Appendix B—Counties Designated for Texas Citrus Crop Insurance—7 CFR Part 413

In accordance with the provisions of 7 CFR Part 413.1, the following counties are designated for citrus crop insurance:

Texas

Cameron
Hidalgo
Willacy

Note.—The reporting requirements contained herein have been approved by the Office of Management and Budget in accordance with the Federal Reports Act of 1942 and OMB Circular A-40.

Approved by the Board of Directors on May 30, 1980.

Peter F. Cole,

Secretary, Federal Crop Insurance Corporation.

Dated: June 23, 1980.

Approved by:

W. Otto Johnson,

Acting Manager.

[FR Doc. 80-19670 Filed 6-30-80; 8:45 am]

BILLING CODE 3410-08-M

Food Safety and Quality Service

7 CFR Part 2859

9 CFR Parts 308 and 381

Prohibition of PCB-Containing Equipment or Machinery and Liquid Polychlorinated Biphenyls (PCB's) in Federally Inspected Meat Establishments, Poultry Product Establishments and Egg Product Plants; Notice, Extension of Comment Period

AGENCY: Food Safety and Quality Service, USDA.

ACTION: Notice, extension of comment period.

SUMMARY: On May 9, 1980, the Department published in the **Federal Register** (45 FR 30980-30983) a proposal to prohibit PCB-containing equipment or machinery and liquid polychlorinated biphenyls (PCB's) in Federally inspected meat establishments, poultry product establishments, and egg product plants. The Department has received a number of requests to extend the period of time within which data, views, or arguments may be submitted or oral views presented. Since the Department is interested in receiving factual and meaningful data, the Department has determined that these circumstances are sufficient justification for extending the comment period. This notice advises that the Department is extending the comment period on this proposal for 120 days.

DATES: Comments must be received on or before November 4, 1980.

ADDRESSES: Written comments to Regulations Coordination Division, ATTN: Annie Johnson, Room 2641, South Argiculture Building, Food Safety and Quality Service, Compliance Program, U.S. Department of Agriculture, Washington, DC 20250. Oral comments on poultry products inspection regulations to Mr. Bartie T. Woods, (202) 447-5627

FOR FURTHER INFORMATION CONTACT: Mr. Bartie T. Woods, Acting Director, Facilities, Equipment and Sanitation Division, Meat and Poultry Inspection Program, U.S. Department of Agriculture, Food Safety and Quality Service, Washington, DC 20250, (202) 447-5627

SUPPLEMENTARY INFORMATION: On May 9, 1980, the Department requested comments on its proposal that would amend the Federal meat inspection regulations, the Federal poultry products inspection regulations, and the Federal regulations governing the inspection of eggs and egg products to establish a requirement that no equipment or machinery, other than capacitors containing less than 3 pounds of PCB liquid, and no separately maintained liquids in USDA inspected plants and establishments shall contain liquid PCB's in excess of 50 ppm. Interested persons were given until July 7, 1980, to comment.

The Department has received a number of requests to extend the period of time within which data, views, or arguments may be submitted or oral views presented. For example, some requests submitted by trade associations stated that additional time was needed in order to complete studies and surveys and to further investigate the matter. Since the Department is interested in receiving factual and meaningful data, the Department has determined that these circumstances are sufficient justification for extending the comment period on this proposed rule for a period of 120 days from July 7, 1980.

The Environmental Protection Agency and the Food and Drug Administration published in the same **Federal Register** issue similar proposed rulemakings on the use of PCB-containing electrical equipment in sealed electrical transformers and capacitors used or stored in or around food, feed, and food- and feed-packaging material plants or storage facilities. These agencies have also received requests for an extension of the comment period on their proposals. The three agencies agree that additional time is needed for the industries that would be affected by the rulemakings to submit the type of information the agencies are seeking.

In all other respects, the comment procedures in the proposal published on May 9, 1980, shall continue to apply in this rulemaking proceeding.

Done at Washington, DC.

Donald L. Houston,

Administrator, Food Safety and Quality Service.

June 27, 1980

[FR Doc. 80-19831 Filed 6-30-80; 8:45 am]

BILLING CODE 3410-DM-M

FEDERAL TRADE COMMISSION

16 CFR Part 13

[File No. 761 0087]

American Art Clay Co., Inc.; Consent Agreement With Analysis to Aid Public Comment

AGENCY: Federal Trade Commission.

ACTION: Consent Agreement.

SUMMARY: In settlement of alleged violations of federal law prohibiting unfair acts and practices and unfair methods of competition, this consent order, accepted subject to final Commission approval, would require, among other things, an Indianapolis, Indiana manufacturer of art materials to cease fixing the prices of its products. The firm would be required to establish an interest-bearing escrow account for the purpose of making restitution to consumers for purchases of certain school art materials. Further, the firm would be required to distribute consumer redress funds to any state institutions which purchased said products; the FTC, with the cooperation of the State Attorneys General, would distribute the respective funds in lump-sum amounts to each of the states which satisfy the application requirements for receiving the money.

