

number configuration) in accordance with the instructions in Douglas Service Bulletin S/B 27-163, or later FAA-approved revisions. Comply with the requirements of this AD applicable to that "Dash Number" part(s) used as replacements.

Note. For the purpose of Part III of this AD, if the hours time in service of the spoiler link attach pin cannot be established, the part will be considered to have the same number of hours time in service as the airplane on which it is installed.

(6) The "Placard" may be removed and the "Limitations" as specified in (A)(2) of Part III, may be terminated when the requirements of paragraphs (A)(1) or (4) of Part III have been accomplished on that DO-9 airplane.

(B) The airplane may be flown in accordance with FAR's 21.197 and 21.199 with cracks in the spoiler pin and/or fitting and/or link, using the applicable limitations and procedures prescribed in Part II, and in paragraphs (A)(2)(a) and (A)(2)(b) of Part III of this AD, to a base where the inspection and/or maintenance can be performed.

This amendment to AD 74-16-02 becomes effective May 27, 1975.

(Secs. 313(a), 601, 603, Federal Aviation Act of 1958, (49 U.S.C. 1354(a), 1421, and 1423); sec. 6(c), Department of Transportation Act (49 U.S.C. 1655(c)))

Issued in Los Angeles, Calif., on May 12, 1975.

ROBERT H. STANTON,
Director, FAA Western Region.

[FR Doc. 75-13275 Filed 5-20-75; 8:45 am]

[Airworthiness Docket No. 74-WE-52-AD, Amdt. 39-2214]

PART 39—AIRWORTHINESS DIRECTIVES

Certain AiResearch Model TPE331-1, -2, -3, -5, and -6 Series Engines

Amendment 39-2054 (39 FR 44439), AD 74-26-11, as amended by Amendment 39-2092 (40 FR 6771), requires inspection and modification to the oil supply system for the high speed pinion gear bearing assembly. This action is required because several failures have occurred in the oil supply tube which can result in failure of the high speed pinion gear bearings. After issuing Amendment 39-2092, the agency has determined that the manufacturer has developed an improved oil tube assembly which, when installed, negates the need for a recurring inspection required by the AD. Therefore, the AD is being further amended to include this provision and to require the installation of these improved parts before exceeding the engine operating time in service at the manufacturer's recommended mid-term inspection or overhaul. The manufacturer has also established a production incorporation point after which new engines will incorporate all of these improved parts, thereby making these inspections and modifications required by this AD unnecessary for these engines.

Since a situation exists that requires immediate adoption of the regulation, it is found notice and public procedure hereon are impracticable and good cause exists for making this amendment effective in less than 30 days.

In consideration of the foregoing, and pursuant to the authority delegated to me by the Administrator (31 FR 13697), § 39.13 of Part 39 of the Federal Aviation Regulations, Amendment 39-2054 (39 FR 44439) AD 74-26-11, as amended by Amendment 39-2092 (40 FR 6771), is further amended to read as follows:

1. Revise paragraph (2) to read as follows:

(2) Engines listed in (1) above, as well as the following: TPE331-1-101B, S/N 93062, 93063; TPE331-1-151A, S/N 92355 through 92357; TPE331-1-151K, S/N 26015 through 26023; TPE331-2-201A, S/N 90279 through 90296; TPE331-3U-303G or TPE331-3UW-303G, S/N 03181 through 03183, 03193, 03195, 03197, 05043 through 05048, 05052; TPE331-5-251C, S/N 22058 through 22103, 22119; TPE331-5-251K, S/N 06443, 06455 through 06537, 06556; TPE331-6-251M or -6-252M, S/N 20534 through 20577. Within the next 100 hours time in service, unless accomplished within the last 100 hours time in service prior to the effective date of this AD, as amended, and thereafter at intervals not to exceed 200 hours time in service, inspect the integral support bracket associated with the oil transfer tube, P/N 3101187-1, or clamp P/N 3101484-1, used with the tube assembly described in (b), below, per the instruction in paragraph 2.C. of the above referenced AiResearch TPE331-72-0092 Service Bulletin. If the oil transfer tube bracket or clamp is cracked or separated, either:

(a) Replace with a serviceable P/N 3101187-1, or,
(b) Accomplish the installation of a tube, P/N 3101187-2, clamp, P/N 3101484-1, and washer, P/N AN960C416L, using the existing clamp bolt, per the instructions of paragraph 2.E. of the service bulletin.

