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The President

EXECUTIVE ORDER

PRESCRIBING REGULATIONS GOVERNING THE MANNER OF EXPENDING AND ACCOUNTING FOR FUNDS APPROPRIATED FOR THE ARMY OF THE PHILIPPINES

By virtue of and pursuant to the authority vested in me by the act of December 17, 1941, Public Law 353, 77th Congress, I hereby prescribe the following regulations governing the manner of expending and accounting for funds appropriated for the Army of the Philippines:

DISBURSEMENTS MADE BY DISBURSING OFFICERS OF THE ARMY OF THE UNITED STATES

1. (a) Necessary expenditures, except as provided for in Paragraph 1 (b), for the purposes authorized by the act of December 17, 1941, may be made by disbursing officers of the Army of the United States notwithstanding any restrictive provision of law, but will be accounted for in accordance with present procedures governing the accounting for Government funds.

(b) Advances or reimbursements made to the Government of the Commonwealth of the Philippines by disbursing officers of the Army of the United States, as authorized by the Commanding General, United States Army Forces in the Far East, for necessary expenses authorized by the act of December 17, 1941, will be accounted for on vouchers evidencing the amounts advanced to or paid as reimbursement to the Government of the Commonwealth of the Philippines, but such vouchers need not be supported by vouchers paid by disbursing officers of the Army of the Philippines.

DISBURSEMENTS MADE BY DISBURSING OFFICERS OF THE ARMY OF THE PHILIPPINES

2. (a) Necessary expenditures from funds in the Philippine Treasury for the purposes authorized by the act of December 17, 1941, will be made by disbursing officers of the Army of the Philippines on the approval or authority of the Commanding General, United

States Army Forces in the Far East, and for such purposes as he may deem proper, and his determination thereon shall be final and conclusive upon the accounting officers of the Philippine Government, and such expenditures will be accounted for in accordance with procedures established by Philippine Commonwealth laws and regulations.

(b) Accounts of disbursing officers of the Army of the Philippines after audit by the Auditor, Army of the Philippines and administrative examination by the Agency designated by the Commanding General, United States Army Forces in the Far East, to determine reimbursement due the Government of the Commonwealth of the Philippines, will be submitted to the Auditor General of the Philippine Commonwealth Government for preservation and safe keeping in accordance with provisions of Philippine law.

FRANKLIN D ROOSEVELT

THE WHITE HOUSE,
January 3, 1942.

[No. 9011]

[F. R. Doc. 42-129; Filed, January 5, 1942;
3:13 p. m.]

[POSSESSION RELINQUISHED OF PLANT OF FEDERAL SHIPBUILDING & DRY DOCK COMPANY]

EXECUTIVE ORDER

WHEREAS by Executive Order No. 8868,¹ dated the 23rd day of August, 1941, the Secretary of the Navy was directed by the President to take possession of and operate the plant of The Federal Shipbuilding & Dry Dock Company, to produce the vessels, facilities, material and equipment called for by the company's contracts with the United States or otherwise and do all things necessary or incidental to that end; and

WHEREAS on the 25th day of August, 1941, the Secretary of the Navy, acting pursuant to said direction, took possession of and is now in possession of the said plant of The Federal Shipbuilding & Dry Dock Company; and

¹ 6 F.R. 4349.

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FEDERAL REGISTER

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WHEREAS said Executive order provides that possession and operation thereunder shall be terminated by the President as soon as he determines that the plant will be privately operated in a manner consistent with the needs of national defense; and

WHEREAS it now appears, and I so determine, that the plant will be privately operated in a manner consistent with the needs of national defense:

NOW, THEREFORE, I, FRANKLIN D. ROOSEVELT, as President of the United States and as Commander-in-Chief of the Army and Navy of the United States,

hereby direct the Secretary of the Navy immediately to relinquish possession of the said plant of The Federal Shipbuilding & Dry Dock Company, and to issue the necessary orders for carrying out the aforesaid direction.

FRANKLIN D. ROOSEVELT

THE WHITE HOUSE,
January 5, 1942.

[No. 9012]

[F. R. Doc. 42-132; Filed, January 6, 1942;
10:14 a. m.]

Rules, Regulations, Orders

TITLE 7—AGRICULTURE

CHAPTER IX—SURPLUS MARKETING ADMINISTRATION

PART 1121—COTTON STAMP PLAN COMPLIANCE

Section 1121.200 *Eligibility to accept cotton stamps*¹ (section 200, Article II of the "Cotton Stamp Plan Regulations", made and prescribed by the Secretary of Agriculture on May 3, 1941, effective May 3, 1941, as amended) is hereby amended to read as follows:

§ 1121.200 *Privilege of accepting cotton stamps.* The privilege of accepting cotton stamps may be granted to a retail dry goods store upon compliance with such conditions as to eligibility to participate as, in the judgment of the Administration, will effectuate the purposes of the Cotton Stamp program. The Administration may, at any time, place such restrictions upon participation, or upon the duration of the participation of any retail dry goods store, as it deems proper.

Section 1121.301 *Collection agents*¹ (section 301, Article III of the "Cotton Stamp Plan Regulations", made and prescribed by the Secretary of Agriculture on May 3, 1941, effective May 3, 1941, as amended) is hereby amended to read as follows:

§ 1121.301 *Collection agents.* Wholesalers and banks may act as collection agents for retail dry goods stores, only when expressly authorized by the Administration. The privilege of acting as collection agents may, at any time, be conditioned upon compliance with such requirements and restricted as to such duration, as, in the judgment of the Administration, will effectuate the purposes of the Cotton Stamp program.

Done at Washington, D. C., this 3rd day of January 1942. Witness my hand and the seal of the Department of Agriculture.

Effective date: January 3, 1942.

[SEAL] CLAUDE R. WICKARD,
Secretary of Agriculture.

[F. R. Doc. 42-146; Filed, January 6, 1942;
11:31 a. m.]

¹ 6 F.R. 2323.

TITLE 10—ARMY: WAR DEPARTMENT

CHAPTER III—CLAIMS AND ACCOUNTS

PART 36—CLAIMS AGAINST THE UNITED STATES¹

§ 36.32 *Expenses for the apprehension and delivery of enlisted men absent without leave.* When the civil authorities are requested to hold an enlisted man under the provisions of AR 615-290,² they will in every case be informed that reward is not payable, but that payment of expenses in an amount not to exceed \$25 is authorized, actual payment being subject in each case to approval by the Secretary of War of the claim submitted. They will be instructed to submit a statement of expenses, in connection with the detention, for delivery by the guard to the commanding officer of the station to which the enlisted man is taken. (47 Stat. 1575; 10 U.S.C. 1431) [Par. 3, AR 35-2620, Sept. 16, 1941, as amended by Cir. 272, W.D., Dec. 30, 1941]

[SEAL]

E. S. ADAMS,
Major General,
The Adjutant General.

[F. R. Doc. 42-131; Filed, January 6, 1942;
9:25 a. m.]

PART 77—MEDICAL AND DENTAL ATTENDANCE¹

§ 77.21 *Laundry*—(a) *General.*

(6) Linens used in guest rooms of the American Red Cross social service and recreation building when under the administrative control of the commanding officer of the hospital. (R.S. 161; 5 U.S.C. 22) [Par. 15a (6), AR 40-590 as added by Cir. 261, W.D., Dec. 17, 1941]

[SEAL]

E. S. ADAMS,
Major General,
The Adjutant General.

[F. R. Doc. 42-130; Filed, January 6, 1942;
9:25 a. m.]

TITLE 31—MONEY AND FINANCE: TREASURY

CHAPTER I—MONETARY OFFICES

PART 131—GENERAL LICENSES UNDER EXECUTIVE ORDER NO. 8389, APRIL 10, 1940, AS AMENDED, AND REGULATIONS ISSUED PURSUANT THERETO

GENERAL LICENSE NO. 79, UNDER EXECUTIVE ORDER NO. 8389, APRIL 10, 1940, AS AMENDED, AND REGULATIONS ISSUED PURSUANT THERETO, RELATING TO TRANSACTIONS IN FOREIGN EXCHANGE, ETC.

JANUARY 5, 1942.

§ 131.79 *General License No. 79.* A general license is hereby granted authorizing banking institutions within the

¹ § 36.32 is superseded.

² Administrative regulations of the War Department relative to absence without leave.

³ § 77.21 (a) (6) is added.

United States to make payments from blocked accounts of the Philippine Islands, or any national thereof, of checks and drafts drawn or issued prior to January 1, 1942 and to accept and pay and debit to such accounts drafts drawn prior to January 1, 1942, under letters of credit: *Provided*, That each banking institution making any payment or debit authorized by this general license shall file promptly with the appropriate Federal Reserve Bank weekly reports showing the details of such transactions. This license shall expire at the close of business on February 1, 1942. (Sec. 5 (b), 40 Stat. 415 and 966; Sec. 2, 48 Stat. 1; 54 Stat. 179; Public No. 354, 77th Congress; E.O. 8389, April 10, 1940, as amended by E.O. 8785, June 14, 1941, E.O. 8832, July 26, 1941, E.O. 8963, December 9, 1941, and E.O. 8998, December 26, 1941; Regulations, April 10, 1940, as amended June 14, 1941, and July 26, 1941)

[SEAL] E. H. FOLEY, Jr.,
Acting Secretary of the Treasury.

