposing Release that odd-lot offers be extended to participants in profit sharing plans, dividend reinvestment plans and other employees or shareholder benefit plans. They argued that reducing servicing costs to issuers and eliminating brokerage fees for shareholders are not relevant considerations in the context of such plans. Moreover, such plans are designed to encourage shareholders to continue to invest in a company, an objective that is inconsistent with the desire that underlies most odd-lot offers—to eliminate small shareholder accounts.

The Commission continues to believe that it is important to prevent unreasonable discrimination among holders of the class of securities subject to a tender offer, including an odd-lot offer. The requirement that odd-lot offers be extended to beneficial as well as record holders is designed to protect beneficial holders who might otherwise be excluded from the opportunity to participate in an odd-lot offer. Accordingly, the Commission has decided to retain the requirement that odd-lot offers excepted from the Rule be extended to beneficial as well as record holders. As suggested by some commentators, however, participants in employee or shareholder stock purchase plans will be excluded from this requirement.<sup>13</sup> Issuers that engage in an odd-lot offer excepted from the Rule will therefore not be required to extend such offers to participants in any such plan.<sup>14</sup>

In addition, for the reasons articulated in the Proposing Release, the Commission has decided to retain in the Rule as adopted the requirement that an issuer making an Odd-lot Offer set a record date prior to announcement of the offer to determine the eligibility of a

security holder to participate in the offer.<sup>15</sup>

Finally, the Commission observed in the Proposing Release that, in a small number of situations, an Odd-lot Offer may also constitute a going private transaction subject to Rule 13e-3 under the Act.<sup>16</sup> The Commission determined, in adopting Rule 13e-3, that it was not necessary to subject tender offers covered by Rule 13e-4 to the 20 day pre-purchase dissemination requirement specified by Rule 13e-3 because Rule 13e-4 tender offers were subject to a similar protected period by operation of the withdrawal provisions of paragraph (f) of the Rule.<sup>17</sup>

In the Proposing Release the Commission noted, however, that, as a consequence of excepting Odd-lot Offers from the operation of the Rule, Odd-lot Offers that are also Rule 13e-3 transactions would become subject to the 20 day pre-purchase dissemination requirement contained in paragraph (f)(1)(i)(A) of Rule 13e-3. Commentators were requested to consider whether it was appropriate to subject Odd-lot Offers that are Rule 13e-3 transactions to that provision.<sup>18</sup>

The Commission has determined that it is not necessary to extend the delay period during which purchases cannot be effected beyond that previously afforded by the withdrawal provisions of paragraph (f) of Rule 13e-4. Thus, the Commission has decided to retain a 10 business day period for Odd-lot Offers excepted from the Rule that are also Rule 13e-3 transactions. The Commission has amended Rule 13e-3(f)(1) to provide that, in the case of Odd-lot Offers excepted from the Rule, the information required by Rule 13e-3 shall be disseminated in accordance with

<sup>10</sup> An issuer that chooses not to use a record date in connection with an offer to odd-lot holders will not be prohibited from making that offer. Such an offer, however, will remain fully subject to the Rule and the issuer will be required either to obtain an exemption from the Rule or to comply fully with all provisions of the Rule. In addition, the amendments to the Rule will not affect the application of section 23(c) of the Investment Company Act of 1940 and Rule 23c-1 promulgated thereunder. 17 CFR 270.23c-1, to closed-end investment companies that purchase for cash any securities of which they are the issuer.

One of the commentators recommended that the Commission amend Rules 10b-6 and 10b-13 to exempt Odd-lot Offers from the operation of those rules. The Commission has determined instead to allow the staff to consider requests for relief from such rules on a case-by-case basis.

<sup>14</sup> See Proposing Release, 47 FR at 53400, n.24.

<sup>15</sup> Paragraph (f) of Rule 13e-4 provides a 10 business day period during which purchases pursuant to the Rule cannot be effected.

<sup>16</sup> The Commentators that addressed this question suggested that it was not appropriate to subject such offers to a 20 day pre-purchase dissemination period.

\* 17 CFR 240.13e-4(f)(1).

\* 17 CFR 240.13e-4(f)(2).

\* 17 CFR 240.13e-4(f)(4).

\* 17 CFR 240.13e-4(f)(6).

<sup>10</sup> Sections 9(a), 10(b) and 14(e) of the Act and Section 17(a) of the Securities Act of 1933 prohibit the use of manipulative or deceptive acts or contrivances in connection with various securities transactions.