Note 1. Revision 1, to AiResearch Service Bulletin TPE331-72-0092, dated January 27, 1975, contains instructions for expanded inspection and maintenance of the high speed pinion (HSP) gear bearing lubricating system. Revision 1 is FAA-approved, and if accomplished, constitutes compliance with paragraph (1) of this AD. Accomplishment of Revision 1 is recommended.

2. Add a new paragraph (3) as follows:

(3) The recurring inspection required in paragraph (2), above, may be discontinued when the following have been accomplished:

(a) The oil transfer tube, P/N 3101187-1, is removed and replaced with a serviceable oil transfer tube, P/N 3101187-2, which has been aged (heat treated) and re-identified as -3 per AiResearch Service Bulletin TPE331-72-0092, Revision 1, dated January 27, 1975, Revision 2, dated April 30, 1975, or later FAA-approved revision, or replaced with a serviceable -3.

(b) The oil supply tube, P/N 3101185-2 (Model TPE331-3U/-3UW) or -1 (all other affected models) is replaced with a tube, P/N 3101605-2 (Model TPE331-3U/-3UW) or P/N 3101605-1 (all other affected models) per AiResearch Service Bulletin TPE331-72-0092, Revision 2, dated April 30, 1975, or later FAA-approved revisions.

(c) Notwithstanding a satisfactory inspection record, all affected engines must be modified to incorporate the modification described in sub-paragraphs (a) and (b) above, before either exceeding a total time in service since new or overhaul equal to the manufacturer's recommended mid-term inspection time as defined in paragraphs 2.A, 2.C or 2.D of AiResearch Service Bulletin No. 606, Revision No. 7, dated March 20, 1975, or later revisions; or, if this inspection

has already been accomplished prior to the effective date of this AD, incorporate these modifications before exceeding the recommended overhaul period as defined in paragraph 1.A of AiResearch Service Bulletin No. 606, Revision No. 7, dated March 20, 1975, or later revisions.

Note 2. Engine Models TPE331-6-252B and -252M are not specifically included in the above referenced Service Bulletin No. 606. Refer to paragraph 2.D of Service Bulletin No. 606 for mid-term inspection and overhaul times applicable to these engine models.

Note 3. The modifications described in paragraph (3) are recommended on engines not modified as a result of inspections performed under the original or previous amendment of this AD.

3. Re-identify existing paragraphs (3) and (4) as (4) and (5), respectively.

This amendment becomes effective May 27, 1975.

(Secs. 313(a), 601, 603, Federal Aviation Act of 1958 (49 U.S.C. 1354(a), 1421, 1423); sec. 6(c), Department of Transportation Act (49 U.S.C. 1655(c)))

Issued in Los Angeles, Calif., on May 12, 1975.

ROBERT H. STANTON,
Director, FAA Western Region.

[FR Doc. 75-13276 Filed 5-20-75; 8:45 am]

[Airspace Docket No. 74-GL-52]

PART 71—DESIGNATION OF FEDERAL AIRWAYS, AREA LOW ROUTES, CONTROLLED AIRSPACE, AND REPORTING POINTS

Control Zone; Correction

In FR Doc. 75-10650, appearing at page 17986 in the FEDERAL REGISTER of April 24, 1975, the following sentences were inadvertently omitted and should be inserted after the description of the control zone:

This control zone is effective during the specific dates and times established in advance by a Notice to Airmen. The effective date and time will thereafter be continuously published in the Airmen's Information Manual.

Issued in Des Plaines, Ill., on May 2, 1975.

R. O. ZIEGLER,
Acting Director, Great Lakes Region.

[FR Doc. 75-13281 Filed 5-20-75; 8:45 am]

[Airspace Docket No. 74-GL-55]

PART 71—DESIGNATION OF FEDERAL AIRWAYS, AREA LOW ROUTES, CONTROLLED AIRSPACE, AND REPORTING POINTS

Control Zone; Correction

In FR Doc. 75-10649, appearing at page 17986 in the FEDERAL REGISTER of April 24, 1975, the following sentences were inadvertently omitted and should be inserted after the description of the control zone:

This control zone is effective during the specific dates and times established in advance by a Notice to Airmen. The effective date and time will be thereafter continuously published in the Airman's Information Manual.