[F. R. Doc. 42-142; Filed, January 6, 1942;
11:54 a. m.]

PART 131—GENERAL LICENSES UNDER EXECUTIVE ORDER NO. 8389, APRIL 10, 1940, AS AMENDED, AND REGULATIONS ISSUED PURSUANT THERETO

GENERAL LICENSE NO. 80 UNDER EXECUTIVE ORDER NO. 8389, APRIL 10, 1940, AS AMENDED, AND REGULATIONS ISSUED PURSUANT THERETO, RELATING TO TRANSACTIONS IN FOREIGN EXCHANGE, ETC.

JANUARY 5, 1942.

§ 131.80 *General License No. 80.* (a) A general license is hereby granted licensing as a generally licensed national any individual who is a citizen of the Commonwealth of the Philippine Islands and residing only in the United States or in the generally licensed trade area, as defined in General License No. 53.

(b) Reports on Form TFR-300 are not required to be filed with respect to the property interests of any individuals licensed herein as generally licensed nationals. (Sec. 5 (b), 40 Stat. 415 and 966; sec. 2, 48 Stat. 1; 54 Stat. 179; Public No. 354, 77th Congress; E.O. 8389, April 10, 1940, as amended by E.O. 8785, June 14, 1941, E.O. 8832, July 26, 1941, E.O. 8963, December 9, 1941, and E.O. 8998, December 26, 1941; Regulations, April 10, 1940, as amended June 14, 1941, and July 26, 1941)

[SEAL] E. H. FOLEY, Jr.,
Acting Secretary of the Treasury.

[F. R. Doc. 42-143; Filed, January 6, 1942;
11:54 a. m.]

PART 131—GENERAL LICENSES UNDER EXECUTIVE ORDER NO. 8389, APRIL 10, 1940, AS AMENDED, AND REGULATIONS ISSUED PURSUANT THERETO

GENERAL LICENSE NO. 81 UNDER EXECUTIVE ORDER NO. 8389, APRIL 10, 1940, AS

AMENDED, AND REGULATIONS ISSUED PURSUANT THERETO, RELATING TO TRANSACTIONS IN FOREIGN EXCHANGE, ETC.

JANUARY 5, 1942.

§ 131.81 *General License No. 81.* A general license is hereby granted licensing as generally licensed nationals:

(a) The New York office of the Philippine National Bank; and

(b) The offices within the United States and the generally licensed trade area, as defined in General License No. 53, of the Hong Kong and Shanghai Banking Corporation. (Sec. 5 (b), 40 Stat. 415 and 966; sec. 2, 48 Stat. 1; 54 Stat. 179; Public No. 354, 77th Congress; E.O. 8389, April 10, 1940, as amended by E.O. 8785, June 14, 1941; E.O. 8832, July 26, 1941, E.O. 8963, December 9, 1941, and E.O. 8998, December 26, 1941; Regulations, April 10, 1940, as amended June 14, 1941, and July 26, 1941)

[SEAL] E. H. FOLEY, Jr.,
Acting Secretary of the Treasury.

[F. R. Doc. 42-144; Filed, January 6, 1942;
11:55 a. m.]

PART 131—GENERAL LICENSES UNDER EXECUTIVE ORDER NO. 8389, APRIL 10, 1940, AS AMENDED, AND REGULATIONS ISSUED PURSUANT THERETO

GENERAL LICENSE NO. 82 UNDER EXECUTIVE ORDER NO. 8389, APRIL 10, 1940, AS AMENDED, AND REGULATIONS ISSUED PURSUANT THERETO, RELATING TO TRANSACTIONS IN FOREIGN EXCHANGE, ETC.

JANUARY 5, 1942.

§ 131.82 *General License No. 82.* The Government of the Commonwealth of the Philippine Islands, the United States High Commissioner to the Philippine Islands, and all officers of the United States Government within the Philippine Islands, are hereby licensed as generally licensed nationals; and all persons to the extent that they are acting for and on behalf of the foregoing are hereby licensed as generally licensed nationals. The term "generally licensed national" as applied to the Government of the Commonwealth of the Philippine Islands shall mean that such government may be regarded as though the Philippine Islands were not a blocked country. (Sec. 5 (b), 40 Stat. 415 and 966; sec. 2, 48 Stat. 1; 54 Stat. 179; Public No. 354, 77th Congress; E.O. 8389, April 10, 1940, as amended by E.O. 8785, June 14, 1941, E.O. 8832, July 26, 1941, E.O. 8963, December 9, 1941, and E.O. 8998, December 26, 1941; Regulations, April 10, 1940, as amended June 14, 1941, and July 26, 1941)

[SEAL] E. H. FOLEY, Jr.,
Acting Secretary of the Treasury.

[F. R. Doc. 42-145; Filed, January 6, 1942;
11:54 a. m.]

PARTS 130 AND 131—APPENDIX

PUBLIC CIRCULAR NO. 11 UNDER EXECUTIVE ORDER NO. 8389, APRIL 10, 1940, AS AMENDED, AND REGULATIONS ISSUED PURSUANT THERETO, RELATING TO TRANSACTIONS IN FOREIGN EXCHANGE, ETC.¹

JANUARY 5, 1942.

(1) Attention is directed to the fact that pursuant to Executive Order No. 8998, the provisions of Executive Order No. 8389, as amended, have been automatically extended to the Philippine Islands to the same extent as the provisions of the Order apply to any other blocked country.

(2) For the purpose of administering the Order and complying with the provisions thereof, the Philippine Islands shall be deemed to be a foreign country separately designated in the Order and specifically named in section 3 thereof. The effective date of the Order as applied to the Philippine Islands shall be deemed to be January 1, 1942. The definition of the term "national" as applied to the Philippine Islands shall be that specified in paragraph E of section 5 of the Order.

(3) Reports on Form TFR-300 shall be filed with respect to all property subject to the jurisdiction of the United States in which the Philippine Islands or any national thereof has any interest. Details concerning this requirement and information regarding the dates as of which reports are to be filed will be the subject of a future Public Circular.

(4) General License No. 13 is hereby amended by the deletion of the word "Manila" from subdivision (1) of paragraph (a) thereof.

(5) General Licenses Nos. 63 and 65 are hereby revoked.

(6) Subdivision (2) of paragraph (f) of General License No. 75 is hereby amended to read as follows:

"(2) the term 'designated agent of the Central Bank of China' shall mean the Bank of China."

(7) Attention is directed to the fact that as used in the Order, and Regulations, licenses and other documents issued thereunder, the term "United States" does not include the Philippine Islands and does not include any other territory controlled or occupied by the military, naval, or police forces or other authority of any blocked country.

(8) All general licenses, specific licenses, and authorizations of whatsoever character issued pursuant to the Order

¹ This public circular affects Parts 130 and 131 and will be included in appendices to those parts.

Sec. 5 (b), 40 Stat. 415 and 966; sec. 2, 48 Stat. 1; 54 Stat. 179; Public No. 354, 77th Congress, E.O. 8389, April 10, 1940, as amended by E.O. 8785, June 14, 1941, E.O. 8832, July 26, 1941, E.O. 8963, December 9, 1941, and E.O. 8998, December 26, 1941; Regulations, April 10, 1940, as amended June 14, 1941, and July 26, 1941.

on or before January 1, 1942 by the United States High Commissioner to the Philippine Islands are hereby revoked.

[SEAL] E. H. FOLEY, Jr.,
Acting Secretary of the Treasury.

[F. R. Doc. 42-147; Filed, January 6, 1942;
11:55 a. m.]

CHAPTER II—FISCAL SERVICE

SUBCHAPTER B—BUREAU OF THE PUBLIC DEBT

[1942 First Amendment to Dept. Circ. No. 675]

PART 310—EXCHANGES OF INTERIM CERTIFICATES OF 2½% TREASURY BONDS OF 1967-72 FOR DEFINITIVE COUPON BONDS

To Holders of full-paid interim certificates of 2½ percent Treasury Bonds of 1967-72, banks and trust companies incorporated in the United States under Federal or State law, and any others concerned

JANUARY 2, 1942.

Section 310.3 of Department Circular No. 675,¹ dated December 15, 1941, is hereby amended to read as follows:

§ 310.3 *Special arrangements for banks and trust companies.* It is expected that incorporated banks and trust companies within the United States, generally will offer their services to their customers in effecting exchanges of interim certificates for definitive bonds without expense to the holders, and, accordingly, any holders of interim certificates who avail themselves of any such offer should, of course, present and surrender their interim certificates through such institutions. Any such bank or trust company may arrange with the Federal Reserve Bank of its district for the transportation of interim certificates to the Federal Reserve Bank by registered mail at the expense and risk of the United States. Full information concerning such arrangements will be furnished by Federal Reserve Banks to incorporated banks and trust companies upon application. The interim certificates forwarded by incorporated banks and trust companies to the Federal Reserve Banks for exchange pursuant to such arrangements must be clearly stamped on the face, in indelible ink, with a legend reading as follows: "Presented for exchange for definitive coupon bonds by-----",

(Name of bank or trust company)
or in lieu of such stamp, the legend may be typed or written in which case it must be signed by an officer of the remitting bank or trust company. All such interim certificates so stamped or endorsed shall thenceforth be deemed nonnegotiable and will be accepted by the Federal Reserve Bank only when presented for exchange by or for account of the bank or trust company named thereon. Such arrangements may not be made with the Treasury Department, nor may they be made by individuals or institutions except as herein provided. Deliveries of

¹ 6 F.R. 6680.

definitive bonds issued upon such exchanges will be made to the incorporated bank or trust company presenting the interim certificates for exchange, and will be made at the expense and risk of the United States. Incorporated banks and trust companies, in effecting exchanges pursuant to this paragraph, act as agents of the holders of the interim certificates and not as agents of the United States, and the United States will not be responsible for the receipt or custody of the interim certificates or for the custody or delivery of the definitive bonds by the banks or trust companies. The provisions of this section may be extended to private banks doing a recognized banking business and approved by the Federal Reserve Bank of the district in which located. (40 Stat. 288, 46 Stat. 775, 52 Stat. 447)

[SEAL] D. W. BELL,
Acting Secretary of the Treasury.