DATE: Comments must be received on or before September 2, 1980.

ADDRESS: Comments should be directed to: Office of the Secretary, Federal Trade Commission, 6th St. and Pennsylvania Ave., N.W., Washington, D.C. 20580.

FOR FURTHER INFORMATION CONTACT: Paul E. Eyre, Director, 4R, Cleveland Regional Office, Federal Trade Commission, Suite 500, Mall Bldg., 118 St. Clair Ave., Cleveland, Ohio. 44114. (216) 522-4207.

SUPPLEMENTARY INFORMATION: Pursuant to section 6(f) of the Federal Trade Commission Act, 38 Stat. 721, 15 U.S.C. 46 and § 2.34 of the Commission's rules

of practice (16 CFR 2.34), notice is hereby given that the following consent agreement containing a consent order to cease and desist and an explanation thereof, having been filed with and accepted, subject to final approval, by the Commission, has been placed on the public record for a period of sixty (60) days. Public comment is invited. Such comments or views will be considered by the Commission and will be available for inspection and copying at its principal office in accordance with § 4.9(b)(14) of the Commission's rules of practice (16 CFR 4.9(b)(14)).

Document No. 78000041

In the Matter of American Art Clay Co., Inc., a corporation; File No. 761 0087, agreement containing consent order to cease and desist.

The Federal Trade Commission initiated an investigation of American Art Clay Co., Inc., an Indiana corporation, hereinafter sometimes referred to as proposed respondent. The proposed respondent is willing to enter into an agreement containing an order to cease and desist from the use of the alleged acts and practices being investigated, and to pay an agreed-upon sum as restitution to consumers, which sum is to be paid in full settlement of all potential Commission action arising out of this matter. Following are the terms of the agreement which is being entered into in accordance with the Commission's Rules governing consent order procedure.

It is agreed between American Art Clay Co., Inc., by its duly authorized officer, its attorneys, and counsel for the Federal Trade Commission that:

1. American Art Clay Co., Inc. is an Indiana corporation, with its principal office located at 4717 West 16th Street, Indianapolis, Indiana 46222.

2. Proposed respondent admits all the jurisdictional facts set forth in the draft of the complaint here attached.

3. Proposed respondent waives:

(a) Any further procedural steps;

(b) The requirement that the Commission's decision contain a statement of findings of fact and conclusions of law; and

(c) All rights to seek judicial review or otherwise to challenge or contest the validity of the order entered pursuant to this agreement.

4. This agreement shall not become a part of the public record of the proceeding unless and until it is accepted by the Commission. If this agreement is accepted by the Commission it, together with the draft of the complaint contemplated thereby and related materials pursuant to Rule 2.34, will be placed on the public record for a period of sixty (60) days, and information in respect thereto publicly released. The Commission thereafter may either withdraw its acceptance of this agreement and so notify the proposed respondent, in which event it will take such action as it may consider appropriate or issue and serve its complaint (in such form as the circumstances may require) and decision, in disposition of the proceeding.

5. This agreement is for settlement purposes only and does not constitute an admission by proposed respondent that the law has been violated as alleged in the draft of the complaint here attached. Although the proposed respondent denies the allegations of the Commission's complaint, except the jurisdictional facts, and contests any liability with respect to the acts and practices alleged in the Commission's complaint, proposed respondent has agreed to transfer funds into the Escrow Account as hereinafter set forth. The payment of $25,000 in compensatory damages into the Escrow Account represents restitution to consumers for purchases of certain school art materials, and does not constitute a fine or penalty against the proposed respondent. It is the intent of the parties hereto that such payment satisfies in all respects the requirements of Section 461(f) of the Internal Revenue Code of 1954.

6. This agreement contemplates that, if it is accepted by the Commission, and if such acceptance is not subsequently withdrawn by the Commission pursuant to the provisions of Section 2.34 of the Commission's Rules, the Commission may, without further notice to proposed respondent: (1) issue its complaint corresponding in form and substance with the draft of the complaint here attached and its decision containing the following order to cease and desist in disposition of the proceeding, and (2) make information public in respect thereto. When so entered, the order to cease and desist shall have the same force and effect and may be altered, modified or set aside in the same manner and within the same time provided by statute for other orders. The order shall become final upon service. Delivery by the United States Postal Service of the complaint and decision containing the agreed-to order to proposed respondent's address as stated in this agreement shall constitute service. Proposed respondent waives any right it may have to any other manner of service. The complaint may be used in construing the terms of the order, and no agreement, understanding, representation, or interpretation not contained in the order or in the agreement may be used to vary or to contradict the terms of the order.

