

amended, is insufficient, and this amendment relieves restrictions on the handling of lemons grown in the State of California or in the State of Arizona.

Order, as amended. The provisions in paragraph (b) (1) (ii) of § 953.613 (Lemon Regulation 506, 18 F. R. 6447) are amended to read as follows:

(ii) District 2, 250 carloads.

(Sec. 5, 49 Stat. 753, as amended; 7 U. S. C. and Sup. 608c)

Done at Washington, D. C., this 15th day of October 1953.

[SEAL]

S. R. SMITH,  
Director, Fruit and Vegetable  
Branch, Production and Mar-  
keting Administration.

[F. R. Doc. 53-8910; Filed, Oct. 19, 1953;  
8:52 a. m.]

## TITLE 9—ANIMALS AND ANIMAL PRODUCTS

### Chapter I—Bureau of Animal Indus- try, Department of Agriculture

#### Subchapter C—Interstate Transportation of Animals and Poultry

[B. A. I. Order 383, Revised, Amdt. 9]

#### PART 76—HOG CHOLERA, SWINE PLAGUE, AND OTHER COMMUNICABLE SWINE DISEASES

##### SUBPART B—VESICULAR EXANTHEMA

#### DESIGNATION OF AREAS IN WHICH SWINE ARE AFFECTED WITH VESICULAR EXANTHEMA

Pursuant to the authority conferred upon the Administrator of the Agricultural Research Administration by § 76.27 of Subpart B, as amended, Part 76, Title 9, Code of Federal Regulations (18 F. R. 3637), § 76.27a of said Subpart B (18 F. R. 3829, as amended) is hereby amended to read as follows:

§ 76.27a *Designation of areas in which swine are affected with vesicular exanthema.* The following areas are hereby designated as areas in which swine are affected with vesicular exanthema:

The State of California;  
The Town of Manchester in Hartford County, in Connecticut;

Androscoggin, Cumberland, Kennebec, Somerset, and York Counties, in Maine;

That area consisting of Hampden, Worcester, Middlesex, Essex, Suffolk, Norfolk, Bristol, and Plymouth Counties, in Massachusetts;

Brownstown, and Huron Townships, in Wayne County, in Michigan;

Bergen, Hudson, Hunterdon, and Morris Counties, that area consisting of Union, Middlesex, Monmouth, Ocean, Burlington, Camden, Gloucester, and Atlantic Counties, that area in Lower Township in Cape May County lying east of U. S. Highway No. 9, and that area in Dennis Township in Cape May County bounded by the Belleplain State Forest on the south and east and State Highway No. 550 on the north and west and State Highway Spur No. 550 on the west, in New Jersey;

Poughkeepsie Township, in Dutchess County, and that area in Clarkstown Township lying north of New York State Route No. 59, in Rockland County, in New York;

Bucks and Delaware Counties, in Pennsylvania;

That area in Atascosa County lying west of State Highway No. 346 and north of State Highway No. 173, and that area in Bell County lying north of U. S. Highway No. 190 and west of State Highways No. 36 and No. 317, in Texas.

*Effective date.* The foregoing amendment shall become effective upon issuance.

Section 76.27 of Subpart B, as amended, Part 76, Title 9, Code of Federal Regulations (18 F. R. 3637), quarantines the areas so designated.

The amendment designates the following as an area in which swine are affected with vesicular exanthema in addition to the areas heretofore designated:

Brownstown and Huron Townships, in Wayne County, in Michigan.

Hereafter, the restrictions pertaining to the interstate movement of swine and carcasses, parts and offal of swine from or through quarantined areas contained in 9 CFR, Part 76, Subpart B, as amended (18 F. R. 3636, as amended), apply to this area.

The amendment excludes from the areas heretofore designated as areas in which swine are affected with vesicular exanthema:

That area in Walton and Holmes Counties beginning at the intersection of the Alabama State line and Florida State Highway No. 83, thence south on State Highway No. 83 to intersection of State Highway No. 183A, thence approximately four miles on State Highway No. 183A to intersection of graded county road running east of the Town of Union, thence east on such graded road through the Town of Union to State Highway No. 81, thence north on State Highway No. 81 to the Alabama State line, thence west along such line to point of beginning, in Florida.

The Administrator of the Agricultural Research Administration has determined that swine in this area are no longer affected with the disease, and that the quarantine of such area is no longer required to prevent the dissemination thereof. Accordingly, this area is no longer quarantined under said § 76.27, and the restrictions pertaining to the interstate movement of swine and carcasses, parts and offal of swine from or through quarantined areas contained in 9 CFR, Part 76, Subpart B, as amended (18 F. R. 3636, as amended), no longer apply to such area. However, the restrictions pertaining to such movement from non-quarantined areas contained in said Subpart B, as amended, apply thereto.

The effect of the amendment is to impose certain further restrictions necessary to prevent the spread of vesicular exanthema, a contagious, infectious, and communicable disease of swine, and to relieve certain restrictions presently imposed. The amendment must be made effective immediately to accomplish its purpose in the public interest and to be of maximum benefit to persons subject to the restrictions which are relieved. Accordingly, under section 4 of the Administrative Procedure Act (5 U. S. C. 1003), it is found upon good cause that notice and other public procedure with respect to the amendment are imprac-

ticable and contrary to the public interest and good cause is found for making it effective less than 30 days after publication in the FEDERAL REGISTER.