[F. R. Doc. 42-148; Filed, January 6, 1942;
11:55 a. m.]

TITLE 32—NATIONAL DEFENSE

CHAPTER VIII—EXPORT CONTROL

SUBCHAPTER C—BOARD OF ECONOMIC WARFARE

PART 850—GENERAL PROVISIONS

§ 850.2 *Delegation of authority regarding requisitioning and disposal of property.* By virtue of the authority vested in me, as Executive Director of the Board of Economic Warfare, by Executive Order 8942, dated November 19, 1941, authority is hereby delegated to the Assistant Director in Charge of Operations, or, in his absence, the officer designated by said Assistant Director to act for him:

(a) To make the determinations prescribed by sub-paragraphs 4 a, b, and c, of the aforesaid Executive Order, and to execute and submit to the Office of Production Management proposals for the requisitioning and disposal of property, pursuant to paragraph 4 of said Executive Order; and

(b) To exercise and perform all other powers and functions vested in me by said Executive Order, and to delegate, and provide for the redelegation of, such of said powers and functions as may from time to time be required. (E.O. 8942, 6 F.R. 5909)

MIL0 PERKINS,
Executive Director.

JANUARY 3, 1942.

[F. R. Doc. 42-128; Filed, January 5, 1942;
12:18 p. m.]

CHAPTER IX—OFFICE OF PRODUCTION MANAGEMENT

SUBCHAPTER B—PRIORITIES DIVISION

PART 997—PRODUCTION AND DELIVERY OF MACHINE TOOLS, GAGES AND CHUCKS

General Preference Order No. E-1-a

Whereas, on July 7, 1941, the Director of Priorities issued Supplementary Order

No. 1 to General Preference Order No. E-1¹ to direct the distribution of Machine Tools, and

Whereas, Supplementary Order No. 1 contained a Master Preference Numerical List (Exhibit A thereto) for the use of manufacturers of such Machine Tools, in scheduling their deliveries of critical Machine Tools required for the Defense Contracts specified on such List, and

Whereas, the state of War now existing makes revision of such Master Preference Numerical List necessary, in order to insure the delivery of Machine Tools to the most important needs,

Now, therefore, it is hereby ordered that:

§ 997.1 *General Preference Order E-1-a—(a) Definitions.* (1) "Machine Tools", "Gages" and "Chucks" include the following grouped as indicated for the purposes of this Order:

Group I

Chucks.
Engine lathes.
External grinding machines.
Jig borers.
Planers.
Profiling machines.
Radial drills.
Sensitive drills.
Shapers.
Surface grinding machines.
Toolroom lathes.
Upright drills.
All other Machine tools not specifically mentioned in group II.

Group II

Gages.
Automatic lathes.
Chucking machines.
Gear machines.
Horizontal boring, milling and drilling machines.
Internal grinding machines.
Milling machines.
Multiple spindle screw machines.
Precision boring machines.
Reaming machines.
Rifle barrel chambering machines.
Rifle barrel drilling machines.
Rifle barrel reaming machines.
Rifle barrel rifling machines.
Rifling machines.
Thread grinding machines.
Thread milling machines.
Turret lathes.
Vertical boring mills.
Vertical turret lathes.
All machine tools individually engineered for special operations.
Also any other tools or equipment which may specifically be added hereto by the Director of Priorities.

(2) "Producer" means any individual, partnership, association, corporation or other form of enterprise engaged in producing any items listed in Group I or Group II above.

(b) *Revocation of previous order.* Supplementary Order No. 1 to General Preference Order E-1 is revoked as of January 10, 1942, and shall thereafter be of no further force or effect except

¹ 6 F.R. 1676.

as present schedules are continued by paragraph (c) (1) below.

(c) *Periods for continuance of present schedules.* (1) Present Schedules of production and delivery of those Machine Tools and Chucks specified in Group I above shall be maintained until 30 days after January 10, 1942. Present schedules of those Machine Tools and Gages specified in Group II above shall be maintained as they now stand until 60 days after January 10, 1942.

(2) Production and delivery schedules until February 28, 1942, under purchase orders bearing no preference rating, placed by the United Kingdom, Canada and other Dominions, shall be maintained as they now are unless other instructions relating thereto are received from Chief of the Tools Branch, Office of Production Management. Separate instructions governing the scheduling of such orders after February 28, 1942, will hereafter be issued.

(3) No provisions of this Order shall effect the terms of any Special Allocation Order No. 1, now or hereafter issued to any Producer, nor the production schedules relating thereto.

(d) *Production and delivery of machine tools, gages and chucks.* After the periods specified in paragraph (c) (1) above every Producer shall schedule his production and delivery of Machine Tools, Gages and Chucks according to the following instructions:

(1) *Operation of preference ratings.*

(i) Preference Ratings, in order of precedence are: AA, A-1-a, A-1-b, etc. * * * A-1-j; A-2, A-3, etc., * * * A-10; BB, B-1, B-2, etc., * * * B-8, AA being the highest rating presently assigned.

(ii) Subject to paragraph (d) (3) hereof, every delivery under a rated contract or order shall be made in preference to deliveries under all other contracts or purchase orders, whenever, but only to the extent necessary to meet the required delivery date or dates specified in the preference rating certificate covering such delivery.

(iii) Subject to paragraph (d) (3) hereof, deliveries bearing no preference rating or lower preference ratings shall be deferred to the extent necessary, and only to that extent, to assure meeting required delivery date or dates specified in certificates bearing higher preference ratings, even though such deferment may cause defaults under other contracts or purchase orders.

(iv) After the effective date of this Order no delivery shall be given priority standing in production and delivery schedules except upon receipt by the Producer of the preference rating certificate covering such delivery.

(2) *Operations of Master Preference List, Revision No. 1.* (i) Deliveries bearing a preference rating of A-1-a under purchase orders for Machine Tools, Gages and Chucks placed by another producer thereof, or by producers of Cranes, Cutting Tools, or Micrometers, shall be preferred to, and take precedence

over all other deliveries bearing an A-1-a preference rating, including deliveries to any purchaser appearing on the Master Preference Numerical List, Revision No. 1, hereinafter referred to.

(ii) The Master Preference Numerical List, Revision No. 1, (Exhibit A attached to this Order, hereinafter called the "List") shall, after the respective dates specified in paragraph (c) (1) above, control the sequence of deliveries of Machine Tools, Gages and Chucks as follows:

(a) As between conflicting deliveries bearing the same preference rating, deliveries to purchasers who are on the List shall be preferred to, and shall take precedence over deliveries to purchasers not on the List.

(b) As between conflicting deliveries bearing the same preference rating, to be made to two or more purchasers both on the List, deliveries shall be made according to the Urgency Standing of the respective purchasers, specified in such List. The highest Urgency Standing in each preference rating classification is No. 1.

(c) As between conflicting deliveries, a delivery to a purchaser not on the List, bearing a higher preference rating, shall be preferred to and shall take precedence over a delivery to a purchaser who is on the List, bearing a lower preference rating.

(d) A delivery to a subcontractor who is not specifically named on the List does not take the Urgency Standing of his prime contractor: *Provided*, That if the Priorities Committee, of the Army and Navy Munitions Board has endorsed in writing a subcontractor's preference rating certificate with the Urgency Standing of the prime contractor then the particular machine or machines specified in such certificate shall be scheduled for delivery in accordance therewith. The Director of Priorities, or other official duly authorized by him, may hereafter also designate an Urgency Standing for any subcontractor whose prime contractor does not appear on the list.

(iii) Where two or more purchasers do not appear on the List, and their contracts or purchase orders for Machine Tools, Gages or Chucks have returned delivery dates which conflict, and which bear the same preference rating, the sequence of deliveries shall be determined by the date of a machine tool Producer's receipt of the preference rating certificates, deliveries under certificates received earlier to have preference.

(iv) Additions to, withdrawals from, and other changes may be made in the Master Preference Numerical List from time to time by the Director of Priorities or other duly authorized official.