7. Proposed respondent has read the proposed complaint and order contemplated hereby. It understands that once the order has been issued, it will be required to file one or more compliance reports showing that it has fully complied with the order. Proposed respondent further understands that it may be liable for civil penalties in the amount provided by law for each violation of the order after it becomes final.

8. No part of the funds deposited by proposed respondent in the Escrow Account established pursuant to Section IV of the order shall revert or be returned to proposed respondent unless funds remain in the Escrow Account after three (3) years from the date of service of the order, in which case the remaining funds shall be returned to proposed respondent.

9. Compliance with Section IV of the order satisfies fully any claim by the Federal Trade Commission against the proposed respondent arising out of the acts and practices alleged in the draft of the complaint here attached, including any claim for consumer redress or equitable relief pursuant to Sections 5, 13(b) and 19(b) of the Federal Trade Commission Act, as amended. By its final acceptance of this agreement, the Commission waives its right to commence an action with respect to the acts and practices which precede the date of this agreement and are alleged in the draft of the complaint, including any claim under Sections 5, 13(b) or 19(b) of the Federal Trade Commission Act, as amended, and including any claim with respect to the acts and practices which precede the date of this agreement and are alleged in the draft of complaint, arising out of any violation or alleged violation of the order of the Commission dated January 31, 1938, *In the Matter of American Crayon Co., et al.* (Docket No. 2967).

Order

As used in this order:

(a) "Person" means any individual, partnership, firm, corporation, association, or other business or other legal entity.

(b) "State Institution" means any state agency, instrumentality, or institution or any political subdivision thereof, including, but not limited to, any county, city, town, municipality, or school district which purchases school art materials.

(c) "Art materials" means any of the following products: adhesives (including art and craft glue and white paste), art kits (including combinations of crayons, watercolors, brushes, glue or chalk), brushes, chalks (including art, chalkboard and industrial chalk), craft kits (including fabric crayons and fabric crayon kits), crayons (including drawing, checking, and marking crayons), modeling clays, oil pastels, paints (including finger paint, finger paint powder, tempera, poster paint, watercolors, and transparent, powder, and textile paints), paper (including finger paint paper and stencil paper), water color markers, stencil brushes, chalkboard cleaner, stencil knives, pencils (including drawing and charcoal pencils), modeling material, excello squares, ink (including printing ink), linoleum blocks, linoleum, acrylics, and media mixer.

(d) "Respondent" means American Art Clay Co., Inc., an Indiana corporation, its subsidiaries and divisions, with its principal office located at 4717 West 16th Street, Indianapolis, Indiana 46222.

I

It is ordered that respondent, its successors and assigns, and its officers, and respondent's agents, representatives, and employees, directly or indirectly, or through any corporation, subsidiary, division or other device, in connection with the manufacture, offering for sale, sale or distribution of art materials in or affecting commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from directly or indirectly:

(1) Entering into, maintaining, or enforcing any agreement, combination, understanding or plan with any competitor to fix, determine, establish, or maintain the prices, discounts or other terms or conditions for the sale of art materials.

(2) Submitting any bid to any customer or prospective customer for the sale of any art

materials when any price, term or condition of sale or any element contained in such bid was discussed with, disclosed to, or received from, directly or indirectly, any competitor, actual or potential.

(3) Circulating or sending to, or exchanging with, any other person who manufactures, distributes, markets or sells art materials, any price list, price quotation or pricing factor applicable to art materials—except for price lists, price quotations, or pricing factors provided to or received from any person in the course of, and solely related to, negotiating for, entering into, or carrying out bona fide sales or potential sales by respondent directly to such person—in advance of the printing, publication, effectuation, circulation or communication of such price lists, price quotations, or pricing factors to customers generally.

(4) Collecting from circulating to or exchanging with, or reporting or recommending to any competitor who manufactures, distributes, markets or sells art materials, any cost factor or average cost of manufacture or sale of art materials, or any formulas for computing such cost.

(5) Communicating or exchanging with any other person who manufactures, distributes, markets, or sells art materials, any actual or proposed price, price change, discount, or other term or condition of sale at or upon which art materials are to be, or have been, sold—except for such information provided to or received from any person in the course of, and solely related to, negotiating for, entering into, or carrying out bona fide sales or potential sales by respondent directly to such person—prior to the communication of such information to customers generally.

(6) Disclosing to, or communicating to, any other person who manufactures, distributes, markets, or sells art materials:

(a) respondent's intention to submit, or not to submit, a bid to any purchaser;

(b) the fact that a bid has or has not been submitted prior to the communication of such information to the general public; or

(c) the content of any bid prior to the communication of such information to the general public.

except that, in declining to furnish a price quotation to a distributor to be used in connection with a particular bid, respondent may disclose that the reason for such refusal is respondent's intention to bid directly.

II

It is further ordered that respondent shall, for a period of five (5) years from the date of entry of this order, furnish simultaneously with each bid or quotation required to be sealed which is submitted by it for the sale of art materials to any purchaser, a written certification by an officer of respondent, that such bid was not in any way the result, directly or indirectly, of any agreement, understanding, or communication with any other producer, seller or distributor.