Issued in Des Plaines, Ill., on May 2, 1975.

R. O. ZIEGLER,
Acting Director, Great Lakes Region.
[FR Doc. 75-13282 Filed 5-20-75; 8:45 am]

[Airspace Docket No. 75-CE-7]

PART 71—DESIGNATION OF FEDERAL AIRWAYS, AREA LOW ROUTES, CONTROLLED AIRSPACE, AND REPORTING POINTS

Alteration of Control Zone

The purpose of this amendment to Part 71 of the Federal Aviation Regulations is to alter the Topeka, Kansas, control zone.

The United States Air Force is reducing the hours of airport traffic control and weather reporting services at Forbes Air Force Base, Topeka, Kansas. Accordingly, it is necessary to alter that portion of the Topeka control zone serving Forbes Air Force Base to reflect the change from a continuous to a part-time control zone. The new hours for the Topeka control zone will initially be published in advance by a Notice to Airmen. Thereafter, the effective date and time of the control zone and any changes thereto will be continuously published in the Airmen's Information Manual.

Since this alteration is relaxatory in nature and is in the interest of safety, compliance with the notice and public procedure provisions of the Administrative Procedure Act is unnecessary.

In consideration of the foregoing, Part 71 of the Federal Aviation Regulations is amended effective immediately as hereinafter set forth:

In § 71.171 (40 FR 353), the following control zone is amended to read:

TOPEKA, KANSAS (FORBES AFB)

Within a 5-mile radius of Forbes AFB (latitude 38°57'10" N., longitude 95°39'50" W.), within 2 miles each side of the Forbes AFB TACAN 321° radial extending from the 5-mile radius zone to 6 miles NW of the TACAN, and within 2 miles each side of the Forbes AFB ILS localizer SE course, extending from the 5-mile radius zone to 1 mile SE of the OM, excluding the portion subtended by a chord drawn between the points of intersection of the 5-mile radius zone with the Topeka, Kans. (Philip Billard Airport) control zone. This control zone will be effective as established in advance by a Notice to Airmen. The effective date and time will thereafter be continuously published in the Airmen's Information Manual.

(Sec. 307(a), Federal Aviation Act of 1958 (49 U.S.C. 1348); sec. 6(c), Department of Transportation Act (49 U.S.C. 1655(c)))

Issued in Kansas City, Mo., on May 1, 1975.

C. R. MELUGIN, Jr.,
Director, Central Region.

[FR Doc. 75-13278 Filed 5-20-75; 8:45 am]

[Airspace Docket No. 75-EA-21]

PART 71—DESIGNATION OF FEDERAL AIRWAYS, AREA LOW ROUTES, CONTROLLED AIRSPACE, AND REPORTING POINTS

Alteration of Transition Area

On page 14780 of the FEDERAL REGISTER for April 2, 1975, the Federal Aviation Administration published a proposed rule which would alter the Hazleton, Pa., transition area (40 FR 508).

Interested parties were given 30 days after publication in which to submit written data or views. No objections to the proposed regulations have been received.

In view of the foregoing, the proposed regulation is hereby adopted, effective 0901 G.m.t. June 26, 1975.

(Sec. 307(a), Federal Aviation Act of 1958, (72 Stat. 749; 49 U.S.C. 1348); sec. 6(c), Department of Transportation Act, (49 U.S.C. 1655(c)))

Issued in Jamaica, N.Y., on May 7, 1975.

JAMES BISPO,
Acting Director, Eastern Region.

Amend § 71.181 of Part 71, Federal aviation regulations so as to amend the description of the Hazleton, Pa. Transition Area by adding, "; within 4.5 miles each side of the Hazleton Municipal Airport ILS localizer east course, extending from the OM to 10 miles east of the OM." following, "east of the VOR."

[FR Doc. 75-13280 Filed 5-20-75; 8:45 am]

[Airspace Docket No. 75-EA-34]

PART 71—DESIGNATION OF FEDERAL AIRWAYS, AREA LOW ROUTES, CONTROLLED AIRSPACE, AND REPORTING POINTS

Alteration of Control Zone

The Federal Aviation Administration is amending § 71.171 of Part 71 of the Federal Aviation Regulations so as to alter the Calverton, N.Y., control zone (40 FR 364).