(3) *Suspension of new preference rated orders.* Unless the Director of Priorities specifically orders otherwise, and notwithstanding any other provision of this Order, deliveries under contracts or purchase orders for those Machine Tools and Chucks specified in Group I above, bearing a higher Preference Rating or Urgency Standing shall not be preferred over those bearing a lower Preference

Rating or Urgency Standing, until 30 days after the Producer of such tools receives the preference rating certificate covering such delivery. Likewise, higher rated deliveries of those Machine Tools and Gages specified in Group II shall not be preferred until 60 days after the Producer thereof receives the preference rating certificate covering such deliveries.

(e) *Specific modifications of schedules.* Notwithstanding any other provision of this Order the Director of Priorities, or other official duly authorized by him, may specifically allocate to another purchaser, or otherwise divert, any machine tool, gage or chuck scheduled for production and delivery pursuant to this Order.

(f) *Applicability of Priorities Regulation No. 1.* This Order and all transactions affected thereby are subject to the provision of Priorities Regulation No. 1, as amended from time to time, except to the extent that any provision hereof may be inconsistent therewith, in which case the provisions of this Order shall govern.

(g) *Reports and other communications.* All reports which may be required to be filed, and all other communications concerning this Order should be addressed to the Tools Branch, Office of Production Management, Washington, D. C., Ref: E-1-a.

(h) This Order shall take effect January 10, 1942 and shall continue in effect until revoked by the Director of Priorities. (P.D. Reg. 1, Aug. 27, 1941, 6 F.R. 4489; O.P.M. Reg. 3 Amended, Sept. 2, 1941; 6 F.R. 4865; E.O. 8629, Jan. 7, 1941, 6 F.R. 191; E.O. 8875, Aug. 28, 1941, 6 F.R. 4483; sec. 2 (a) Public No. 671, 76th Congress, Third Session, as amended by Public No. 89, 77th Congress, First Session; sec. 9, Public No. 783, 76th Congress, Third Session.)

Issued this 6th day of January 1942.

DONALD M. NELSON,
Director of Priorities.

[F. R. Doc. 42-137; Filed, January 6, 1942;
11:09 a. m.]

PART 1016—SHEET STEEL

Amendment No. 1 of General Preference Order M-45 To Reserve an Inventory of Sheet Steel for Steel Drums

General Preference Order M-45¹ is hereby amended to read as follows:

Whereas, it is found that demands for steel drums for the shipment of gasoline, oil, and other products overseas, are recurrently creating temporary and local shortages of such drums and of the sheet steel necessary for the manufacture of such drums; and

Whereas, it is further found that the best interests of the national defense require the reservation of a stock of sheet steel to be immediately available for the manufacture of steel drums required for such shipment;

¹ 6 F.R. 5850.

Now, therefore, it is hereby ordered:

§ 1016.1 *General Preference Order M-45*—(a) *Definitions*. For the purposes of this Order:

(1) "A steel drum" means a drum made of hot rolled sheet steel of any gauge.

(2) "Producer" means any fabricator of steel drums.

(b) *Reservation of sheet steel for specific allocation*. The Director of Priorities will, from time to time, by specific order to each Producer, direct the reservation of a designated quantity of hot rolled sheet steel of any gauge in the Producer's possession or ownership. In addition, all sheet steel acquired by application of a preference rating pursuant to Preference Rating Order No. P-76, as amended to December 31, 1941, shall be likewise reserved. Thereafter the Director will, from time to time, specifically authorize the sale, delivery, or processing of quantities of sheet steel so reserved. Except pursuant to such an authorization, no Producers shall sell, deliver or process any such reserved sheet steel.

(c) *Records*. Each Producer shall keep and preserve for a period of not less than two years accurate and complete records concerning inventories and stocks on hand of, and deliveries to such Producer, and by such Producer, of hot rolled sheet steel of all gauges and steel drums.

(d) *False statements and penalties*. Any person who willfully violates any of the terms and provisions of this Order, or willfully falsifies records required to be kept or information to be furnished pursuant to this Order, or who obtains a delivery of material by means of a material and willful misstatement may be prohibited from obtaining further deliveries of material under allocation and be deprived of any other priorities assistance. The Director of Priorities may also take any other action deemed appropriate, including the making of a recommendation for prosecution under Section 35 (a) of the Criminal Code (18 U. S. C. 80).

(e) *Effective date*. This Order shall take effect immediately, and shall continue in force until further amended or revoked by the Director of Priorities. (P.D. Reg. 1, Aug. 27, 1941, 6 F.R. 4489, O.P.M. Reg. 3 Amended, Sept. 2, 1941, 6 F.R. 4865; E.O. 8629, Jan. 7, 1941, 6 F.R. 191; E.O. 8875, Aug. 28, 1941, 6 F.R. 4483; sec. 2 (a), Public No. 671, 76th Congress, Third Session, as amended by Public No. 89, 77th Congress, First Session, sec. 9, Public No. 783, 76th Congress, Third Session)

Amendment issued and effective this 31st day of December, 1941.

DONALD M. NELSON,
Director of Priorities.

[F. R. Doc. 42-138; Filed, January 6, 1942;
11:10 a. m.]

**RATING PLAN FOR CONTAINER STEEL—
PREFERENCE RATING ORDER NO. P-76 AS
AMENDED TO DECEMBER 31, 1941**

Preference Rating Order No. P-76, and All Serial Numbered Copies Thereof Heretofore Issued, Are Hereby Amended to Read as Follows:

Preference Rating Order P-76. For the purpose of facilitating the acquisition of hot rolled sheet steel of all gauges for the production of steel containers, in the interest of the defense of the United States, a preference rating is hereby assigned to certain deliveries to the above-named producer, upon the following terms:

(a) *Definitions*. (1) "Producer" means the specific person to whom this Order is addressed above.

(2) "A Steel Drum" means a drum made of hot rolled sheet steel of any gauge.

(3) "Container Steel" means hot rolled sheet steel of any gauge which will be physically incorporated into a steel drum.

(4) "Supplier" means any person with whom a contract or purchase order has been placed for delivery to the Producer of Container Steel.

(b) *Assignment of preference rating*. Preference rating A-4 is hereby assigned to deliveries to the Producer by his Supplier of those quantities of Container Steel specifically authorized for rating from time to time by the Director of Priorities.

(c) *Application of rating and restrictions on its use*. The preference rating hereby assigned may be applied only by the Producer. The Producer may apply said rating only to those quantities of Container Steel specifically authorized for rating by the Director of Priorities from time to time. Such authorization will be based on information furnished by the Producer on Form PD-156A.¹ The extent of the authorization will be indicated on one copy of Form PD-156A which will be returned to the Producer. This Order will be terminated immediately if the Producer is found to have applied the rating to deliveries in excess of his specific authorization.

(d) *Application of preference rating*. The Producer who has been furnished with a signed copy of this Order, to apply the preference rating to deliveries to him, must:

(1) Execute, by signing, the acceptance at the end hereof, and file such signed acceptance with the Division of Priorities of the Office of Production Management; and

(2) Furnish one additional copy of this Order to each of his Suppliers with whom he has placed a contract or purchase order for Container Steel to the delivery of which he elects to apply the preference rating. After he has furnished one such copy to a particular

¹ Filed as part of the original document.

Supplier, he need furnish no additional copy to that Supplier to cover any subsequent deliveries of Container Steel. The Producer shall endorse the following statement on the original and all copies of each purchase order or contract for Container Steel, the delivery of which is rated pursuant to this Order:

Purchase order for Container Steel, Preference Rating A-4 pursuant to Preference Rating Order No. P-76, as amended to December 31, 1941, not extendable

and deliver the original or a copy thereof to the seller of such Container Steel. Such endorsement shall constitute a certification to the Office of Production Management that the Producer is entitled to apply the rating to such delivery pursuant to this Order. Such purchase order or contract shall not include any material the delivery of which is not rated pursuant to this Order.

(e) *Records, audits and reports*. The Producer shall—

(1) Keep and preserve for a period of at least two years accurate and complete records and information concerning purchases (including orders and deliveries), stocks on hand, and sales of Container Steel covered by each application of the rating;

(2) Submit from time to time for audit and inspection to representatives of the Office of Production Management concerning the matters referred to in paragraph (e) (1);

(3) File such reports with the Office of Production Management as may from time to time be required. Until further order, the Producer and each such Supplier shall file with the Director of Priorities, on or before the fifteenth day of each month, Form PD-81,² a copy of which is attached hereto.

(f) *False statements and penalties*. Any person who applies the preference rating hereby assigned in willful violation of the terms and provisions of this Order, or willfully falsifies records required to be kept or information to be furnished pursuant to this Order, or who obtains a delivery of material by means of a material and willful misstatement may be prohibited from obtaining further deliveries of material under allocation and be deprived of any other priorities assistance. The Director of Priorities may also take any other action deemed appropriate, including the making of a recommendation for prosecution under section 35 (A) of the Criminal Code (18 U.S.C. 80).

(g) *Revocation or modification*. This Order may be revoked or amended by the Director of Priorities at any time as to the Producer. In the event of revocation, deliveries already rated pursuant to this Order shall be completed in accordance with said rating, unless the rating has been specifically revoked with respect thereto. No additional applications of the rating to any other deliveries shall

² Not filed as part of the original document

thereafter be made by the Producer affected by such revocation.