(Secs. 4, 5, 23 Stat. 32, as amended, sec. 2, 32 Stat. 792, as amended, secs. 1, 3, 33 Stat. 1264, as amended, 1265, as amended; 21 U. S. C. 120, 111, 123, 125. Interprets or applies sec. 7, 23 Stat. 32, as amended; 21 U. S. C. 117)

Done at Washington, D. C., this 14th day of October 1953.

[SEAL]

M. R. CLARKSON,  
Acting Administrator,  
Agricultural Research Administration.

[F. R. Doc. 53-8898; Filed, Oct. 19, 1953;  
8:48 a. m.]

## TITLE 17—COMMODITY AND SECURITIES EXCHANGES

### Chapter II—Securities and Exchange Commission

#### PART 240—GENERAL RULES AND REGULA- TIONS UNDER THE SECURITIES EXCHANGE ACT OF 1934

##### QUARTERLY REPORTS

On August 6, 1953, the Securities and Exchange Commission invited all interested persons to submit their views and comments in regard to a proposal to rescind Form 9-K (17 CFR 249.309), the form for quarterly reports of gross sales and operating revenues, and Rules X-13A-13 and X-15D-13 (§§ 240.13a-13 and 240.15d-13), the rules relating to the filing of such reports, under the Securities Exchange Act of 1934.

This action was proposed in connection with a review by the Commission of its activities, procedures and requirements to determine the extent to which these may be eliminated, revised or modified without a material adverse effect upon the public interest.

The Commission has now considered all of the comments and data submitted in regard to the above mentioned proposal and has determined that the above-mentioned form and rules should be rescinded.

*Statutory authority.* This action is taken pursuant to the Securities Exchange Act of 1934, particularly sections 13 and 23 (a) thereof, the Commission deeming such action necessary and appropriate in the public interest and for the protection of investors and necessary to carry out its functions under the act.

Since this action relieves a restriction, it may be made effective immediately upon publication. Accordingly, Form 9-K (17 CFR 249.309) and Rules X-13A-13 and X-15D-13 (§§ 240.13a-13 and 240.15d-13) are rescinded, effective October 9, 1953.

(Sec. 23, 48 Stat. 901 as amended; 15 U. S. C. 78w. Interprets or applies sec. 13, 48 Stat. 894, 15 U. S. C. 78m)

By the Commission.

[SEAL]

ORVAL L. DuBOIS,  
Secretary.

OCTOBER 9, 1953.

[F. R. Doc. 53-8881; Filed, Oct. 19, 1953;  
8:46 a. m.]

## PART 249—FORMS, SECURITIES EXCHANGE ACT OF 1934

## SUBPART D—FORMS FOR ANNUAL AND OTHER REPORTS OF ISSUERS HAVING SECURITIES REGISTERED ON NATIONAL SECURITIES EXCHANGES

## RESCISSION OF FORM

Section 249.309 *Form 9-K, for quarterly reports* is rescinded effective October 9, 1953.

ORVAL L. DuBois,  
Secretary.

OCTOBER 9, 1953.

[F. R. Doc. 53-8882; Filed, Oct. 19, 1953; 8:46 a. m.]

## TITLE 32—NATIONAL DEFENSE

## Chapter V—Department of the Army

## Subchapter E—Organized Reserves

## PART 562—RESERVE OFFICERS' TRAINING CORPS

## MISCELLANEOUS AMENDMENTS

## Correction

In F. R. Doc. 53-8859, appearing at page 6635 of the issue for Saturday, October 17, 1953, the first paragraph should be changed to read as set forth below and the reference to "(c)" in § 562.43 is deleted:

Paragraph (a) of § 562.15 is revised, and §§ 562.29 (c) and 562.43 are revoked as follows:

## TITLE 36—PARKS, FORESTS, AND MEMORIALS

## Chapter I—National Park Service, Department of the Interior

## PART 2—GENERAL RULES AND REGULATIONS, NATIONAL RECREATION AREAS

## RECKLESS DRIVING

Part 2 is amended by adding a new § 2.29; reading as follows:

§ 2.29 *Reckless driving.* The driving of any vehicle upon a Government road or public use area in a National Recreation Area carelessly and heedlessly in willful or wanton disregard of the rights or safety of others, or without due caution and at a speed or in a manner so as to endanger or be likely to endanger any person or property is prohibited.

(Sec. 3, 39 Stat. 535, as amended; 16 U. S. C. 3)

Issued this 13th day of October 1953.

DOUGLAS McKAY,  
Secretary of the Interior.

[F. R. Doc. 53-8906; Filed, Oct. 19, 1953; 8:50 a. m.]

## TITLE 47—TELECOMMUNICATIONS

## Chapter I—Federal Communications Commission

## PART 3—RADIO BROADCAST SERVICES

## EDITORIAL CHANGES

In the matter of amendment of §§ 3.165, 3.606 and 3.687 of Part 3 of the

Commission's rules and regulations to effect certain editorial changes therein.

