

## § 250.23

any amendments to such application or declaration.

(Sec. 19, 48 Stat. 85, as amended, secs. 13, 15, 23, 48 Stat. 894, 895, 901, as amended, sec. 15, 49 Stat. 828, secs. 305, 307, 314, 319, 53 Stat. 1154, 1156, 1167, 1173, as amended, secs. 38, 39, 54 Stat. 841; 15 U.S.C. 77s, 78m, 78o, 78w, 79o, 77eee, 77ggg, 77nnn, 77sss, 80a-37, 80a-38; 15 U.S.C. 79c and 79t (49 Stat. 810, 833); 15 U.S.C. 80w-37, 30c-39 (54 Stat. 841, 342); 15 U.S.C. 80b-3, 80b-4, 80b-11 (54 Stat. 850, 852, 855))

[19 FR 5211, Aug. 18, 1954, as amended at 29 FR 2421, Feb. 13, 1964; 44 FR 4666, Jan. 23, 1979; 47 FR 58238, Dec. 30, 1982; 50 FR 50611, Dec. 11, 1985; 58 FR 15005, Mar. 18, 1993; 60 FR 32825, June 23, 1995]

### § 250.23 Procedure applicable to certain applications and declarations.

(a) *Scope of rule.* The provisions of this section apply to applications under sections 6(b), 9(c)(3) and 10 of the Act (49 Stat. 814, 49 Stat. 817, 49 Stat. 818; 15 U.S.C. 79f, 79i, 79j) or §250.50 and declarations pursuant to sections 7, 12(b), 12(c), 12(d), and 12(f) of the Act (49 Stat. 815, 49 Stat. 823; 15 U.S.C. 79g, 79l) and any rule of the Commission thereunder, to declarations under §250.65, and to declarations regarding proposed accounting entries subject to instruction 8C of the Uniform System of Accounts for Public Utility Holding Companies.

(b) *Designation of filings as applications or declarations.* Any filing as to any matter specified in paragraph (a) of this section shall be designated an application, if filed pursuant to section 6(b), 9(c)(3) or 10 of the Act (49 Stat. 814, 817, 818; 15 U.S.C. 79f, 79i, 79j) or §250.50, and shall be designated a declaration with respect to any other matter specified in paragraph (a) of this section.

(c) *Effective date.* A declaration or application, which complies with the applicable requirements of the Act and the rules and regulations thereunder, will become effective or be granted respectively by an order to issue upon the expiration of the period prescribed in the notice of filing.

(d) *Effect of order for hearing.* If the Commission deems that a hearing is appropriate in the public interest or the interest of investors or consumers, it will issue an order for hearing thereon, and in that event a declaration or application shall not become effective

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or be granted except pursuant to further order of the Commission.

(e) *Notice of filing.* The Commission will publish in the FEDERAL REGISTER notice of the filing of a declaration or application, stating the earliest date upon which such declaration or application, as filed or as amended, may be permitted to become effective or be granted. Any interested person may, not later than fifteen days after the publication of such notice or such other date as may be fixed therein, request the Commission in writing that a hearing be held, stating his reasons therefor and the nature of his interest.

[Rule U, 6 FR 2015, Apr. 19, 1941, as amended at 6 FR 5950, Nov. 25, 1941; 28 FR 5664, June 11, 1963; 41 FR 26854, June 30, 1976]

### § 250.24 Terms and conditions applicable to declarations and orders granting applications.

(a) *Certificate required from declarant or applicant.* Within 10 days after the consummation of any transaction regarding which a declaration has become effective or an application has been granted, the declarant or applicant shall certify to the Commission that such transaction has been carried out in accordance with the terms and conditions of and for the purposes represented by the declaration or application, and of any order of the Commission with respect thereto, and except to the extent that the declaration or application specifies that certain steps or transactions therein proposed may be carried out at a later time than the others, the applicant or declarant shall be required to carry out as a single transaction all the steps therein proposed. The foregoing requirement is imposed on each applicant and declarant unless otherwise expressly ordered by the Commission.

(b) *Conditions and restrictions proposed in an application or declaration.* Every order granting an application or making effective a declaration shall, unless otherwise therein expressly stated, impose upon the applicant or declarant the obligation to comply with any restriction or condition which the application or declaration proposes shall be imposed by the Commission in connection therewith.

(c) *Conditions to effectiveness.* Every order granting an application or making effective a declaration shall, unless otherwise expressly ordered, be subject to the following conditions:

(1) *Compliance with declaration or application.* That the transaction proposed shall be carried out in accordance with the terms and conditions of, and for the purposes stated in the declaration or application, and within 60 days after such declaration is effective or application granted, or such earlier or later date as may be designed in such declaration or application.

(2) *State commission action.* That if the transaction is proposed to be carried out in whole or in part pursuant to the express authorization of any State commission, such transaction shall be carried out in accordance with such authorization, and if the same be modified, revoked or otherwise terminated, the effectiveness of the declaration or order granting the application shall be, without further order or the taking of any action by the Commission, revoked and terminated.

(3) *Reservation of jurisdiction.* That the Commission reserves jurisdiction:

(i) To pass upon the terms and conditions of any document which the declaration or application states is to be submitted to the Commission after the effective date of such declaration or application, and to pass upon any modification of the terms and conditions of any document previously submitted to the Commission. Any such document or modification shall, unless otherwise directed by the Commission, be submitted to the Commission, by amendment to the declaration or application, prior to the execution or use thereof.

(ii) To pass upon any matter which the declaration of application proposes shall be subject to future consideration by the Commission. No action shall be taken with respect to any such matter except upon order of the Commission.

(iii) To entertain, at the request of declarant or applicant, such further proceedings and take such further action as may be appropriate regarding any step which may be taken to consummate the proposed transaction.

[Rule U, 6 FR 2015, Apr. 19, 1941, as amended at 6 FR 5950, Nov. 25, 1941]

#### § 250.25 Answers.

In any proceeding instituted by the Commission, the Commission may direct that any party respondent shall file an answer to the allegations contained in the order of the Commission initiating such proceeding, or in any statement of facts filed in such proceeding. Unless otherwise directed by the Commission, such answer shall conform to the requirements for answers to pleadings specified in the Federal Rules of Civil Procedure. The Commission recognizes the right of any person directed to file any such answer to set forth therein appropriate reservations of constitutional or other legal rights.

#### § 250.26 Financial statement and recordkeeping 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 merely state that no change in the accounts used has occurred, if that is the fact.