The control zone is currently designated during the hours 0800, local time to sunset, Monday through Saturday. The weather and communications requirements for the control zone designation are provided by the Peconic (nonfederal) Tower. The Tower plans to curtail its hours of operations to "0800 hours to 1730, local time, Monday through Friday" as soon as it can be authorized to do so. This requires a change in the control zone description.

Since the amendment is less restrictive in nature and imposes no additional burden on any person, notice and public procedure hereon are unnecessary.

In view of the foregoing, the proposed regulation is hereby adopted, effective 0901 g.m.t. August 14, 1975, as follows:

1. Amend § 71.171 of Part 71, Federal Aviation Regulations by altering the text of the Calverton, New York Control Zone as follows: In the text delete, "0800 hours local time to sunset, Monday through

Saturday." and substitute therefor, "0800 to 1730 hours, local time, Monday through Friday."

(Sec. 307(a), Federal Aviation Act of 1958, (72 Stat. 749; 49 U.S.C. 1348); sec. 6(c), Department of Transportation Act, (49 U.S.C. 1655(c)))

Issued in Jamaica, N.Y., on May 7, 1975.

JAMES BISPO,
Acting Director, Eastern Region.

[FR Doc. 75-13279 Filed 5-20-75; 8:45 am]

Title 16—Commercial Practices

CHAPTER I—FEDERAL TRADE COMMISSION

PART 255—GUIDES CONCERNING USE OF ENDORSEMENTS AND TESTIMONIALS IN ADVERTISING

On December 1, 1972, there was published in the FEDERAL REGISTER (37 FR 25548) a proposal to amend Title 16, Chapter I by adding a new Part 255—Guides Concerning the Use of Endorsements and Testimonials in Advertising. Written comments were invited from interested parties concerning those proposed guides. Comments were placed on the public record and were considered by the Commission. The Commission is publishing two guides in final form as set forth below under §§ 255.3 and 255.4. Title 16, Chapter I is thus amended by adding a new Part 255.

The Commission is also republishing two proposed Guides for additional public comment under the proposed rules section of this issue of the FEDERAL REGISTER, also under 16 CFR Part 255 and is publishing a third proposed guide which is entirely new.

These guides address major issues peculiar to endorsement and testimonial advertising, and state the views of the Commission concerning situations and techniques that are frequently presented in such advertising. They do not address issues not peculiar to endorsements and testimonials that may also determine the legality of an advertisement. Thus, the fact that a particular advertisement conforms to these Guides does not mean that such advertisement is necessarily in compliance with the Federal Trade Commission Act. Specific issues concerning, for example, the products to which a comparison is being made, or what constitutes "typical" performance of a product, are not resolved by the Guides but should be resolved with reference to the basic principles of Section 5 (15 U.S.C. 45).

The Commission has always expressed particular concern for advertising addressed to children. Because of the special problems which such advertising entails, it was determined that the area of children's advertising could not be completely covered in these Guides. Consequently, even though these Guides apply generally to all advertisements, practices which would conform to these

Guides in adult advertising may nevertheless be questioned in cases of child audiences.

While the Guides are interpretive of laws administered by the Commission, and thus are advisory in nature, proceedings to enforce the requirements of law as explained in the Guides may be brought under the Federal Trade Commission Act (15 U.S.C. Secs. 41-58) which, briefly stated, makes it illegal for one to engage in "unfair methods of competition in or affecting commerce and unfair or deceptive acts or practices in or affecting commerce", as "commerce" is defined therein.

Inquiries and requests for copies of the Guides should be directed to the Bureau of Consumer Protection, Federal Trade Commission, Washington, D.C. 20580.

Part 255 is added to read as follows:

Sec.

255.0 Definitions.

255.1 [Reserved.]

255.2 [Reserved.]

255.3 Expert endorsements.

255.4 Endorsements by organizations.

AUTHORITY: The provisions of this Part 255 issued under 38 Stat. 717, as amended; 15 U.S.C. 41-58.

§ 255.0 Definitions.

(a) The Commission intends to treat endorsements and testimonials identically in the context of its enforcement of the Federal Trade Commission Act and for purposes of this part. The term "endorsements" is therefore generally used hereinafter to cover both terms and situations.