<sup>11</sup> The amendments also make a clarifying change to paragraph (f)(3)(i) of the Rule deleting reference to acceptance procedures in connection with odd-lot offers.

<sup>12</sup> Ten comments were received with respect to the proposed amendments. File No. S7-952 contains these public comment letters as well as a Summary of Comments prepared by the staff of the Commission.

<sup>13</sup> For purposes of this exclusion, the term "plan" will have the same definition as that term in Rule 10b-6 under the Act. See 17 CFR 240.10b-6(c)(4).

<sup>14</sup> As issuer would nevertheless be required to extend the odd-lot offer to any shares held independently of any such plan by a participant in the plan, and a participant's plan shares would not be counted in determining whether the participant's independently held shares were of a sufficiently small number to qualify for the odd-lot offer.

paragraph (e) of Rule 13e-4 no later than 10 business days prior to any purchases pursuant to the Odd-lot Offer.<sup>19</sup>

### III. Regulatory Flexibility Act Considerations

The Chairman of the Commission certified in connection with the Proposing Release that the proposed amendments to Rule 13e-4, if adopted, would not have a significant impact on a substantial number of small entities. None of the comments addressed the certification.

### IV. Effects on Competition and Other Findings

Section 23(a)(2) of the Act<sup>20</sup> requires the Commission, in adopting rules under the Act, to consider the anti-competitive effect of such rules, if any, and to balance any impact against the regulatory benefits gained in terms of furthering the purposes of the Act. The Commission has considered the amendments to Rules 13e-3 and 13e-4 in light of the standards cited in Section 23(a)(2) and believes, for the reasons stated herein, that adoption of the amendments will not impose any burden on competition not necessary or appropriate in furtherance of the Act.

The Commission finds, in accordance with the Administrative Procedure Act,<sup>21</sup> that the adoption of the amendments to Rules 13e-3 and 13e-4 relieve mandatory restrictions and are exemptive in nature. Accordingly, the foregoing action becomes effective immediately.

### List of Subjects in 17 CFR 240

Reporting and recordkeeping requirements, Securities.

### V. Statutory Basis And Text of Rule Amendments

The amendments to Rules 13e-3 and 13e-4 are adopted pursuant to Sections 3(b), 9(a)(6), 10(b), 13(e), 14(e) and 23(a) of the Act, 15 U.S.C. 78c(b), 78i(a), 78j(b), 78m(e), 78n(e) and 78w(a). In accordance with the foregoing, Part 240 of Chapter II of Title 17 of the Code of Federal Regulations is amended as follows:

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

1. By amending § 240.13e-3 by revising paragraph (f)(1)(i)(A) as follows:

<sup>19</sup> In the case of an Odd-lot Offer that is also a Rule 13e-3 transaction, the Rule requires that the obligatory disclosure be disseminated to all shareholders, including those shareholders holding more than the number of shares specified by the Odd-lot Offer.

<sup>20</sup> 15 U.S.C. 78w(a)(2).

<sup>21</sup> 5 U.S.C. 553(d).

### § 240.13e-3 Going private transactions by certain issuers or their affiliates.

(f) \* \* \*

(1) \* \* \*

(i) \* \* \*

(A) In accordance with the provisions of any applicable Federal or State law, but in no event later than 20 days prior to: any such purchase; any such vote, consent or authorization; or with respect to the distribution of information statements, the meeting date, or if corporate action is to be taken by means of the written authorization or consent of security holders, the earliest date on which corporate action may be taken: *Provided, however,* That if the purchase subject to this section is pursuant to a tender offer excepted from Rule 13e-4 by paragraph (g)(5) of Rule 13e-4, the information required by paragraph (e) of this section shall be disseminated in accordance with paragraph (e) of Rule 13e-4 no later than 10 business days prior to any purchase pursuant to such tender offer.

2. By amending § 240.13e-4 by revising paragraph (f)(3)(i), deleting the word "or" at the end of paragraph (g)(4), adding a new paragraph (g)(5), and redesignating current paragraph (g)(5) as (g)(6), to read as follows:

### § 240.13e-4 Tender offers by issuers.

(f) \* \* \*

(3) \* \* \*

(i) Accepting all securities tendered by persons who own, beneficially or of record, an aggregate of not more than a specified number which is less than one hundred shares of such security and who tender all their securities, before prorating securities tendered by others; or

(g) \* \* \*

(5) Offers to purchase from security holders who own an aggregate of not more than a specified number of shares that is less than one hundred: *Provided, however,* That the offer is made to all record and beneficial holders (other than participants in an issuer's plan, as that term is defined in Rule 10b-6(c)(4) under the Act [§ 240.10b-6(c)(4)], if the issuer elects not to extend the offer to such participants) who own that number of shares as of a specified date prior to the announcement of the offer; or

By the Commission.