III

It is further ordered that, for a period of five (5) years from the date of entry of this order, respondent shall preserve all written price computations and other written calculations actually performed by respondent in the preparation and submission of any bid required to be sealed which is submitted to any actual or potential purchaser of art materials. Respondent shall retain such written computations and calculations for a period of at least five (5) years from the date each bid which is based on such computations or calculations is submitted to any purchaser.

IV

It is further ordered that:

(1) Prior to the fifth day after the date this order is served on respondent, the respondent shall establish an Escrow Account at the Continental Bank, 30 North LaSalle Street, Chicago, Illinois 60693, and shall designate Continental Bank as the Escrow Agent to receive monies, information and documents, to disburse monies and to carry out such other functions as may be provided for pursuant to the terms of this order, and the written directions of the Federal Trade Commission or its designee. The duties of the Escrow Agent shall be as outlined in the Escrow Instructions here attached as Appendix A and incorporated herein. Further, the parties shall be bound to the terms of said Escrow Instructions whether or not they are signatories thereto.

(2) Respondent shall deposit twenty-five thousand dollars ($25,000) in the Escrow Account in the following manner. A first deposit of ten thousand dollars ($10,000) shall be made prior to the fifth day after the order is served on respondent, a second deposit of seven thousand, five hundred dollars ($7,500) shall be made on or before the first annual anniversary of the date of the first deposit, and the third and final deposit of the remaining seven thousand, five hundred dollars ($7,500) shall be made on or before the second annual anniversary of the date of the first deposit.

(3) All interest earned on the funds deposited in the Escrow Account shall be added to the Escrow Account and disbursed by the Escrow Agent pursuant to the terms of this order, the Escrow Instructions, and the written directions of the Federal Trade Commission or its designee.

(4) Respondent shall not issue any instructions or directions respecting the Escrow Account to the Federal Trade Commission or its designee, or to the Escrow Agent with respect to the performance of their duties. These duties shall be pursuant to this order and to the Escrow Instructions, and shall include, but not be limited to, the investment of the property held by the Escrow Agent, the disbursement of the property held by the Escrow Agent, and compliance with any written directions of the Federal Trade Commission or its designee. Respondent shall not exercise any control over the property in the Escrow Account.

V

It is further ordered that:

(1) Respondent shall submit to the Federal Trade Commission, within thirty (30) days after the date of this order is served on respondent, a notarized affidavit executed by a duly authorized officer of respondent listing, to the best of its knowledge, the names of all the states within which any state institutions made purchases of respondent's chalk, crayons, watercolors, or tempera paints during any of the years 1972 through 1979, inclusive.

(2) As it has been determined by the Federal Trade Commission that the most readily identifiable and most significantly affected market consists of the school art materials purchasers, the sole purpose of the Escrow Account established pursuant to Section IV of this order is to disburse the consumer redress funds to any state institutions that purchase chalks, watercolors, or tempera paints for schools and are located in a state listed pursuant to Section V(1) of this order. Provisions contained herein or to be adopted in the future for the distribution of the funds are and shall be designed to accomplish such purpose in a manner most feasible, efficient and not inconsistent with the other provisions of this order.

(3) The Federal Trade Commission or its designee shall determine the appropriate recipients of funds in the Escrow Account, the sum paid to each recipient, and the most appropriate method to distribute the funds, taking into consideration the amount of funds available, the administrative feasibility and costs of disbursement, and the purpose of the Escrow Account, and shall instruct the Escrow Agent to distribute the funds in accordance with its determination.

(4) Funds to be distributed pursuant to paragraphs (1) through (3) of Section V of this order shall be paid out of the Escrow Account within three (3) years after the date of service of this order. All funds remaining in the Escrow Account after three (3) years from the date of service of this order shall be returned to repondent.

VI

It is further ordered that respondent:

(1) Serve within sixty (60) days after the entry of this order a copy of this order upon each of its officers and directors, and upon each of its employees and agents who have any responsibility for establishing prices, discounts or other terms or conditions for the sale of art materials.

(2) File with the Federal Trade Commission three (3) separate written reports setting forth in detail the manner and form in which they have complied with this order; the first report to be filed within sixty (60) days after service upon them of this order, the second report to be filed within thirty (30) days after the first annual anniversary of the date of the first deposit, and the third report to be filed within thirty (30) days after the second annual anniversary of the date of the first deposit.

(3) Notify the Commission at least thirty (30) days prior to any proposed change in the repondent which may affect compliance obligations arising out of this order.