(b) For purposes of this part, an "endorsement" means any advertising message (including verbal statements, demonstrations, or depictions of the name, signature, likeness or other identifying personal characteristics of an individual or the name or seal of an organization) which message consumers are likely to believe reflects the opinions, beliefs, findings, or experience of a party other than the sponsoring advertiser. The party whose opinions, beliefs, findings, or experience the message appears to reflect will be called the endorser and may be an individual, group or institution.

(c) For purposes of this part, the term "product" includes any product, service, company or industry.

(d) For purposes of this part, an "expert" is an individual, group or institution possessing, as a result of experience, study or training, knowledge of a particular subject, which knowledge is superior to that generally acquired by ordinary individuals.

Example 1: A film critic's review of a movie is excerpted in an advertisement. When so used, the review meets the definition of an endorsement since it is viewed by readers as a statement of the critic's own opinions and not those of the film producer, distributor or exhibitor. Therefore, any alteration in or quotation from the text of the review which does not fairly reflect its substance would be a violation of the standards set by this part.

Example 2: A TV commercial depicts two women in a supermarket buying a laundry detergent. The women are not identified out-

side the context of the advertisement. One comments to the other how clean her brand makes her family's clothes, and the other then comments that she will try it because she has not been fully satisfied with her own brand. This obvious fictional dramatization of a real life situation would not be an endorsement.

Example 3: In an advertisement for a pain remedy, an announcer who is not familiar to consumers except as a spokesman for the advertising drug company praises the drug's ability to deliver fast and lasting pain relief. He purports to speak, not on the basis of his own opinions, but rather in the place of and on behalf of the drug company. Such an advertisement would not be an endorsement.

Example 4: A manufacturer of automobile tires hires a well-known professional automobile racing driver to deliver its advertising message in television commercials. In these commercials, the driver speaks of the smooth ride, strength, and long life of the tires. Even though the message is not expressly declared to be the personal opinion of the driver, it may nevertheless constitute an endorsement of the tires. Many consumers will recognize the spokesman as being primarily a racing driver and not an advertising announcer. Accordingly, they may well believe he would not speak for an automotive product unless he actually believed in what he was saying and had personal knowledge sufficient to form that belief. Hence they would think that the advertising message reflects his personal views as well as those of the sponsoring advertiser. This attribution of the underlying views to the driver brings the advertisement within the definition of an endorsement for purposes of this part.

Example 5: A television advertisement for golf balls shows a prominent and well-recognized professional golfer hitting the golf balls. This would be an endorsement by the golfer even though he makes no verbal statement in the advertisement.

§ 255.3 Expert endorsements.

(a) Whenever an advertisement represents, directly or by implication, that the endorser is an expert with respect to the endorsement message, then the endorser's qualifications must in fact give him the expertise that he is represented as possessing with respect to the endorsement.

(b) While the expert may, in endorsing a product, take into account factors not within his expertise (e.g., matters of taste or price), his endorsement must be supported by an actual exercise of his expertise in evaluating product features or characteristics with respect to which he is expert and which are both relevant to an ordinary consumer's use of or experience with the product and also are available to the ordinary consumer. This evaluation must have included an examination or testing of the product at least as extensive as someone with the same degree of expertise would normally need to conduct in order to support the conclusions presented in the endorsement. Where, and to the extent that, the advertisement implies that the endorsement was based upon a comparison such comparison must have been included in his evaluation; and as a result of such comparison, he must have concluded that, with respect to those features on which he is expert and which are relevant and available to an ordinary consumer, the

endorsed product is at least equal overall to the competitors' products. Moreover, where the net impression created by the endorsement is that the advertised product is superior to other products with respect to any such feature or features, then the expert must in fact have found such superiority.

Example 1: An endorsement of a particular automobile by one described as an "engineer" implies that the endorser's professional training and experience are such that he is well acquainted with the design and performance of automobiles. If the endorser's field is, for example, chemical engineering, the endorsement would be deceptive.

Example 2: A manufacturer of automobile parts advertises that its products are approved by the "American Institute of Science." From its very name, consumers would infer that the "American Institute of Science" is a bona fide independent testing organization with expertise in judging automobile parts and that, as such, it would not approve any automobile part without first testing its efficacy by means of valid scientific methods. Even if the American Institute of Science is such a bona fide expert testing organization, as consumers would expect, the endorsement may nevertheless be deceptive unless the Institute has conducted valid scientific tests of the advertised products and the test results support the endorsement message.