The Commission has under consideration certain editorial changes in §§ 3.165, 3.606 and 3.687 of its rules and regulations in order to correct typographical errors.

The amendments adopted herein are editorial in nature, and, therefore, prior publication and notice of proposed rule making under the provisions of section 4 of the Administrative Procedure Act is unnecessary; and the amendments may become effective immediately.

The amendments adopted herein are issued pursuant to authority contained in sections 4 (i), 5 (d) (1) and 303 (r) of the Communications Act of 1934, as amended, and paragraph F-6 of the Commission's Order Defining the Functions and Establishing the Organizational Structure of the Office of the Secretary, dated February 14, 1952 as amended.

It is ordered, That, effective immediately, §§ 3.165, 3.606 and 3.687 (Revised

to June 30, 1953) of the Commission's rules and regulations are revised as set forth below:

1. The 14th line of § 3.165 (b) is changed to read: "specified in subparagraphs (1) thru (4)."

2. The channels assigned to Binghamton, New York in § 3.606 (b) are changed to:

12-, 40-, \*46+

3. The subparagraph designator (b) in § 3.687 (i) is changed to (2).

(Sec. 4, 48 Stat. 1066 as amended; 47 U. S. C. 154. Interpret or apply sec. 303, 48 Stat. 1082, as amended, sec. 5, 66 Stat. 713; 47 U. S. C. 303; 155)

Adopted: October 14, 1953.

Released: October 14, 1953.

FEDERAL COMMUNICATIONS  
COMMISSION,

[SEAL] WM. P. MASSING,  
Acting Secretary.

[F. R. Doc. 53-8908; Filed, Oct. 19, 1953; 8:51 a. m.]

## PROPOSED RULE MAKING

## DEPARTMENT OF AGRICULTURE

## Bureau of Animal Industry

## [ 9 CFR Parts 14, 16, 17, 18, 24, 28 ]

## MEAT INSPECTION REGULATIONS

## NOTICE OF PROPOSED AMENDMENTS

Notice is hereby given in accordance with the provisions of section 4 (a) of the Administrative Procedure Act (5 U. S. C. 1003 (a)) that the Secretary of Agriculture, pursuant to the authority conferred upon him by the Meat Inspection Act, as amended (21 U. S. C. 71-91), and section 306 of the Tariff Act of 1930 (19 U. S. C. 1306), is considering amending the Meat Inspection Regulations (9 CFR Chapter I, Subchapter A, as amended), as follows:

1. Paragraph (a) of § 14.1 would be amended to read:

(a) Condemned carcasses and product at official establishments having facilities for tanking shall be disposed of by tanking as follows:

(1) The lower opening of the tank shall first be sealed securely by a Meat Inspection employee, except when permanently connected with a blow line, then the condemned carcasses and product shall be placed in the tank in his presence, after which the upper opening shall also be sealed securely by such employee, who shall then see that the contents of the tank are subjected to sufficient heating for sufficient time to effectively destroy the contents for food purposes.

(2) The use of equipment such as crushers or hashers for pre-tanking preparation of condemned carcasses and product in the inedible products department has been found to give inedible character and appearance to the material. Accordingly, if condemned

carcasses and product are so crushed or hashed, conveying systems, rendering tanks, and other equipment used in the further handling of the crushed or hashed material need not be locked or sealed during the tanking operation. If the rendering tanks or other equipment contain condemned material not so crushed or hashed, the equipment shall be sealed as prescribed in subparagraph (1) of this paragraph. If the crushed or hashed material is not rendered in the establishment where produced it shall be denatured as provided for in § 14.4.

2. Paragraph (a) of § 14.4 would be amended to read:

(a) Any carcass or product condemned at an official establishment which has no facilities for tanking shall be denatured with crude carbolic acid, cresylic disinfectant, or other prescribed agent, or be destroyed by incineration, under the supervision of a Meat Inspection employee. When such carcass or product is not incinerated it shall be slashed freely with a knife, before the denaturing agent is applied.

3. Paragraph (d) of § 16.13 would be amended to read:

(d) (1) When product is placed in casing to which artificial coloring is applied, as permitted under this subchapter, the article shall be legibly and conspicuously marked by stamping or printing on the casing or securely affixing to the article the words "artificially colored."

(2) If the casing is removed from product at an official establishment and there is evidence of artificial coloring on the surface of the product, the article from which the casing has been removed shall be marked by stamping directly thereon or by securely affixing thereto the printed words "artificially colored."

(3) The casing containing product need not be marked to show that it is colored if it is colored prior to its use as a covering for the product, and the coloring is of a kind and so applied as not to be transferable to the product and not to be misleading or deceptive with respect to color, quality, or kind of product enclosed therein.

(4) In the case of sausage of the smaller varieties the marking prescribed in this paragraph may be limited to links bearing the inspection legend.