(h) *Effective date.* This Order, as amended, shall take effect immediately and shall continue in force until further amended or revoked by the Director of Priorities. (P.D. Reg. 1, Aug. 27, 1941, 6 F.R. 4489; O.P.M. Reg. 3 Amended, Sept. 2, 1941, 6 F.R. 4865; E.O. 8629, Jan. 7, 1941, 6 F.R. 191; E.O. 8875, Aug. 28, 1941, 6 F.R. 4483; sec. 2 (a), Public No. 671, 76th Congress, Third Session, as amended by Public No. 89, 77th Congress, First Session; sec. 9, Public No. 783, 76th Congress, Third Session)

Amendment issued and effective this thirty-first day of December 1941.

DONALD M. NELSON,
Director of Priorities.

ACCEPTANCE OF PREFERENCE RATING ORDER No. P-76

To be detached from the foregoing Order, signed by an authorized agent, and returned to the Division of Priorities, Office of Production Management, Washington, D. C., by the Producer, before he applies the preference rating assigned by the foregoing Order.

(Before signing this Acceptance, read carefully sections (c), (d) and (e) of the foregoing Order.)

The Producer named below hereby accepts Preference Rating Order No. P-76, and certifies to the Director of Priorities of the Office of Production Management that he is entitled to apply the preference rating assigned by said Order in accordance with its terms.

Dated this _____ day of _____, 194_____.

(Legal Name of Producer)

By _____
(Name and title of Authorized Agent)

(Address of Producer)

(Section 35A of the Criminal Code, 18 U.S.C. 80, makes it a criminal offense to make a false statement or representation to any Department or Agency of the United States as to any matter within its jurisdiction.)

Exact copies, including name and serial number, may be made by the Producer by the photo-offset or similar photographic process, for delivery to Suppliers. These copies must be identical in size and in every other respect with the order issued. In addition, other copies of this Order may be secured from the Division of Priorities, Office of Production Management, Washington, D. C.

[F. R. Doc. 42-149; Filed, January 6, 1942; 11:10 a. m.]

TITLE 33—NAVIGATION AND NAVIGABLE WATERS

CHAPTER II—CORPS OF ENGINEERS, WAR DEPARTMENT

PART 203—BRIDGE REGULATIONS¹

Pursuant to the provisions of section 5 of the River and Harbor act of August 18, 1894 (28 stat. 362; 33 U.S.C. 499), paragraph (b) (13) Napa River—Southern Pacific Bridge at Brazos, is hereby amended by adding the causeway between Vallejo and Mare Island and the

¹ § 203.710 (b) (13) is amended.

Sears Point bridge, the headnote and subparagraphs to read as follows:

§ 203.170 *State of California; bridge regulations for all navigable waterways of the United States within California, including San Francisco Bay and connected bays and river systems tributary thereto.*

(b) *Special regulations.*

(13) *Napa River and Mare Island Strait—(i) Southern Pacific Bridge at Brazos.* (a) The owner of, or agency controlling, this bridge will not be required to keep a draw tender in constant attendance except when the swing span remains closed for the passage of railroad traffic. At all other times the swing span may remain in open position and unattended.

(b) During foggy weather a bell shall be tolled continuously when the swing span is in open position.

(ii) *Sears Point Highway Bridge—Causeway across Mare Island Strait between Vallejo and Mare Island.* Closed periods: Between the hours of 7:00 a. m. and 8:00 a. m. and 4:00 p. m. and 5:00 p. m. The drawspans of the Sears Point bridge and the Mare Island Strait bridge shall not be required to be opened for the passage of vessels other than vessels owned, operated or controlled by the United States. (28 Stat. 362; 33 U.S.C. 499) [Regs. Jan. 11, 1939. (E.D. 6371 (Southern Pacific R. R. Napa River-Brazos) 5/5) and Regs. Dec. 24, 1941 (E.D. 6371 (Navy Dept.—Mare Island Strait)—4/4)]

[SEAL] E. S. ADAMS,
Major General,
The Adjutant General.

[F. R. Doc. 42-127; Filed, January 5, 1942; 2:07 p. m.]

Notices

DEPARTMENT OF THE INTERIOR.

Bituminous Coal Division.

[Docket No. B-127]

IN THE MATTER OF J. A. WILLIAMSON, J. W. GILLIAM, R. L. BEARE, JR., INDIVIDUALLY, AND AS CO-PARTNERS, DOING BUSINESS UNDER THE NAME AND STYLE OF BEARE FUEL COMPANY, REGISTERED DISTRIBUTOR, REGISTRATION No. 0554, RESPONDENTS

ORDER POSTPONING HEARING

The above-entitled matter having been heretofore scheduled for hearing at 10 o'clock in the forenoon of January 7, 1942, at a hearing room of the Bituminous Coal Division at Room 339, Post Office Building, Memphis, Tennessee; and

It appearing to the Acting Director that it is advisable to postpone said hearing;

Now, therefore, it is ordered, That the hearing in the above-entitled matter, be and the same is hereby postponed to a date and at a hearing room to be hereafter designated by an appropriate order.

Dated: January 3, 1942.

[SEAL] DAN H. WHEELER,
Acting Director.

[F. R. Doc. 42-133; Filed, January 6, 1942; 10:18 a. m.]

[Docket No. B-72]

IN THE MATTER OF THE B & B COAL COMPANY, A CORPORATION, REGISTERED DISTRIBUTOR, REGISTRATION No. 0339, RESPONDENT

ORDER OF SUSPENSION OF REGISTRATION

A Notice of and Order for Hearing having been made by the Division on October 28, 1941, pursuant to the provisions of Section 304.14 of the Rules and Regulations for the Registration of Distributors promulgated by the Division, to determine whether the respondent has violated the Act, the Bituminous Coal Code (the "Code"), the Marketing Rules and Regulations, the Rules and Regulations for the Registration of Distributors and the Agreement ("Distributor's Agreement") dated April 19, 1940, executed by the respondent pursuant to Order of the National Bituminous Coal Commission dated March 24, 1939, in General Docket No. 12, which was adopted as an Order of the Division on July 1, 1939, or any orders or regulations of the Division and to determine whether or not the registration of said respondent as a distributor should be revoked or suspended by reason of said violations; and said Notice of and Order for Hearing having been duly served on the respondent on November 8, 1941;

The respondent by its admission and agreement dated December 20, 1941, the original of which is on file with the Division: (a) having admitted the truth of the allegations of said Notice of and Order for Hearing and the facts set out in said stipulation; (b) having consented to the making and entry of this order of suspension; (c) having agreed that forthwith upon the entry of this Order, it will refund to the Rawalt Coal Company, a corporation of Canton, Illinois, code member in District No. 10, the sum of \$658.57 being a part of the discounts received and accepted by respondent from said Rawalt Coal Company upon the purchase by it of the coal hereinabove described, said sum of \$658.57 to be used by said Rawalt Coal Company in part payment of the sum of \$1,317.14 stipulated by said Rawalt Coal Company in Docket No. 1737-FD to be the amount of tax required to be paid by said Rawalt Coal Company, pursuant to section 5 (c) of the Act, as a condition to reinstatement of its membership in the Code; (d) respondent having further agreed that during said period of suspension neither it nor any of its officers, representatives, agents, servants, employees or attorneys will act as a registered distributor and that

neither it nor they will accept or receive as a registered distributor, either directly or indirectly, any discounts on coal purchased by it or them from code members during said period of suspension for resale which would reduce the price thereof below the effective minimum price therefor; and (e) respondent having agreed that during the period of said suspension, it will observe and faithfully abide by all the provisions of the Act, the Marketing Rules and Regulations, the Rules and Regulations for the Registration of Distributors, the Distributor's Agreement hereinabove referred to and all applicable orders of the Division;

1. *It is hereby found, That:*

(a) Respondent is a corporation duly organized and existing under and by virtue of the laws of the State of Illinois, with its principal place of business located at 1209 Jefferson Building, Peoria, Illinois, and at all times herein mentioned, respondent was and now is engaged under the powers granted to it by its corporate charter in the business of buying, selling and distributing coal.

(b) That on April 22, 1940, pursuant to the order of the Commission dated March 24, 1939, entered in General Docket No. 12, and adopted on July 1, 1939 as an Order of the Division, respondent filed with the Division its application dated April 19, 1940, for registration as a registered distributor which was accompanied by respondent's distributor's agreement; that said application was approved by the Division on April 24, 1940 and Certificate No. 0339 was issued to the respondent, authorizing it to act as a registered distributor; and that the respondent has been ever since said last mentioned date, and is now acting as a registered distributor.

2. *It is hereby further found, That* the respondent has violated paragraph (a) of its Distributor's Agreement during the period commencing January 1, 1941, and ending April 30, 1941, as alleged in the Notice of and Order for Hearing herein, by accepting distributor's discounts in excess of the maximum allowable discounts as set forth in the Order entered June 19, 1940 in General Docket No. 12, prescribing due and reasonable maximum discounts and establishing Rules and Regulations for the Registration of Distributors, upon 2205.05 tons of 6" lump coal and 467.94 tons of 1 1/4" x 6" egg coal purchased by respondent from the Rawalt Coal Company, a corporation of Canton, Illinois, code member in District No. 10, which coal was produced at the said code member's Rawalt Mine, Mine Index No. 716, and was resold by respondent to various retailers located in Peoria, Illinois, and in Bloomington, Illinois.