Appendix A

[Document No. 78000041]

To: Continental Illinois National Bank and Trust Company of Chicago, Trust and Investment Services, Corporate Trust Division, Escrow Section, 30 North LaSalle Street—10th Floor, Chicago, Illinois 60693

The following property will be deposited with you by the undersigned within the designated times:

An initial deposit of ten thousand dollars ($10,000) will be made at the time this account is established. Two additional deposits, each of seven thousand, five hundred dollars ($7,500), will be deposited in accordance with the instructions designated in paragraph 2 of section IV of the Agreement Containing Consent Order to Cease and Desist entered into between American Art Clay Company, Inc. and staff of the Cleveland Regional Office of the Federal Trade Commission, dated ———, 1980.

As Escrowee, you are hereby directed to hold, deal with and dispose of the aforesaid property and any other property at any time held by you hereunder in the following manner subject, however, to the terms and conditions hereinafter set forth:

A. In the event you are notified in writing by the Federal Trade Commission (hereinafter called the "FTC") or its designee that it has accepted the Agreement Containing Consent Order to Cease and Desist entered into between American Art Clay Company, Inc. (hereinafter called the "Company") and the staff of the Cleveland Regional Office of the Federal Trade Commission, dated ———, 1980, and that the FTC has issued a Decision and Order in the Matter of American Art Clay Company, Inc., a corporation, you will hold the property and any other property at any time held by you hereunder (hereinafter called the "Property") until directed in writing by the FTC or its designee to distribute the Property, in which event the Property shall be distributed in accordance with its instructions.

In addition to deducting such fees, costs and expenses as incurred by you under paragraphs 7 and 8 hereof, you also will pay from the Property, as directed in writing by the FTC or its designee, such sums as you are authorized by the FTC or its designee to pay for the administration of the distribution scheme established by the FTC or its designee pursuant to the Agreement Containing Consent Order to Cease and Desist and the Decision and Order.

In addition, you shall execute such contracts regarding administration and distribution of the Escrow Account as the FTC or its designee directs. Subject to this paragraph, this Escrow will terminate upon the disbursement of all the Property pursuant to the written direction of the FTC or its designee.

B. In the event the FTC or its designee notifies you that it has determined not to accept the Agreement Containing Consent Order to Cease and Desist and to issue a Decision and Order as provided in Paragraph A, this Escrow will terminate and the Property will be returned by you to the Company not later than ten days after receipt of written notice from the FTC or its designee that the Agreement was not accepted.

C. Upon receipt of the Property you will invest the proceeds in either certificates of deposit other than certificates of deposit of Escrowee, or obligations of the United States Government or its agencies, either of which will have maturity not exceeding six (6) months from the date of purchase. You will invest the Property with the aim of securing principal, while maximizing interest income. In the exercise of your sound discretion, if you determine it necessary to sell any or all of the Property prior to maturity and invest the proceeds in either other certificates of deposit or obligations of the United States Government or its agencies, you may do so.

D. Upon maturity of any of the Property you will invest the proceeds in either additional certificates of deposit other than certificates of deposit of Escrowee, or obligations of the United States Government or its agencies, either of which will have maturity not exceeding six (6) months from date of purchase. You will invest the proceeds with the aim of securing principal, while maximizing interest income. In the exercise of your sound discretion, if you determine it necessary to sell any or all of the Property prior to maturity and invest the proceeds in either other certificates of deposit or obligations of the United States Government or its agencies, you may do so.

E. You will send the FTC or its designee, monthly cash and asset statements of this Escrow Account.

F. These Escrow Instructions may be amended any time by a document duly executed by the FTC or its designee entitled "Amendment to Escrow Instructions" to which you acknowledge receipt.

G. If the FTC decides to use a designee, you will not act pursuant to such designee's orders, until you receive a certified copy of the order of the FTC naming such designee.

Terms and Conditions

1. Your duties and responsibilities shall be limited to those expressly set forth in these Escrow Instructions, and you shall not be subject to, nor obliged to recognize, any other agreement between, or direction or instruction of, any or all of the parties hereto even though reference thereto may be made herein; provided, however, with your written consent, these Escrow Instructions may be amended at any time or times by an instrument in writing signed by the FTC or its designee.

2. You are authorized, in your sole discretion, to disregard any and all notices or instructions given by any of the undersigned or by any other person, firm or corporation, except only such notices or instructions as are hereinabove provided for and orders or process of any court entered or issued with or without jurisdiction. If any Property subject hereto is at any time attached, garnished, or levied upon under any court order or in case the payment, assignment, transfer, conveyance or delivery of any such Property shall be stayed or enjoined by any court order, or in case any order, judgment or decree shall be made or entered by any court affecting such Property or any part thereof, then and in any of such events you are authorized, in your sole discretion, to rely upon and comply with any such order, writ, judgment or decree which you are advised by legal counsel of your own choosing is binding upon you; and if you comply with any such order, writ, judgment or decree you shall not be liable to any of the parties hereto or to any other person, firm or corporation by reason of such compliance even though such order, writ, judgment or decree may be subsequently reversed, modified, annulled, set aside or vacated.