4. Paragraph (b) of § 16.15 would be amended to read:

(b) When any product prepared in an official establishment for domestic commerce has been inspected and passed and is enclosed in a cloth wrapping, such wrapping may bear, in lieu of the domestic meat label, the inspection legend and establishment number applied by the approved 2½-inch rubber brand: *Provided*, The domestic meat label or rubber brand may be omitted in those cases in which the inspection legend and establishment number on the articles themselves are clearly legible through the wrapping or the wrapping is labeled in accordance with Part 17 of this subchapter: *Provided further*, That plain unprinted wrappings such as stockin-ettes, cheese cloth, paper and crinkled paper bags for properly marked fresh meat, including carcasses, and primal parts thereof, which are used solely to protect the product against soiling or excessive drying during transportation or storage need not bear the marks of inspection.

5. Section 16.16 would be amended by deleting paragraph (a) and amending the section to read:

§ 16.16 *Tank cars and tank trucks of edible product*. Each tank car and each tank truck carrying inspected and passed product from an official establishment shall bear a label containing the true name of the product, the inspection legend, the establishment number, and the words "date of loading," followed by a suitable space for the insertion of the date. The label shall be located conspicuously and shall be printed on material of such character and so affixed as to preclude detachment or effacement upon exposure to the weather. Before the car or truck is removed from the place where it is unloaded, the carrier shall remove or obliterate such label.

6. Section 17.8 (c) (37) would be amended to read:

(37) Product labeled "ham spread", "tongue spread", and the like, shall contain not less than 50 percent of the meat ingredient named computed on the weight of the fresh meat. Other meat and fat may be used to give the desired spreading consistency provided it does not detract from the character of the named spread.

7. Paragraph c of § 17.8 would be amended by adding the following new subparagraphs:

(54) The preparation of cooked cured product such as hams, pork shoulders, pork shoulder picnics, pork shoulder

butts, and pork loins, either by moist or dry heat, shall not result in the finished cooked article weighing more than the fresh uncured product; that is, the weight of the finished cooked article plus the weight of the skin, bones, fat, and trimmings removed during the preparation shall not exceed the weight of the fresh uncured product.

(55) Product labeled "chopped ham", "pressed ham", "chopped ham with natural juices", and "pressed ham with natural juices", shall be prepared with ham containing no more shank meat than is normally present in the boneless ham. The weight of the cured chopped ham prior to canning shall not exceed the weight of the fresh uncured ham, exclusive of the bones and fat removed in the boning operations, plus the weight of the curing ingredients and 3 percent moisture.

8. Paragraph (b) of § 17.9 would be amended to read:

(b) (1) When product is placed in casing to which artificial coloring is applied, as permitted under this subchapter, there shall appear on the label, in a prominent manner and contiguous to the name of the product, the words "artificially colored".

(2) If the casing is removed from product at an official establishment and there is evidence of the artificial coloring on the surface of the product, there shall appear on the label in a prominent manner and contiguous to the name of the product, the words "artificially colored".

(3) When the casing is colored prior to its use as a covering for product, the color shall be of a kind and so applied as not to be transferable to the product and not to be misleading or deceptive with respect to color, quality, or kind of product enclosed therein, and no reference to color need appear on the label.

9. Paragraph (b) of § 18.7 would be amended to read:

(b) There may be added to product, with appropriate declaration as required under Parts 16 and 17 of this subchapter, common salt, approved sugars, wood smoke, a vinegar, flavorings, spices, sodium nitrate, sodium nitrite, potassium nitrate (saltpeter), and potassium nitrite.

10. Section 18.7 (d) (9) would be amended to read:

(9) Monoisopropyl citrate not to exceed 1/100 of 1 percent. When used in combination with other antioxidants, the amount of monoisopropyl citrate shall not exceed 5/1000 of 1 percent.

11. Paragraph (b) of § 18.10 would be amended to read:

(b) Products containing pork muscle tissue (including hearts, pork stomachs and pork livers), or the pork muscle tissue which forms an ingredient of such products, including those named in this paragraph and products of the character thereof, are classed as articles which shall be effectively heated, refrigerated, or cured at a federally inspected establishment to destroy any possible live trichinae; Bologna; frankfurts; viennas; smoked sausage; knoblauch sausage;

mortadella; all forms of summer or dried sausage, including mettwurst; cooked loaves; roasted, baked, boiled, or cooked ham, pork shoulder, or pork shoulder picnic; Italian-style ham; Westphalia-style ham; smoked boneless pork shoulder butts; cured meat rolls; capocollo (capicola, capicola); coppa; fresh or cured boneless pork shoulder butts, hams, loins, shoulders, picnics, and similar pork cuts, in casings or other containers in which ready-to-eat delicatessen articles are customarily enclosed (excepting Scotch-style hams); cured boneless pork loin; boneless back bacon, smoked pork cuts such as hams, shoulders, loins, and picnics (excepting smoked hams and smoked pork shoulder picnics which are specially prepared for distribution in tropical climates, or smoked hams delivered to the Armed Services).

12. Section 24.7 would be amended to read:

§ 24.7 *Uninspected tallow, stearin, oleo oil, etc.; not to be exported unless exporter certifies as inedible*. No tallow, stearin, oleo oil, or the rendered fat derived from cattle, sheep, swine, or goats, that has not been inspected, passed, and marked in compliance with the regulations in this subchapter shall be exported, unless the shipper files with the collector of customs at the port from which the export shipment is made a certificate by the exporter that such article is inedible.