Now, therefore, based upon the above Findings and upon respondent's agreement that within five days after the date of service of this order upon respondent, it will refund to the Rawalt Coal Company the sum of \$658.57, as and for the purpose hereinabove more fully set forth; and upon respondent's agreement that during the period of suspension of its

registration, neither it nor any of its officers, representatives, agents, servants, employees or attorneys will act as registered distributor and that neither it nor they will accept or receive as a registered distributor, either directly or indirectly, any discounts on coal purchased by it from code members during said period of suspension for resale which would reduce the price thereof below the effective minimum price therefor.

It is ordered, That the registration of the respondent, The B & B Coal Company, as a distributor, is hereby suspended for a period of thirty (30) days from the date of service hereof upon the respondent, and that the respondent, its officers, representatives, agents, servants, employees, and attorneys and all affiliates of the respondent, shall be and they are hereby prohibited from acting as registered distributors during said period of suspension and from receiving or accepting any discounts from the effective minimum prices either directly or indirectly on coal purchased by it, them, or any of them during the said period of suspension, provided, however, that if the respondent shall not have complied with the provisions of § 304.15 of the Rules and Regulations for the Registration of Distributors, at least five (5) days prior to the expiration of said suspension period, said suspension shall continue in full force and effect until five (5) days after the affidavit required by said § 304.15 shall have been filed with the Division.

It is further ordered, That the respondent during such period of suspension shall continue fully to observe, abide by, and remain in all respects, subject to all pertinent and applicable provisions of the Act, the Code, the Marketing Rules and Regulations, the Rules and Regulations for the Registration of Distributors, the Distributor's Agreement, and all applicable orders of the Division.

It is further ordered, That in the event that the respondent shall hereafter violate any of its agreements set forth in said agreement dated December 20, 1941, this matter may be reopened, and such action taken and orders entered herein as to the Division may seem just and proper under the circumstances and jurisdiction of this matter is hereby expressly reserved for such purposes.

Dated: January 5, 1942.

[SEAL]

DAN H. WHEELER,
Acting Director.

[F. R. Doc. 42-134; Filed, January 6, 1942;
10:18 a. m.]

[Docket No. 1737-FD]

IN THE MATTER OF RAWALT COAL COMPANY, A CORPORATION, CODE MEMBER,
DEFENDANT

ORDER TERMINATING CODE MEMBERSHIP, DETERMINING THE AMOUNT OF TAX REQUIRED TO BE PAID AS A CONDITION FOR REINSTATEMENT AND DIRECTING DEFENDANT TO CEASE AND DESIST FROM FURTHER VIOLATIONS

A complaint dated May 1, 1941, in the above-entitled matter pursuant to the provisions of sections 4 II (j) and 5 (b) of the Bituminous Coal Act of 1937 (the

"Act"), having been filed by the Bituminous Coal Producers Board for District No. 10, complainant, with the Bituminous Coal Division (the "Division") alleging that the defendant willfully violated the provisions of the Bituminous Coal Code (the "Code"), or rules and regulations thereunder, and the complaint herein having been duly served upon the defendant on August 28, 1941;

A hearing in this matter having been held on October 2, 1941, at a hearing room of the Division in the Federal Courthouse, Peoria, Illinois, before W. A. Shipman, Trial Examiner of the Division, and the complaint having been amended at said hearing; and the defendant at said hearing having made certain offers and admissions in respect to the complaint and having confirmed the same by agreement dated December 20, 1941, the original of which is on file with the Division; and pursuant thereto having waived (a) oral argument and filing of briefs before the Division or Trial Examiner, (b) the preparation and submission of any report, Findings of Fact or Recommendations by the Division or Trial Examiner, (c) the presentation of oral argument before the Division or Trial Examiner and (d) the preparation and submission of tentative Findings of Fact or proposed Order by the Division or Trial Examiner; and

The defendant by said agreement having consented to the making and entry of this Order revoking the defendant's membership in the Code, and directing the defendant, its officers, representatives, agents, servants, employees, attorneys, and all persons acting or claiming to act in its behalf or interest, to cease and desist, and permanently enjoining and restraining them, respectively, from violating the Code, the Act, the Marketing Rules and Regulations, and the effective minimum prices; and

The defendant by said agreement dated December 20, 1941, having further agreed and consented that neither said agreement nor this Order shall constitute a waiver by or on behalf of any person entitled to file a complaint under sections 4 II (j) and 5 (b) of the Act, or either of them, of any right, penalty or forfeiture which they may respectively have against the defendant by reason of any violation other than that alleged in the complaint herein as amended, or a waiver by or on behalf of any code member of any right which he may have against the defendant pursuant to section 5 (d) of the Act in respect to the violations alleged in the complaint herein as amended, and the defendant having agreed that upon the entry of the Order hereinabove referred to, it will pay to the United States Government within ten (10) days after the date of service of copy of this Order the amount of the tax, namely \$1,317.14, agreed by it to be the amount required to be paid by section 5 (b) and (c) of the Act on the coal hereinafter referred to, sold during the period commencing February 18, 1941, and ending April 30, 1941, as a condition to its reinstatement to membership in the Code, and having further agreed that in the event of its failure to pay

said tax within ten (10) days after date of service of a copy of this Order on the defendant, the Division, in its discretion, may immediately vacate and revoke, cancel and annul this Order and thereupon take such further steps or action in this proceeding as it may deem fit; and the Bituminous Coal Producers Board for District No. 10, complainant herein having recommended and urged the Division to accept the agreements made by the defendant and to enter an Order in accordance therewith.

Now, therefore, pursuant to the authority vested in the Division by section 4 II (j) of the Act, authorizing it to adjust complaints of violations, and to compose the differences of the parties thereto;

1. It is hereby found, as follows:

(a) The defendant is a corporation duly organized and existing under and by virtue of the laws of the State of Illinois, with its principal office located at 506 E. Elm Street, Canton, Illinois, and at all times hereinafter mentioned was and now is engaged under the powers granted to it by its corporate charter in the business of producing and selling bituminous coal.

(b) That on June 24, 1937, the defendant filed with the National Bituminous Coal Commission (the "Commission") its Acceptance of the Code, dated June 21, 1937, and that said Acceptance was approved by the Commission on July 1, 1937, to take effect as of June 24, 1937; that defendant has been since the last-mentioned date and is now a code member in District No. 10 operating the Rawalt Mine, Mine Index No. 716, located at Norris, Illinois.

(c) That The B & B Coal Company ("B & B"), is a corporation duly organized and existing under and by virtue of the laws of the State of Illinois with its principal office located at 1209 Jefferson Building, Peoria, Illinois, and at all times hereinafter mentioned was and now is engaged under the powers granted to it by its corporate charter in the business of buying, selling and distributing coal.

(d) That on April 22, 1940, pursuant to the Order of the Commission dated March 24, 1939, entered in General Docket No. 12, and adopted on July 1, 1939, as an Order of the Division, B & B filed its application dated April 19, 1940, for registration as a registered distributor which was accompanied by its Distributor's Agreement; that said application was approved by the Division on April 24, 1940 and Certificate No. 0339 was issued to said B & B authorizing it to act as a registered distributor; and that said B & B has been ever since said last mentioned date, and is now, acting as a registered distributor.

2. It is hereby further found, That the defendant willfully violated the provisions of the Act, the Code and the effective minimum prices established thereunder, during the period commencing February 18, 1941 and ending April 30, 1941, by selling to B & B and delivering in trucks owned or controlled by defendant to the customers of B & B at Peoria, Illinois,

and at Bloomington, Illinois, 1100.63 tons of 6" lump coal and 253.64 tons of 1 1/4" x 6" egg coal produced at said Rawalt Mine, at prices below the effective minimum prices of \$2.55 per ton f. o. b. the mine for 6" lump coal and \$2.25 per ton f. o. b. the mine for 1 1/4" x 6" egg coal, knowing that the prices at which defendant sold said coal was below the effective minimum prices therefor, as follows:

	6" lump	1 1/4" x 6" egg
Feb. 18 to Feb. 28 1941, both inclusive.....	Tons 372.70	Tons 67.55
Month of March 1941.....	630.73	152.49
Month of April 1941.....	97.20	33.60
Total.....	1,100.63	253.64

3. It is hereby further found, That the amount of tax imposed by section 5 (b) and (c) of the Act and required to be paid by the defendant as a condition to its reinstatement to membership in the Code on the tonnage referred to in paragraph 2 hereof is \$1,317.14, which amount is 39 percent of the effective minimum price of \$3,377.29 for said coal willfully sold by the defendant to B & B during the period commencing February 18, 1941 and ending April 30, 1941 in violation of the Code, and the corresponding provisions of the Act and the effective minimum prices as aforesaid.