3. You shall not be personally liable for any act taken or omitted hereunder if taken or omitted by you in good faith and in the exercise of your own best judgment. You shall also be fully protected in relying upon any written notice, demand, certificate or document which you in good faith believe to be genuine.

4. Unless otherwise specifically indicated herein you shall proceed as soon as practicable to collect any checks or other collection items at any time deposited hereunder. All such collection shall be subject to the usual collection agreement regarding items received by your commercial banking department for deposit or collection. You shall not be required or have a duty to notify anyone of any payment or maturity under the terms of any instrument deposited hereunder, nor to take any legal action to enforce payment of any check, note or security deposited hereunder. You shall have no liability to pay interest on any money deposited or received hereunder.

5. You shall not be responsible for the sufficiency or accuracy of the form, execution, validity or genuineness of documents or securities now or hereafter deposited hereunder, or of any endorsement thereon, or for any lack of endorsement thereon, or for any description therein, nor shall you be reponsible or liable in any respect on account of the identity, authority or rights of the persons executing or delivering or purporting to execute or deliver any such document, security or endorsement or these Escrow Instructions.

6. Any notices which you are required or desire to give hereunder to the FTC or its designee shall be in writing and may be given by mailing the same to the address provided by the FTC or its designee by United States mail, postage prepaid. For all purposes hereof any notice so mailed shall be as effectual as though served upon the FTC or its designee to whom it was mailed at the time it is deposited in the United States mail by you whether or not the FTC or its designee thereafter actually receives such notice. Notices to you shall be in writing and shall not be deemed to be given until actually received by your trust department employee or officer who administers this Escrow. Whenever under the terms hereof the time for giving a notice or performing an act falls upon a Saturday, Sunday, or holiday, such time shall be extended to the next business day.

7. If you believe it to be reasonably necessary to consult with counsel concerning any of your duties in connection with this Escrow, or in case you become involved in litigation on account of being Escrowee hereunder or on account of having received Property subject hereto, then in either case, your costs, expenses, and reasonable attorney's fees shall be paid by you from the Property with the approval of the FTC or its designee.

8. You shall be paid a reasonable fee for your services and reimbursed for your costs and expenses hereunder by you from the Property in accordance with the fee schedule

attached hereto as Appendices 1 and 2 and incorporated herein

9. If your fees, costs, expenses, or reasonable attorney s fees provided for herein, are not promptly paid, you shall have the right to sell the Property held hereunder and reimburse yourself therefor from the proceeds of such sale or from the cash held hereunder.

10. It is understood that you reserve the right to resign as Escrowee at any time by giving written notice of your resignation, specifying the effective date therof, to the FTC or its designee. Within 30 days after receiving the aforesaid notice, the FTC or its designee agrees to appoint a successor Escrowee to which you may distribute the Property then held hereunder, less your fees, costs and expenses. If a successor Escrowee has not been appointed and has not accepted such appointment by the end of the 30-day period, you may apply to a court of competent jurisdiction for the appointment of a successor Escrowee, and the costs, expenses and reasonable attorneys' fees which you incur in connection with such a proceeding shall be paid from the property.

11. The Escrowee will have no liability if, in order to make the distribution, there is any loss of interest resulting from the liquidation of investments prior to their maturity.

12. The Escrowee shall have no responsibility for any taxes arising with regard to the Escrow Account. Such tax obligation, if any, shall be the responsibility of the recipients of the Property.

13. This Escrow Agreement shall be construed, enforced, and administered in accordance with the laws of the State of Illinois.

14. The undersigned Escrowee hereby agrees to hold, deal with and dispose of said Property and other Property at any time held by it hereunder in accordance with the foregoing Escrow Agreement.

15. Executed this——day of————, —— at Chicago, Illinois.

Parties to Escrow————————————

————————————

————————————

Addresses————————————

————————————

————————————

Attest:

Trust Officer————————————

Continental Illinois National Bank and Trust Company of Chicago, Escrowee

Vice President.————————————

Executed in——Copies.

Appendix 1—Schedule of Fees for Services as Escrow Agent

A. Administration Fees

The following rates are applicable for ordinary services in handling an escrow subject to a minimum acceptance fee of $250 and minimum annual charge of $250. The Acceptance fee will be based on the initial value of the deposits at the opening of the account.

Acceptance Fee

$250 minimum on assets up to $50,000.
$1.25 per $1,000 on next $300,000 valuation.
$.50 per $1,000 on next $350,000 valuation.
$.20 per $1,000 on next $1,000,000 valuation.
$.10 per $1,000 on excess above $1,700,000 valuation.

Annual Administrative Fee

$250 minimum on assets up to $50,000.
$1.25 per $1,000 on next $300,000 valuation.
$.50 per $1,000 on next $350,000 valuation.
$.20 per $1,000 on next $1,000,000 valuation.
$.10 per $1,000 on excess above $1,700,000 valuation.