13. Paragraph (b) of § 28.2 would be amended by adding the following subparagraph:

(8) Beef fat.

Any person who wishes to submit written data, views or arguments concerning the proposed amendments may do so by filing them with the Chief, Meat Inspection, Bureau of Animal Industry, Agricultural Research Administration, United States Department of Agriculture, Washington 25, D. C., within 15 days after the date of publication of this notice in the FEDERAL REGISTER.

Done at Washington, D. C., this 15th day of October 1953.

[SEAL] TRUE D. MORSE,  
Acting Secretary of Agriculture.

[F. R. Doc. 53-8899; Filed, Oct. 19, 1953;  
8:49 a. m.]

## SECURITIES AND EXCHANGE COMMISSION

[ 17 CFR Part 240 ]

SOLICITATION OF PROXIES

### NOTICE OF PROPOSED RULE MAKING

Notice is hereby given that the Securities and Exchange Commission has under consideration amendments to its proxy rules under the Securities Exchange Act of 1934. The proposed amendments are in the main limited to § 240.14a-8 (Rule X-14A-8) which relates to proposals which stockholders may request managements to include in their proxy material for consideration by security holders and to Schedule 14A

which specifies the information which must be included in proxy statements.

The proposed amendments to Rule X-14A-3 would permit more time for managements to consider the propriety of proposals submitted under the rule. They would also spell out somewhat more specifically the types of proposals which may be submitted under the rule and would permit the omission for a certain period of time of proposals which have not made substantial progress in receiving security holder approval.

The proposed amendments to Schedule 14A were designed to state more precisely the nature of the information required to be furnished with respect to the nominees and the management, their remuneration and transactions with the issuer. It would also limit somewhat the information required when the selection of auditors is one of the items of business to be considered at the meeting.

There follows below a more detailed statement of the nature of the proposed amendments, together with the text thereof.

I. Sections 240.14a-3 and 240.14a-6 (Rules X-14A-3 and X-14A-6): The Commission is currently considering the amendment of its annual reporting requirements under the act to permit companies which solicit proxies under this regulation to substitute their proxy statements and annual reports to stockholders in large part for the information now required to be included in their annual reports to the Commission. In order to make available at the Commission enough copies of such proxy statements and annual reports for this purpose, it is proposed to amend §§ 240.14a-3 and 240.14a-6 to require the furnishing to the Commission of four copies of such material, instead of the three copies now required.

II. Rule X-14A-8 (§ 240.14a-8): This rule now provides that any stockholder proposal submitted with respect to an annual meeting more than 30 days in advance of the corresponding date on which proxy material was released for the last annual meeting shall prima facie be deemed to have been submitted within a reasonable time. In order to give the management more time to consider security holder proposals, the rule would be amended to extend the period from 30 days to 60 days.

In order to discourage the use of this rule by persons who are motivated by a desire for publicity rather than the interests of the company and its security holders, it is proposed to provide that the management's proxy material need not contain the name and address of the security holder if it contains, in lieu thereof, a statement that the name and address of the security holder will be furnished upon request.

The amended rule would provide that any security holder proposal may be omitted from the management's proxy material if it is one upon which the security holder under the laws of the issuer's domicile would not be entitled to have action taken at the meeting. The reference in the present rule to proposals which are "a proper subject for

action by the security holders" would be deleted.

Under the present rules a proposal must be repeated in the management's proxy material if it received 3 percent of the total number of votes cast at the last annual or subsequent special meeting. This has resulted in the repetition year after year of proposals which have evoked very modest stockholder interest. It is proposed to amend the rule to provide that a proposal may be omitted for a period of three years if it has been submitted within the past five years and received less than 3 percent in the case of a single submission, less than 7 percent upon a second submission or less than 10 percent upon a third or subsequent submission during such five year period.

In order to relieve the management of the necessity of including in its proxy material security holder proposals which relate to matters falling within the province of the management, it is proposed to amend this rule so as to permit the omission of any proposal which 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 issuer.

Under the present rule where the management contests the propriety of a security holder's proposal, it is required to furnish the Commission with a copy of the proposal together with a statement of the reasons why it believes the proposal may be omitted from its proxy material. This information must be furnished not later than the date preliminary copies of the proxy material are filed with the Commission. So that the Commission will have more time to consider the problems involved in such cases and the security holder will have an opportunity to consider the management's position and take such action as may be appropriate, it is proposed to amend the rule to provide that a copy of the proposal and a statement of reasons for its omission must be furnished to the Commission and the security holder not later than 20 days prior to the date of filing the management's preliminary proxy material.

The rule as so amended would read as follows:

§ 240.14a-8 *Proposals of security holders.* (a) If any security holder entitled to vote at a meeting of security holders of the issuer shall submit to the management of the issuer a reasonable time before the solicitation is made 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 the proposal in its form of proxy and provide means by which security holders can make the specification provided for by § 240.14a-4 (b). A proposal so submitted with respect to an annual meeting more than 60 days in advance of a day corresponding to the date on which proxy soliciting material was released to security holders in connection with the last annual meeting of security holders

shall prima facie be deemed to have been submitted a reasonable time before the solicitation. This section shall not apply, however, to elections to office.