George A. Fitzsimmons,  
Secretary.

July 21, 1983.

[FR Doc. 83-20459 Filed 7-27-83; 8:45 am]

BILLING CODE 8010-01-M

### DEPARTMENT OF ENERGY

### Federal Energy Regulatory Commission

### 18 CFR Part 2

[Docket Nos. RM83-21-000, RM83-21-001, RM83-21-002]

### Interpretation of Authority to Suspend Initial Rate Schedules

July 21, 1983.

**AGENCY:** Federal Energy Regulatory Commission, DOE.

**ACTION:** Order granting rehearing solely for the purpose of further consideration.

**SUMMARY:** The Federal Energy Regulatory Commission is issuing an order granting limited rehearing on two applications filed with respect to the Commission's final rule interpreting its suspension authority over initial rates. Rehearing is granted solely to allow the Commission sufficient time for further consideration of the applications. The order does not constitute a grant or denial of any application on its merits, either in whole or in part.

**FOR FURTHER INFORMATION CONTACT:** Kenneth J. Malloy, Office of General Counsel, Federal Energy Regulatory Commission, 825 North Capitol Street, NE., Washington, D.C. 20426 (202) 357-8033.

Interpretation of Authority to Suspend Initial Rate Schedules; Docket Nos. RM83-21-000, RM83-21-001, RM83-21-002.

### Order Granting Rehearing for Purpose of Further Consideration

On May 24, 1983, the Federal Energy Regulatory Commission (Commission) issued a final interpretive rule (48 FR 24358; June 1, 1983) which revised the Commission's interpretation of its authority both to suspend initial rate schedules under section 205 of the Federal Power Act (FPA) and section 4 of the Natural Gas Act (NGA), and to establish interim rates during the suspension period if necessary. This rule is a codification of the Commission's holding in *Middle South Energy, Inc.*, Docket No. ER82-66-001, 23 FERC ¶ (May 24, 1983). In that case the Commission concluded that neither the FPA nor the NGA prohibit the Commission from suspending initial rate

schedules, establishing interim rates during the suspension period, and establishing contingent refund obligations.

The Commission has received timely petitions for rehearing of this final rule from Middle South Energy, Inc. (Docket No. RM83-21-002), and Tennessee Gas Pipeline Company, (Docket No. RM83-21-001). To have sufficient time to consider the issues raised in these petitions, the Commission will grant rehearing of the final rule solely for the purpose of such further consideration. This action does not constitute a grant or denial of any petition on its merits, either in whole or part. As provided in section 385.713 of the Commission's Rules of Practice and Procedure (18 CFR 385.713), no answers to these petitions will be entertained by the Commission because this order does not grant rehearing on any substantive issue.

By the Commission.  
Kenneth F. Plumb,  
Secretary.

[FR Doc. 83-20423 Filed 7-27-83; 8:45 am]  
BILLING CODE 6717-01-M

## 18 CFR Part 271

[Docket No. RM79-76-142; Texas-10  
Addition II; Order No. 317]

### Natural Gas Policy Act; High-Cost Gas Produced From Tight Formations; Texas

Issued: July 22, 1983.

**AGENCY:** Federal Energy Regulatory  
Commission, DOE.

**ACTION:** Final rule.

**SUMMARY:** The Federal Energy Regulatory Commission is authorized by section 107(c)(5) of the Natural Gas Policy Act of 1978, 15 U.S.C. 3301-3432 (Supp. V 1982), to designate certain types of natural gas as high-cost gas where the Commission determined that the gas is produced under conditions which present extraordinary risks or costs. Under section 107(c)(5), the Commission issued a final regulation designating natural gas produced from tight formations as high-cost gas which may receive an incentive price (18 CFR 271.703 (1982)). This rule established procedures for jurisdictional agencies to submit to the Commission recommendations of areas for designation as tight formations. This final order adopts the recommendation of the Railroad Commission of Texas that an additional area of the Edwards Limestone Formation, located in Live Oak County, Texas, be designated as a tight formation under § 271.703(d).