Example 3: A manufacturer of a non-prescription drug product represents that its product has been selected in preference to competing products by a large metropolitan hospital. The hospital has selected the product because the manufacturer, unlike its competitors, has packaged each dose of the product separately. This package form is not generally available to the public. Under the circumstances, the endorsement would be deceptive because the basis for the choice of the manufacturer's product, convenience of packaging, is neither relevant nor available to consumers.

Example 4: The president of a commercial "home cleaning service" states in a television advertisement that the service uses a particular brand of cleanser in its business. Since the cleaning service's professional success depends largely upon the performance of the cleansers it uses, consumers would expect the service to be expert with respect to judging cleaning ability, and not be satisfied using an inferior cleanser in its business when it knows of a better one available to it. Accordingly, the cleaning service's endorsement must at least conform to those consumer expectations. The service must, of course, actually use the endorsed cleanser. Additionally, on the basis of its expertise, it must have determined that the cleaning ability of the endorsed cleanser is at least equal (or superior, if such is the net impression conveyed by the advertisement) to that of competing products with which the service has had experience and which remain reasonably available to it. Since in this example, the cleaning service's president makes no mention that the endorsed cleanser was "chosen," "selected," or otherwise evaluated in side-by-side comparisons against its competitors, it is sufficient if the service has relied solely upon its accumulated experience in evaluating cleansers without having to have performed side-by-side or scientific comparisons.

Example 5: An association of professional athletes states in an advertisement that it has "selected" a particular brand of beverages as its "official breakfast drink". As in Example 4, the association would be regarded as expert in the field of nutrition for purposes of this section, because consumers would

expect it to rely upon the selection of nutritious foods as part of its business needs. Consequently, the association's endorsement must be based upon an expert evaluation of the nutritional value of the endorsed beverage. Furthermore, unlike Example 4, the use of the words "selected" and "official" in this endorsement imply that it was given only after direct comparisons had been performed among competing brands. Hence, the advertisement would be deceptive unless the association has in fact performed such comparisons between the endorsed brand and its leading competitors in terms of nutritional criteria, and the results of such comparisons conform to the net impression created by the advertisement. [Guide 3]

§ 255.4 Endorsements by organizations.

Endorsements by organizations, especially expert ones, are viewed as representing the judgment of a group whose collective experience exceeds that of any individual member, and whose judgments are generally free of the sort of subjective factors which vary from individual to individual. Therefore an organization's endorsement must be reached by a process sufficient to ensure that the endorsement fairly reflects the collective judgment of the organization. Moreover, if an organization is represented as being expert, then, in conjunction with a proper exercise of its expertise in evaluating the product under § 255.3 (Expert endorsements), it must utilize an expert or experts recognized as such by the organization or standards previously adopted by the organization and suitable for judging the relevant merits of such products.

Example: A mattress seller advertises that its product is endorsed by a chiropractic association. Since the association would be regarded as expert with respect to judging mattresses, its endorsement must be supported by an expert evaluation by an expert or experts recognized as such by the organization, or by compliance with standards previously adopted by the organization and aimed at measuring the performance of mattresses in general and not designed with the particular attributes of the advertised mattress in mind. (See also § 255.3, Example 5.) [Guide 4]

Sections 255.0, 255.3, 255.4 are promulgated by the Federal Trade Commission and become effective May 21, 1975.

[SEAL] CHARLES A. TOBIN,
Secretary.

[FR Doc.75-13295 Filed 5-20-75; 8:45 am]

**Title 17—Commodity and Securities
Exchanges**

**CHAPTER II—SECURITIES AND
EXCHANGE COMMISSION**

[Release Nos. 34-11419, 35-18983, IC-8789]

**PART 200—ORGANIZATION; CONDUCT
AND ETHICS; AND INFORMATION AND
REQUESTS**

Tender Offers

The Commission today announced an amendment to its regulations governing delegation of authority to authorize members of the Commission's staff to take actions in questions presented in

certain tender offers. Rule 14d-2 (17 CFR 240.14d-2) under the Securities Exchange Act of 1934 (the "Act") declares that certain communications relating to tender offers are not subject to Regulation 14D (17 CFR 240.14d-1—240.14d-101) thereunder. One of these, Rule 14d-2(f), provides for a so-called "stop, look and listen" type of notification under which the issuer agrees "on or before a specified date (which shall be not later than 10 days prior to the date specified in the offer, request, or invitation, as the last date on which tenders will be accepted or such shorter period as the Commission may authorize) [to] advise security holders as to management's recommendation to accept or reject" a tender offer for its shares. No authority has in the past been delegated to the Director of the Division of Corporation Finance pursuant to 17 CFR 200.30-1(d) (4) to authorize management to advise security holders as to its position relating to tender offers for an issuer's shares within periods of time less than that prescribed in Rule 14d-2(f).