(b) If the management opposes the proposal, it shall also, at the request of the security holder, include in its proxy statement the name and address of the security holder (or in lieu thereof a statement that the name and address of the security holder will be furnished upon request) and a statement of the security holder in 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 issuer shall be responsible for such statement.

(c) Notwithstanding the foregoing, the management may omit a proposal and any statement in support thereof from its proxy statement and form of proxy under the following circumstances:

(1) If the proposal as submitted is one upon which the security holder under the laws of the issuer's domicile would not be entitled to have action taken at the meeting; or

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

(3) 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 last two 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

(4) If substantially the same proposal has previously been submitted to security holders, in the management's proxy statement and form of proxy, within the past five years, it may be omitted from the management's proxy material relating to any meeting of security holders held within three years after the latest such previous submission: *Provided*, That:

(i) If the proposal was submitted at only one meeting during such period, it received less than 3 percent of the total number of votes cast in regard thereto; or

(ii) If the proposal was submitted at only two meetings during such period it received at the time of its second submission less than 7 percent of the total number of votes cast in regard thereto; or

(iii) If the proposal was submitted at three or more meetings during such period, it received at the time of its latest submission less than 10 percent of the total number of votes cast in regard thereto.

(5) 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 issuer.

(d) Whenever the management asserts that a proposal and any statement in support thereof may properly be omitted from its proxy statement and form of proxy, it shall file with the Commission, not later than 20 days prior to the date the preliminary copies of the proxy statement and form of proxy are filed pursuant to § 240.14a-6 (a), 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. 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 form of proxy 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.

**III. Item 6 of Schedule 14A:** This item calls for information with respect to the nominees for election as directors of the issuer. It is proposed to amend the item to require information with respect to directors whose terms of office continue beyond the date of the meeting. The purpose of this requirement is to give to security holders information with respect to the board of directors as a whole as it will exist after the meeting.

The text of the item would be revised to read as follows:

**Item 6. Nominees and Directors.** (a) If action is to be taken with respect to the election of directors, furnish the following information, in tabular form to the extent practicable, with respect to each person nominated for election as a director and each other person whose term of office as a director will continue after the meeting:

(1) Name each such person and state when his term of office will expire and all other positions and offices with the issuer held by him.

(2) State his present principal occupation or employment and give the name and principal business of any corporation or other organization in which such employment is carried on. Furnish similar information as to all of his principal occupations or employments during the last five years, unless he is now a director and was elected to his present term of office by a vote of security holders at a meeting for which proxies were solicited under this regulation.

(3) If he is or has previously been a director of the issuer state the period or periods during which he has served as such.

(4) State, as of the most recent practicable date, the approximate amount of each class of securities of the issuer or any of its parents or subsidiaries, other than directors' qualifying shares, beneficially owned directly or indirectly by him. If he is not the beneficial owner of any such securities, make a statement to that effect.

(5) If more than 10 percent of any class of securities of the issuer or any of its parents or subsidiaries are beneficially owned by him and his associates, state the approximate amount of each class of such securities beneficially owned by such associates, naming each associate whose holdings are substantial.

(b) If any nominee for election as a director is proposed to be elected pursuant to any arrangement or understanding between the nominee and any other person or persons,

except the directors and officers of the issuer acting solely in that capacity, name such other person or persons and describe briefly such arrangement or understanding.

**IV. Item 7 of Schedule 14A:** This item calls for information with respect to remuneration and other transactions with management and other persons. Since the last revision of the item, certain interpretative and reporting difficulties have arisen. It is proposed, therefore, to amend the item with a view to the elimination of these difficulties.

It is proposed to separate the requirements relating to pension and retirement benefits from those relating to other deferred remuneration payments. This should aid in distinguishing between the two types of payments and would result in a simplification of the applicable instructions. For the same reason it is also proposed to separate the requirements regarding disclosure with respect to options from those with respect to other transactions with insiders. Also, a new instruction would be added which would permit the omission of information where the amount of options granted or exercised does not involve an aggregate purchase price in excess of \$30,000.

The instructions to the paragraph relating to indebtedness of insiders would be amended to provide that information need not be given where the aggregate indebtedness of a particular person does not exceed \$20,000 or 1 percent of the issuer's total assets, whichever is less, at any time during the period specified. At present, indebtedness must be described if it exceeded \$1,000 during the period.

It is proposed to limit the scope of the paragraph relating to transactions with insiders by revising the instructions thereto to permit the omission of information in certain cases. The purpose of the revision is to make possible a more precise statement of the requirements relating to such transactions.

The proposed item as so amended would read as follows:

**Item 7. Remuneration and other transactions with management and others.** Furnish the information called for by this item if action is to be taken with respect to (i) the election of directors, (ii) any bonus, profit sharing or other remuneration plan, contract or arrangement in which any director, nominee for election as a director, or officer of the issuer will participate, (iii) any pension or retirement plan in which any such person will participate or (iv) the granting or extension to any such person of any options, warrants or rights to purchase any securities, other than warrants or rights issued to security holders, as such, on a pro-rata basis. However, if the solicitation is made on behalf of persons other than the management, the information required need be furnished only as to nominees for election as directors and as to their associates.