**EFFECTIVE DATE:** This rule is effective August 22, 1983.

**FOR FURTHER INFORMATION CONTACT:** Steven Ross, (202) 357-8571, or Walter W. Lawson, (202) 357-8556.

**SUPPLEMENTARY INFORMATION:** The Commission hereby amends § 271.703(d) of its regulations (18 CFR 271.703(d) (1982)) to include an additional area of the Edwards Limestone Formation as a designated tight formation eligible for incentive pricing under § 271.703. The amendment was proposed in a Notice of Proposed Rulemaking by the Director, Office of Pipeline and Producer Regulation, issued November 1, 1982, 47 FR 50202 (November 5, 1982) based on a recommendation by the Railroad Commission of Texas (Texas), in accordance with § 271.703, that an additional area of the Edwards Limestone Formation, located in Live Oak County, Texas be designated as a tight formation.

Evidence submitted by Texas supports the assertion that an additional area of the Edwards Limestone Formation meets the guidelines contained in § 271.703(c)(2). The Commission adopts the Texas recommendation.

This amendment shall become effective August 22, 1983.

#### List of Subjects in 18 CFR Part 271

Natural gas, Incentive price, Tight formations.

(Department of Energy Organization Act, 42 U.S.C. 7101 *et seq.*; Natural Gas Policy Act of 1978, 15 U.S.C. 3301-3432; Administrative Procedure Act, 5 U.S.C. 553)

In consideration of the foregoing, Part 271 of Subchapter H, Chapter I, Code of Federal Regulations, is amended as set forth below.

By the Commission.  
Kenneth F. Plumb,  
Secretary.

#### PART 271—[AMENDED]

Section 271.703 is amended by adding paragraph (d)(48)(iii) to read as follows:

##### § 271.703 Tight formations.

(d) Designated tight formations.

(48) Edwards Limestone Formation in Texas. RM79-76 (Texas-10).

(iii) Live Oak County.

(A) Delineation of formation. The Edwards Formation is found to the north

<sup>1</sup> Comments and requests for a public hearing were invited and none were received by the Commission in this docket.

of the City of Three Rivers in Live Oak County, Texas, Railroad Commission District 2. The designated area is bounded on the south by the Frio River and includes the following surveys: Mrs. M. D. Proctor A-904, A. E. Brown A-828, John Hefferman A-11, Bridget Haughey A-9, Thos. Henry A-13, Partick Henry A-12, Simon Ryan A-35, Lewis Ayers A-2, Walter Henry A-15, Daniel O'Boyle A-32, Mark Killely A-20, S. M. & S. A. A-442, S. M. & S. A. A-443, Lawrence Jacobs A-659, and G. H. & H. R. R. A-205.

(B) Depth. The top of the Edwards Formation varies in depth from approximately 12,000 feet subsea on the eastern side of the designated area to 14,000 feet subsea on the west side.

[FR Doc. 83-20335 Filed 7-27-83; 8:45 am]

BILLING CODE 6717-01-M

## 18 CFR Part 271

[Docket No. RM80-53]

### Natural Gas Policy Act; Maximum Lawful Prices

**AGENCY:** Federal Energy Regulatory  
Commission, DOE.

**ACTION:** Order of the Director, OPR.

**SUMMARY:** Pursuant to the authority delegated by 18 CFR 375.307(1), the Director of the Office of Pipeline and Producer Regulation revises and publishes the maximum lawful prices prescribed under Title I of the Natural Gas Policy Act (NGPA) for the months of August, September and October 1983. Section 101(b)(6) of the NGPA requires that the Commission compute and publish the maximum lawful prices before the beginning of each month for which the figures apply.

**EFFECTIVE DATE:** August 1, 1983.

**FOR FURTHER INFORMATION CONTACT:** Kenneth A. Williams, Director, OPR, (202) 357-8500.

Issued: July 22, 1983.

Section 101(b)(6) of the Natural Gas Policy Act of 1978 (NGPA) requires that the Commission compute and make available maximum lawful prices and inflation adjustments prescribed in Title I of the NGPA before the beginning of any month for which such figures apply.

Pursuant to this requirement and § 375.307(1) of the Commission's regulations, which delegates the publication of such prices and inflation adjustments to the Director of the Office of Pipeline and Producer Regulation, the maximum lawful prices for the months of August, September and October 1983 are issued by the publication of the price