4. It is hereby further found, That the defendant willfully violated the provisions of the Act and the effective minimum prices established thereunder during the period commencing January 1, 1941 and ending February 17, 1941, by selling to B & B and delivering in trucks owned or controlled by defendant to the customers of B & B at Peoria, Illinois, and at Bloomington, Illinois, 1104.475 tons of 6" lump coal and 214.30 tons of 1 1/4" x 6" egg coal, knowing that the prices at which defendant sold said coal were below the effective minimum prices therefor, as follows:

Period	6" lump	1 1/4" x 6" egg
Month of Jan. 1941.....	Tons 759.955	Tons 134.16
Feb. 1 to Feb. 17, 1941, both inclusive.....	344.52	80.14
Total.....	1,104.475	214.30

Now, therefore, based upon the above Findings and upon the agreement of the defendant consenting to the entry of an Order herein cancelling and revoking its membership in the Code by reason of said violations and directing the defendant, its officers, representatives, agents, servants, employees and attorneys and all persons acting or claiming to act in its behalf or interest, to cease and desist, and permanently enjoining and restraining them, respectively, from violating the Code, the Act, the Marketing Rules and Regulations and the effective minimum prices, and providing that the restraining provisions of said Order shall continue in full force and effect upon any restoration of the defendant's code membership

pursuant to section 5 (c) of the Act; and also based upon the agreement of the defendant that it will within ten (10) days after date of service of copy of this Order on the defendant, pay to the United States Government the amount of the tax, namely \$1,317.14 herein found to be the amount required to be paid by the defendant pursuant to section 5 (c) of the Act as a condition to its reinstatement to membership in the Code.

It is ordered, That the membership of the above-named defendant in the Code be, and the same is, hereby cancelled and revoked.

It is further ordered, That said cancellation and revocation of the defendant's code membership shall become effective ten (10) days after service of this Order upon the defendant.

It is further ordered, That the defendant, its officers, representatives, agents, servants, employees and attorneys and all persons acting or claiming to act in its behalf or interest, cease and desist, and they hereby are permanently enjoined and restrained, from violating the regulations and the effective minimum prices, and that the provisions hereof shall continue in full force and effect in respect to the defendant, its officers, representatives, agents, servants, employees and attorneys, and all persons acting or claiming to act in its behalf, upon any restoration of the defendant's code membership pursuant to section 5 (c) of the Act.

It is further ordered, That the Division, in its discretion, may apply to the Circuit Court of Appeals of the United States within any Circuit where the defendant resides and carries on business for the enforcement hereof.

It is further ordered, That this matter shall be terminated and closed by the entry of this Order: Provided, however, That in the event that the defendant shall fail within ten (10) days after service of this Order upon the defendant, to pay to the United States Government the sum of \$1,317.14 herein found to be the amount of the tax imposed by section 5 (b) and (c) of the Act and required to be paid by the defendant as a condition to its reinstatement to membership in the Code, this matter may be reopened and such action taken and orders entered herein as to the Division may seem just and proper under the circumstances, and jurisdiction of this matter is hereby expressly reserved for such purposes.

Dated: January 5, 1942.

[SEAL] DAN H. WHEELER,
Acting Director.

[F. R. Doc. 42-135; Filed, January 6, 1942; 10:18 a. m.]

INTERSTATE COMMERCE COMMISSION.

NOTICE TO THE PUBLIC
REASSIGNMENT OF DUTIES OF COMMISSIONERS
JANUARY 2, 1942.

The designation by the President of Chairman Joseph B. Eastman of the In-

terstate Commerce Commission as Director of the Office of Defense Transportation will make it impossible for Mr. Eastman to continue with many of his duties as Commissioner and Chairman while acting as Director of Defense Transportation. For the present Mr. Eastman will continue as a member of the Commission and no change will be made in his designation as Chairman.

The Commission has therefore made the following reassignment of duties, effective immediately:

Commissioner Clyde B. Aitchison, the senior Commissioner in service, will function as Acting Chairman.

Commissioner Charles D. Mahaffie is substituted for Chairman Eastman as a member of Division One, the administrative division, and as Chairman thereof.

Commissioner Mahaffie is relieved as Chairman and member of Division Three, rates and service division, and in his stead Commissioner William J. Patterson is designated as a member of that division. Commissioner Carroll Miller becomes Chairman of Division Three.

The Legislative Committee of the Commission has been reconstituted to consist of Commissioner Walter M. W. Splawn, Chairman, and Commissioners Mahaffie and John L. Rogers.

[SEAL]

W. P. BARTEL,
Secretary.

[F. R. Doc. 42-136; Filed, January 6, 1942;
11:00 a. m.]

SECURITIES AND EXCHANGE COMMISSION.

[File No. 70-467]

IN THE MATTER OF COLUMBIA GAS & ELECTRIC CORPORATION AND COLUMBIA CORPORATION

ORDER GRANTING APPLICATION AND PERMITTING DECLARATIONS TO BECOME EFFECTIVE

At a regular session of the Security and Exchange Commission, held at its office in the City of Washington, D. C., on the 31st day of December, A. D. 1941.

The above-named parties having filed an application and declarations pursuant to the Public Utility Holding Company Act of 1935 particularly sections 10, 12 (c) and 12 (f) of the Act and Rules U-42 and U-43 promulgated thereunder regarding the following transactions; Columbia Gas & Electric Corporation, a registered holding company and subsidiary of The United Corporation, also a registered holding company, proposes to acquire and Columbia Corporation, a subsidiary of said companies, proposes to sell (a) 900 shares of Cumulative 6% Preferred Stock, Series A, \$100 Par Value of Columbia Gas & Electric Corporation for a cash consideration of \$90,835; (b) 125 shares of Cumulative Preferred Stock, 5% Series, \$100 Par Value of Columbia Gas & Electric Corporation for a cash consideration of \$10,604.38; and (c) \$3,000 principal amount of General Mortgage 5% Bonds of Binghamton Gas Works, a subsidiary of Columbia Gas & Electric Corporation, for a cash consideration of \$2,895; Columbia Gas & Elec-

tric Corporation proposing to cancel the shares of its Preferred Stock and to resell the Mortgage Bonds to Binghamton Gas Works at cost within three months from the date of this order.

Said application and declarations having been filed on December 19, 1941 and an amendment thereto having been filed on December 29, 1941, a notice of said filing having been duly given in the form and manner prescribed by Rule U-23 promulgated pursuant to said Act and the Commission not having received a request for hearing with respect to said application or declarations within the period specified in said notice, or otherwise, and not having ordered a hearing thereon; and

The above parties having requested that said application be granted and said declarations become effective on or before December 31, 1941; and

The Commission finding with respect to said application under section 10 of said Act that no adverse findings are necessary under sections 10 (b) or 10 (c) (1), and that the transaction involved has the tendency required by section 10 (c) (2) of said Act; and

The Commission deeming it appropriate in the public interest and in the interest of investors and consumers to permit said declarations, pursuant to sections 12 (c) and 12 (f) of the Act and Rule U-42 and U-43 promulgated thereunder, to become effective and being satisfied that the effective date of such declarations, and the date of granting said application should be advanced;

It is hereby ordered, Pursuant to said Rule U-23 and the applicable provisions of said Act, and subject to the terms and conditions prescribed in Rule U-24, that the aforesaid application be and the same hereby is granted forthwith and that the aforesaid declarations be and the same hereby are permitted to become effective forthwith.

By the Commission, Commissioner Healy dissenting for the reasons set forth in his memorandum of April 1, 1940.

[SEAL]

FRANCIS P. BRASSOR,
Secretary.

[F. R. Doc. 42-139; Filed January 6, 1942;
11:36 a. m.]

[File Nos. 70-352, 70-353, 59-36]

IN THE MATTERS OF INTERBOROUGH GAS COMPANY AND CONEWAGO GAS COMPANY; PENNSYLVANIA GAS & ELECTRIC COMPANY AND PENNSYLVANIA GAS & ELECTRIC CORPORATION; YORK COUNTY GAS COMPANY AND PENNSYLVANIA GAS & ELECTRIC CORPORATION

NOTICE OF AND ORDER INSTITUTING PROCEEDINGS AND SETTING DATE FOR HEARING AND ORDER OF CONSOLIDATION

At a regular session of the Securities and Exchange Commission held at its office in the City of Washington, D. C., on the 3rd day of January, A. D. 1942.

I

Pennsylvania Gas & Electric Corporation, a registered holding company, and its subsidiary, York County Gas Company (formerly known as Pennsylvania

Gas & Electric Company), having filed declarations under Section 12 of the Public Utility Holding Company Act of 1935 and the Rules and Regulations promulgated thereunder, regarding (a) the donation by Pennsylvania Gas & Electric Corporation to York County Gas Company of all of the latter's outstanding common stock consisting of 120,000 shares of the par value of \$10.00 each, (b) the acquisition and cancellation of said stock by York County Gas Company, (c) the solicitation by Pennsylvania Gas & Electric Corporation of the consent of its stockholders to such donation and (d) the sale by Interborough Gas Company and Conewago Gas Company, both of which are wholly owned subsidiaries of York County Gas Company, of all of their assets to the latter company; and

II

The Commission having data in its official files relating to York County Gas Company, Conewago Gas Company, Interborough Gas Company and Pennsylvania Gas & Electric Corporation which tend to show:

1. York County Gas Company (formerly known as Pennsylvania Gas & Electric Company) is a corporation organized under the laws of the Commonwealth of Pennsylvania, having its principal office in the City of York, Pennsylvania.

2. York County Gas Company is a subsidiary of Pennsylvania Gas & Electric Corporation, which is a registered holding company.