(a) Furnish the following information in substantially the tabular form indicated below as to all direct remuneration paid by the issuer and its subsidiaries during the issuer's last fiscal year to the following persons for services in all capacities:

(1) Each director, and each of the three highest paid officers, of the issuer whose aggregate remuneration exceeded \$30,000, naming each such person.

(2) All directors and officers of the issuer as a group, without naming them.

| (A)                                     | (B)                                           | (C)                    |
|-----------------------------------------|-----------------------------------------------|------------------------|
| Name of individual or identity of group | Capacities in which remuneration was received | Aggregate remuneration |
|                                         |                                               |                        |

**Instructions.** 1. This item applies to any person who was a director or officer of the issuer at any time during the period specified. However, information need not be given for any portion of the period during which such person was not a director or officer of the issuer.

2. The information is to be given on an accrual basis if practicable. The tables required by this paragraph and paragraph (b) may be combined if the issuer so desires.

3. Do not include remuneration paid to a partnership in which any director or officer was a partner, but see paragraph (f) below.

(b) Furnish the following information, in substantially the tabular form indicated, as to all pension or retirement benefits proposed to be paid in the event of retirement at normal retirement date, directly or indirectly by the issuer or any of its subsidiaries to (i) each director or officer named in answer to paragraph (a) (1), and (ii) all directors and officers of the issuer as a group:

| (A)                                     | (B)                                                          | (C)                                       |
|-----------------------------------------|--------------------------------------------------------------|-------------------------------------------|
| Name of individual or identity of group | Amount set aside or accrued during issuer's last fiscal year | Estimated annual benefits upon retirement |
|                                         |                                                              |                                           |

**Instructions.** 1. Column (B) need not be answered with respect to payments computed on an actuarial basis under any plan which provides for fixed benefits in the event of retirement at a specified age or after a specified number of years of service.

2. The information called for by Column (C) may be given in a table showing the annual benefits payable upon retirement to persons in specified salary classifications.

3. In the case of any plan (other than those specified in instruction 1) where the amount set aside each year depends upon the amount of earnings for such year or a prior year, or where it is otherwise impracticable to state the estimated annual benefits upon retirement, there shall be set forth, in lieu of the information called for by Column (C), the aggregate amount set aside or accrued to date.

(c) Describe briefly all deferred payments for future consultation and all other deferred remuneration payments (other than pension or retirement benefits) proposed to be made directly or indirectly by the issuer or any of its subsidiaries to (i) each director or officer named in answer to paragraph (a) (1), naming each such person, and (ii) all directors and officers of the issuer as a group, without naming them.

**Instruction.** Information need not be included as to payments to be made for, or benefits to be received from, group life or accident insurance, group hospitalization or similar group payments or benefits.

(d) Furnish the following information as to all options to purchase securities, from the issuer or any of its subsidiaries, which were granted to or exercised by the following persons since the beginning of the issuer's last fiscal year: (i) Each director or officer named in answer to paragraph (a) (1), naming each such person; and (ii) all di-

rectors and officers of the issuer as a group, without naming them:

(1) As to options granted, state (i) the title and amount of securities called for; (ii) the prices, expiration dates and other material provisions; (iii) the consideration received for the granting thereof; and (iv) the market value of the securities called for on the granting date.

(2) As to options exercised, state (i) the title and amount of securities purchased; (ii) the purchase price; and (iii) the market value of the securities purchased on the date of purchase.

**Instructions.** The term "options" as used in this paragraph (d) includes all options, warrants or rights other than those issued to security holders as such on a pro rata basis.

2. The extension of options shall be deemed the granting of options within the meaning of this paragraph.

3. This item need not be answered (1) as to the granting of options to a person or group where the total purchase price of the securities called for by all options granted to such person or group during the period specified does not exceed \$30,000, or (ii) as to the exercise of options by a person or group where the total purchase price of all securities purchased by such person or group through the exercise of options during such period did not exceed \$30,000.

(e) State as to each of the following persons who was indebted to the issuer or its subsidiaries at any time since the beginning of the last fiscal year of the issuer, (i) the largest aggregate amount of indebtedness outstanding at any time during such period, (ii) the nature of the indebtedness and of the transaction in which it was incurred, (iii) the amount thereof outstanding as of the latest practicable date, and (iv) the rate of interest paid or charged thereon:

(1) Each director or officer of the issuer;

(2) Each nominee for election as a director; and,

(3) Each associate of any such director, officer or nominee.

**Instructions.** 1. See instruction 1 to paragraph (a). Include the name of each person whose indebtedness is described and the nature of the relationship by reason of which the information is required to be given.

2. This paragraph does not apply to any person whose aggregate indebtedness did not exceed \$20,000 or 1 percent of the issuer's total assets, whichever is less, at any time during the period specified. Exclude in the determination of the amount of indebtedness all amounts due from the particular person for purchases subject to usual trade terms,

for ordinary travel and expense advances and for other transactions in the ordinary course of business.