The Annual Administrative Fee will be based on the value of the assets in the account at the beginning of the fee period plus any deposits made through the fee billing period.

When our only current duties consist of holding life or casualty insurance policies, the minimum annual fee will be reduced to $150 until the occurrence of a casualty, at which time the regular schedule will apply to the insurance proceeds.

Appendix 2

B. Operating Service Fees

When the escrow account requires the maintenance of participants' or claimants' records, the issuance of payments, and the preparation of tax forms, the following schedule applies:

1.) $2.50 per account per year (includes up to two distributions).

2.) $0.50 per check issued over two distributions.

When the escrow requires the investment of funds, a $50 charge will be made for each purchase or sale transaction. A $35 charge will be made for any fee deposit or delivery of assets (securities, deeds, insurance policies, etc.).

C. Termination

There are no separate termination charges. Fees for the final billing period will be prorated to the date of termination; subject to a minimum of six months from the date of inception.

D. Miscellaneous

The fees quoted in this schedule apply to services ordinarily rendered in administering an escrow account, and are subject to a reasonable adjustment if we are called upon to undertake unusual duties, responsibilities, procedures, or if the cost of doing business increases. The cost of all stationery and supplies, telephone, postage, printing, or other out-of-pocket expenses will be added to our regular service charges.

In determining our general schedule of fees, we have taken into consideration the various incidental benefits occurring to us from the operation of accounts. These include temporary availability to the Trust Department of funds resulting from the retention of dividends or interest in accounts pending disbursement, the execution of securities transactions for accounts, and funds from other sources.

[File No. 761 0087]

Analysis of Proposed Consent Order To Aid Public Comment

The Federal Trade Commission has accepted an agreement to a proposed consent order from American Art Clay Company.

The proposed consent order has been placed on the public record for sixty (60) days for reception of comments by interested parties. Comments received during this period will become part of the public record. After sixty (60) days, the Commission will again review the agreement and comments received, and will decide whether it should withdraw from the agreement or make final the agreement's proposed order.

The complaint alleges that American Art Clay Company and other manufacturers of chalks, crayons, watercolors, or tempera paints agreed on the prices they would charge for these products. The complaint alleges that the price fixing of these products came as the result of communications between the manufacturers about the prices that were to be contained in each of the companies' price lists.

The proposed agreement with American Art Clay Company sets forth that American Art Clay will establish an interest-bearing Escrow Account within five days after the order is served upon them. American Art Clay is to deposit a total of twenty-five thousand dollars ($25,000) in this Escrow Account: $10,000 to be deposited within five days after the order is served, an additional $7,500 on or before the first annual anniversary of the date of the first deposit, and the remaining $7,500 on or before the second annual anniversary of the date of the first deposit. These funds, plus accrued interest, represent restitution to consumers for purchases of certain school art materials, and do not constitute a fine or penalty against American Art Clay Company. The administration of the distribution of the funds will be paid out of those funds.

The agreement states that the funds will not be returned to American Art Clay Company unless any funds remain in the Escrow Account longer than three years after the order has been accepted, in which event the remaining funds would be returned.

The proposed order would prohibit American Art Clay Company from:

- Entering into an agreement with any competitior to fix the prices of art materials.
- Submitting a bid to a customer when the bid was the result of communications or discussions with competitors.
- Giving price lists or prices to other art materials manufacturers before they are given out to customers generally.
- Communicating any prices for which art materials are to be, or have been, sold to anyone before this

information is given to customers generally.

- Disclosing to competitors information about or contained in a bid.
- Communicating cost information to competitors.

The order provides that the consumer redress funds from the company shall be distributed to any state institutions which purchase chalks, crayons, watercolors, or tempera paints and are located within certain eligible states. The term "state institutions" has a broad interpretation. It includes schools or other purchasers at any level of state or local government. State eligibility exists if any "state institution," as defined above, has purchased the company's chalks, crayons, watercolors, or tempera paints at any time during the period 1972 through 1979. The company must submit the names of the eligible states. The Federal Trade Commission is then responsible for the distribution plan and its implementation. Other than the eligibility restriction, only considerations of efficiency and feasibility restrict the exercise of the broad discretion granted to the Commission in developing and implementing a distribution plan.

To aid in the distribution of funds to the states, the Federal Trade Commission will request the cooperation of the State Attorneys General whose experience in class-action distributions particularly qualifies them as the appropriate state liaison persons in this matter. The Commission, with the cooperation of the State Attorneys General, will distribute the respective funds in lump-sum amounts to each of the states which satisfy the application requirements for receiving the money. The amounts will be in proportion to the states' 1979–1980 student population in grades kindergarten through 12.