Given the need for prompt action in such requests and otherwise to expedite the operations of the Commission in this area, the Commission has determined that authority should be delegated to the Director of the Division of Corporation Finance to authorize management of an issuer which is the subject of a tender offer to advise security holders as to its position within periods of time less than that prescribed in Rule 14d-2(f). To accomplish this purpose, the Commission hereby amends the last clause of 17 CFR 200.30-1(d) (4).

17 CFR 200.30-1(d) (4) is amended to read as follows:

**§ 200.30-1 Delegation of authority to
Director of Division of Corporation
Finance.**

(d) * * *

(4) To authorize the use of forms of proxies, proxy statements, or other soliciting material within periods of time less than that prescribed in Rules 14a-6, 14a-8(d), and 14a-11 (§§ 240.14a-6, 240.14a-8(d), 240.14a-11 of this chapter); to authorize the filing of information statements within periods of time less than that prescribed in Rule 14c-5 (a) (§ 240.14c-5(a) of this chapter); and to authorize the filing of information pursuant to Rule 14d-2(f) (§ 240.14d-2(f) of this chapter) and Rule 14f-1 (§ 240.14f-1 of this chapter) within periods of time less than that prescribed in those sections.

The Commission finds that the foregoing action relates solely to agency organization, procedure or practice and that notice and procedures under 5 U.S.C. 553 are unnecessary. Accordingly, the foregoing action which was taken pursuant to Pub. L. 87-592, 76 Stat. 394, 395 (15 U.S.C. 78d-1, 78d-2), becomes effective immediately.

(Secs. 1, 2, Pub. L. 87-592, 76 Stat. 394, 395 (15 U.S.C. 78d-1, 78d-2))

By the Commission.

[SEAL] GEORGE A. FITZSIMMONS,
Secretary.

MAY 14, 1975.

[FR Doc.75-13332 Filed 5-20-75; 8:45 am]

[Release 35-18963; AS-171]

**PART 250—GENERAL RULES AND REG-
ULATIONS, PUBLIC UTILITY HOLDING
COMPANY ACT OF 1935**

**Adoption of and Rescission of Uniform Sys-
tem of Accounts for Public Utility Hold-
ing Companies**

The Securities and Exchange Commission today announced the adoption of revised Rule 26 (17 CFR 250.26) under the Public Utility Holding Company Act of 1935 and the rescission of the uniform system of accounts for holding companies ("uniform system"). The purpose of the change is to facilitate adjustment of registered holding company accounts to generally accepted accounting standards.

The revision was noticed for comment in Release 35-18782, January 23, 1975 (40 FR 5372, February 5, 1975). Six responses were received, all endorsing the change in substance.

Commission action. Pursuant to authority in sections 15 and 20 of the Public Utility Holding Company Act of 1935, the Securities and Exchange Commission hereby adopts revised § 250.26 of Chapter II of Title 17 of the Code of Federal Regulations to read as follows:

**§ 250.26 Financial statement and record-
keeping requirements for registered
holding companies and subsidiaries.**

(a) Every registered holding company and every subsidiary company thereof:

(1) Shall conform to the requirements of Regulation S-X as to form and content of financial statements; and

(2) Shall make and keep current accounts, books and other records of all of its transactions in sufficient detail to permit examination, audit and verification of the financial statements, schedules and reports it is required to file with the Commission or which it issues to stockholders. Such accounts, books and other records shall be maintained in appropriate form and in sufficient detail to provide all of the information with respect to the business of the company specified by such Commission filing requirements as are in effect when the transactions recorded occur.

(b) Every registered holding company shall identify in its Form U5S the chart of accounts used by it and by each subsidiary company.

(1) The initial identification shall be made in the Form U5S, or a supplement thereto, filed in the year in which the use of such accounts is to begin, or in the year 1975 for charts of accounts already in use or proposed to be used in that year. Subsequent Forms U5S need