(f) Describe briefly, and where practicable state the approximate amount of, any material interest, direct or indirect, of any of the following persons in any material transactions since the beginning of the issuer's last fiscal year, or in any material proposed transactions, to which the issuer or any of its subsidiaries was or is to be a party:

(1) Any director or officer of the issuer;

(2) Any nominee for election as a director;

(3) Any security holder named in answer to item 5 (d); or

(4) Any associate of any of the foregoing persons.

**Instructions.** 1. See instruction 1 to paragraph (a). Include the name of each person whose interest in any transaction is described and the nature of the relationship by reason of which such interest is required to be described. Where it is not practicable to state the approximate amount of the interest, the approximate amount involved in the transaction shall be indicated.

2. As to any transaction involving the purchase or sale of assets by or to the issuer or any subsidiary, otherwise than in the ordinary course of business, state the cost of the assets to the purchaser and the cost thereof to the seller if acquired by the seller within two years prior to the transaction.

3. The instruction to item 4 shall apply to this item.

4. No information need be given under this paragraph as to any remuneration or other transaction reported in response to (a), (b), (c), (d) or (e) of this item.

5. No information need be given under this paragraph as to any transaction or any interest therein where:

(i) The rates or charges involved in the transaction are fixed by law or determined by competitive bids;

(ii) The interest of the specified person in the transaction is solely that of a director of another corporation which is a party to the transaction;

(iii) The transaction involves services as a bank depository of funds, transfer agent, registrar, or trustee under a trust indenture;

(iv) The interest of the specified person does not exceed \$30,000;

(v) The transaction does not involve remuneration for services, directly or indirectly, and (A) the interest of the specified persons arises from the ownership individually and in the aggregate of less than 10 percent of any class of equity securities of another corporation which is a party to the transaction,

(B) the transaction is in the ordinary course of business of the issuer or its subsidiaries, and (C) the amount of such transaction or series of transactions is less than 10 percent of the total sales or purchases, as the case may be, of the issuer and its subsidiaries.

6. Information shall be furnished under this paragraph with respect to transactions not excluded above which involve remuneration, directly or indirectly, to any of the specified persons for services in any capacity unless the interest of such persons arises solely from the ownership individually and in the aggregate of less than 10 percent of any class of equity securities of another corporation furnishing the services to the issuer or its subsidiaries.

V. Item 8 of Schedule 14A: Where action is to be taken at the meeting with respect to the selection of auditors, Item 8 requires a brief description of any material relationship between such auditors or any of their associates and the issuer or any of its affiliates. It is proposed to amend this item to make it consistent with the requirements of Regulation S-X relative to the independence of accountants. The item as so amended would read as follows:

**Item 8. Selection of auditors.** If action is to be taken with respect to the selection of auditors, or if it is proposed that particular auditors shall be recommended for selection by any committee to select auditors for whom votes are to be cast, name the auditors and describe briefly any direct financial interest or any material indirect financial interest in the issuer or any of its parents or subsidiaries or any connection during the past three years with the issuer or any of its parents or subsidiaries in the capacity of promoter, underwriter, voting trustee, director, officer or employee.

All interested persons are hereby invited to submit views and comments on the proposed amendments in writing to the Securities and Exchange Commission, 425 Second Street NW., Washington 25, D. C., on or before November 13, 1953.

By the Commission.

[SEAL]

ORVAL L. DUBOIS,  
Secretary.

OCTOBER 9, 1953.

[F. R. Doc. 53-8880; Filed, Oct. 19, 1953;  
8:46 a. m.]

## NOTICES

### INTERSTATE COMMERCE COMMISSION

#### ORGANIZATION AND FUNCTION

#### BUREAU OF ACCOUNTS AND COST FINDING

OCTOBER 14, 1953.

The Interstate Commerce Commission has merged the functions of the Depreciation Section into the Accounting Section of the Bureau of Accounts and Cost Finding.

[SEAL]

GEORGE W. LAIRD,  
Acting Secretary.

[F. R. Doc. 53-8907; Filed, Oct. 19, 1953;  
8:51 a. m.]

No. 205—2

### FEDERAL POWER COMMISSION

[Docket Nos. G-880, G-1003, G-1012]

#### TEXAS EASTERN TRANSMISSION CORP.

#### NOTICE OF ORDER ISSUING CERTIFICATES OF PUBLIC CONVENIENCE AND NECESSITY

OCTOBER 14, 1953.

Notice is hereby given that on October 9, 1953, the Federal Power Commission issued its order adopted October 8, 1953, amending orders in Docket No. G-880 of October 11, 1947 (12 F. R. 6816); Docket No. G-1003 of February 18, 1949 (14 F. R. 910-11) and Docket No. G-1012 of February 27, 1951 (16 F. R. 2131) respectively, issuing certificates of public

convenience and necessity in the above-entitled matters.

[SEAL]

LEON M. FUQUAY,  
Secretary.

[F. R. Doc. 53-8874; Filed, Oct. 19, 1953;  
8:45 a. m.]

[Docket No. G-1721]

#### IOWA-ILLINOIS GAS AND ELECTRIC CO.

#### NOTICE OF ORDER ISSUING CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY

OCTOBER 14, 1953.

Notice is hereby given that on October 9, 1953, the Federal Power Commis-