To qualify for receipt of its portion of each fund, a state must provide the Federal Trade Commission with certain information. The State Attorney General must:

- Verify the state's authority to receive the funds and to use them for a particular purpose;
- Supply the 1979–1980 student population for public school children in grades kindergarten through 12;
- Furnish a plan for distributing the state's portion of each fund to state institutions which purchase chalks, crayons, watercolors, or tempera paints;
- Agree to distribute the money in accordance with the plan.

The purpose of this analysis is to facilitate public comment on the proposed order and it is not intended to constitute an official interpretation of the agreement and proposed order or to modify in any way their terms.

Carol M. Thomas,

Secretary.

[FR Doc. 80-19767 Filed 6-30-80; 8:45 am]

BILLING CODE 6750-01-M

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16 CFR Part 13

[File No. 791 0134]

Tingley Rubber Corp.; Consent Agreement with Analysis To Aid Public Comment

AGENCY: Federal Trade Commission.

ACTION: Consent Agreement.

SUMMARY: In settlement of alleged violations of federal law prohibiting unfair acts and practices and unfair methods of competition, this consent order, accepted subject to final Commission approval, would require, among other things, a South Plainfield, N.J. manufacturer of molded rubber footwear, to cease withholding cooperative advertising credits or allowances from any dealer, or restricting the right of any dealer to participate in cooperative advertising programs either (1) because of the dealers' advertised or selling resale prices of Tingley products, or (2) because of the dealers' use of comparative prices in advertising or selling of Tingley products.

DATE: Comments must be received on or before September 2, 1980.

ADDRESS: Comments should be directed to: Office of the Secretary, Federal Trade Commission, 6th St. and Pennsylvania Ave., N.W., Washington, D.C. 20580.

FOR FURTHER INFORMATION CONTACT: Paul W. Turley, Director, 3R, Chicago Regional Office, Federal Trade Commission, 55 East Monroe St., Suite 1437, Chicago, Ill. 60603, (312) 353–4423.

SUPPLEMENTARY INFORMATION: Pursuant to section 6(f) of the Federal Trade Commission Act, 38 Stat. 721, 15 U.S.C. 46 and § 2.34 of the Commission's rules of practice (16 CFR 2.34), notice is hereby given that the following consent agreement containing a consent order to cease and desist and an explanation thereof, having been filed with and accepted, subject to final approval, by the Commission, has been placed on the public record for a period of sixty (60) days. Public comment is invited. Such comments or views will be considered by the Commission and will be available for inspection and copying at its principal office in accordance with § 4.9(b)(14) of the Commission's rules of practice (16 CFR 4.9(b)(14)).

In the Matter of Tingley Rubber Corp., a corporation; File No. 7910134. Agreement Containing Consent Order to Cease and Desist.

The Federal Trade Commission having initiated an investigation of certain acts and practices of Tingley Rubber Corp., a corporation, and it now appearing that Tingley Rubber Corp., a corporation, hereinafter sometimes referred to as proposed respondent, is willing to enter into an agreement containing an order to cease and desist from the use of the acts and practices being investigated.

It is hereby agreed by and between Tingley Rubber Corp., by its duly authorized officer and its attorney, and counsel for the Federal Trade Commission that:

1. Proposed respondent Tingley Rubber Corp. is a corporation organized, existing and doing business under and by virtue of the laws of the State of New Jersey, with its office and principal place of business located at 200 South Avenue, in the City of South Plainfield, State of New Jersey.

2. Proposed respondent admits all the jurisdictional facts set forth in the draft of complaint here attached.

3. Proposed respondent waives:

(a) Any further procedural steps;

(b) The requirement that the Commission's decision contain a statement of findings of fact and conclusions of law; and

(c) All rights to seek judicial review or otherwise to challenge or contest the validity of the order entered pursuant to this agreement.

4. This agreement shall not become a part of the public record of the proceeding unless and until it is accepted by the Commission. If this agreement is accepted by the Commission, it, together with the draft of complaint contemplated thereby and related material pursuant to Rule 2.34, will be placed on the public record for a period of sjxty (60) days and information in respect thereto publicly released. The Commission thereafter may either withdraw its acceptance of this agreement and so notify the proposed respondent, in which event it will take such action as it may consider appropriate, or issue and serve its complaint (in such form as the circumstances may require) and decision, in disposition of the proceeding.

5. This agreement is for settlement purposes only and does not constitute an admission by proposed respondent that the law has been violated as alleged in the draft of complaint here attached.

6. This agreement contemplates that, if it is accepted by the Commission, and if such acceptance is not subsequently withdrawn by the Commission pursuant to the provisions of § 2.34 of the Commission's Rules, the Commission may, without further notice to proposed respondent, (1) issue its complaint corresponding in form and substance with the draft of complaint here attached and its decision containing the following order to cease and desist in disposition of the proceeding and (2) make information public in respect thereto. When so entered, the order to cease and desist shall have the same force and effect and may be altered, modified or set aside in the same manner and within the same time provided by statute for other