3. York County Gas Company is a gas utility company serving the City of York, Pennsylvania. It has three wholly-owned subsidiary companies, Interborough Gas Company, Conewago Gas Company and Peoples Light Company of Pittston, and is a holding company within the meaning of sections 2 (a) (4) and 2 (a) (7) of the Public Utility Holding Company Act of 1935.

4. The declarations hereinbefore referred to were filed for the stated purpose of complying with the provisions of certain stipulations entered into on April 23, 1941 by and between the respondents herein and the Pennsylvania Public Utility Commission in a proceeding before that Commission, Securities Certificate No. 236—Application Docket No. 60133. Said stipulations read as follows:

Pennsylvania Gas & Electric Corporation agrees, subject to approval of stockholders and any Commission having jurisdiction, to surrender to Pennsylvania Gas & Electric Company for cancellation all the common capital stock of the Pennsylvania Gas & Electric Company owned by Pennsylvania Gas & Electric Corporation. Pennsylvania Gas & Electric Corporation will, within 90 days from April 23, 1941, file with any commission having jurisdiction, necessary papers to obtain approval of the transaction.

Pennsylvania Gas & Electric Company agrees within 90 days from the 23rd day of April, 1941, to file with any Commission having jurisdiction, all necessary papers to obtain approval of acquisition by the Company of all of the physical

assets and franchises of Interborough Gas Company and Conewago Gas Company.

III

5. The capitalization, including surplus, of York as at June 30, 1941 was as follows:

	Amount	Per cent
Long-term debt:		
First lien and refunding mortgage bonds:		
5½% Series A, due 1955	\$1,701,500	
5% Series due 1958	1,195,000	
4½% Series due serially 1942 to 1951	550,000	
	3,446,500	54.34
Preferred stock:		
7% cumulative, par value \$100 per share, outstanding 15,000 shares	1,500,000	23.65
Common stock and surplus:		
Common stock par value \$10 per share outstanding 120,000 shares	1,200,000	22.01
Earned surplus	196,441	
Total capitalization	6,342,941	100.00

6. Dividends on the preferred stock of York have not been paid in full since January 2, 1936 and no dividends have been paid on such stock since April 1, 1938. Arrearages on the preferred stock of York at June 30, 1941 aggregated \$442,500 or \$29.50 per share.

7. The condensed consolidated balance sheet of York County Gas Company and its subsidiaries as of June 30, 1941 was as follows:

ASSETS AND OTHER DEBITS	
Utility plant	\$6,375,770
Excess of carrying value of investments in subsidiaries over underlying book values at dates of acquisition	376,579
Investment in preferred stock of North Penn Gas Co.	666,992
Other investments	1,305
Sinking funds and special deposits	6,785
Current assets	591,591
Unamortized debt discount and expense	181,216
Other deferred charges	51,989
	<u>8,252,227</u>

LIABILITIES, RESERVES AND CAPITAL	
Funded debt	\$3,446,500
Current and deferred liabilities	165,529
Reserves for depreciation	1,649,291
Miscellaneous reserves	21,564
Contributions for construction	9,808
Preferred stock	1,500,000
Common stock	1,200,000
Earned surplus	259,535
	<u>8,252,227</u>

8. Omitting the excess of carrying value of investments in subsidiaries over underlying book values at dates of acquisition and unamortized debt discount and expense from the balance sheet, the remaining assets of York and its subsidiaries, less liabilities and reserves, as at June 30, 1941 would have a book value of \$5,848,240. Giving effect to these omissions and to the dividend arrearages on the preferred stock, the outstanding securities of York would have the following book values:

	Amount	Percent
Funded debt	\$3,446,000	58.93
Preferred stock, plus dividend arrearages	1,942,500	33.22
Common stock	459,240	7.85
	<u>5,848,240</u>	100.00

9. The book values of utility plants of York and its subsidiaries at June 30, 1941 and the adjustment accounts reported to the Pennsylvania Public Utility Commission by these companies as of December 31, 1938, are shown in the following table:

	Book value	Utility plant acquisition adjustments	Utility plant adjustments
York County Gas Co.	\$4,055,358	\$1,011,764	\$81,637
Peoples Light Company of Pittston	883,547	79,016	
Conewago Gas Co.	743,467	303,033	17,700
Interborough Gas Co.	698,398	(22,453)	(27,121)
	<u>6,375,770</u>	<u>1,371,380</u>	<u>72,216</u>

10. On April 25, 1941 the Pennsylvania Public Utility Commission issued an order in the proceeding hereinabove referred to in paragraph 4 which indicated that the securities of York presently outstanding were about \$1,600,000 in excess of the company's capitalizable assets, stated at what appeared to be approximately cost less reserve for depreciation of the utility plant.

11. The gross income of York, corporate and consolidated, exclusive of dividends received from its investment in preferred stock of North Penn Gas Company, amounting to \$46,620 annually, and, exclusive of income from The Petersburg & Hopewell Gas Company, which was sold by York on April 29, 1941, for each of the years 1938 to 1940, and for the twelve months ended June 30, 1941 was as follows:

Year	Adjusted corporate gross income	Adjusted consolidated gross income
1938	\$236,077	\$245,793
1939	253,982	270,382
1940	266,743	263,790
12 months ended June 30, 1941	266,290	306,297

12. For the year ended December 31, 1940 the net income of York and the net income of York and its subsidiaries, consolidated, were \$107,495 and \$106,148, respectively. Giving effect to the sale of York's investment in the common stock of The Petersburg & Hopewell Gas Company and the refunding of part of its first mortgage bonds, both of which transactions occurred in 1941, the net income of York and the net income of York and its subsidiaries, consolidated, for the year ended December 31, 1940 would have been \$114,502 and \$111,470, respectively.

13. Annual dividend requirements on the 15,000 shares of 7% cumulative preferred stock of York now outstanding are \$105,000.

14. Normally the entire voting control of York is vested in the common stock, each share of which is entitled to one vote.

15. As a result of dividend arrearages, the preferred stock of York now has 11.11% of the voting rights and the common stock has 88.89% of the voting rights.

IV

16. Pennsylvania Gas & Electric Corporation now owns 2,253 shares of the 7% cumulative preferred stock of York. Said shares were acquired during the period from February, 1939 to May, 1941, inclusive, at an approximate cost of \$50,704, or \$22.50 per share.

17. During the period in which Pennsylvania Gas & Electric Corporation was acquiring its present holdings in the preferred stock of York County Gas Company, the financial condition of the latter company was such that a revision of its capital structure was necessary.

V

It appearing to the Commission in the light of the foregoing that it is appropriate and in the public interest and in the interest of investors and consumers to institute proceedings against York County Gas Company and Pennsylvania Gas & Electric Corporation under section 11 (b) (2) of the Public Utility Holding Company Act of 1935 in order to determine whether certain orders should be entered pursuant to the provisions of said section; and

York County Gas Company and Pennsylvania Gas & Electric Corporation having filed declarations pursuant to sections 12 (c), 12 (d), 12 (e) and 12 (f) of the Public Utility Holding Company Act of 1935 and Interborough Gas Company and Conewago Gas Company having filed declarations pursuant to 12 (f) of said Act as more particularly described hereinbefore, which declarations are now pending; and

It further appearing that all of the foregoing matters are related and involve common questions of law and fact and that evidence offered in respect of each of said matters may have a bearing on the other; and that substantial savings in time, effort and expense will result if the hearings on said matters are consolidated so that they may be heard as one matter and so that evidence adduced in each matter may stand as evidence in the others for all purposes;

It is hereby ordered, That the said proceedings be consolidated for hearing and that a hearing be held thereupon on January 29, 1942 at 10:00 A. M. at the offices of the Securities and Exchange

Commission, 1778 Pennsylvania Avenue NW., Washington, D. C. On such day the hearing room clerk in room 1102 will advise as to the room where such hearing will be held.

It is further ordered, That Charles S. Lobingier or any other officer or officers of the Commission designated by it for that purpose shall preside at the hearing on such matters. The officer so designated to preside at such hearing is hereby authorized to exercise all powers granted to the Commission under section 18 (c) of the Public Utility Holding Company Act of 1935 and to a trial examiner under the Commission's Rules of Practice.

It is further ordered, That particular attention will be directed at said consolidated hearing to the following matters and questions:

1. Whether, with respect to all transactions referred to in the declarations which are to be effected between the associate companies it is necessary or appropriate in the public interest or for the protection of investors or consumers or to prevent the circumvention of the provisions of the Act or any rule or regulation thereunder to enter any order or impose any term or condition pursuant to the provisions of sections 12 (c), 12 (d) or 12 (f) of the Act.

2. What disposition should be made of the excess of the cost of the common stocks of Interborough Gas Company, and Conewago Gas Company to York County Gas Company over the underlying book value of the assets represented thereby as ultimately determined.

3. The accuracy and sufficiency of the proxy statement proposed to be issued by Pennsylvania Gas & Electric Corporation.

4. Whether or not the fees and expenses expected to be incurred in connection with the consummation of the proposed transactions are reasonable and whether the proposed allocation of the same by the companies involved is fair and equitable.

5. Whether the allegations set forth in paragraphs 1 to 17 are true and accurate.

6. Whether the corporate structure of York County Gas Company does not unduly or unnecessarily complicate the structure of the holding company system, or unfairly or inequitably distribute voting power among security holders of such holding company system.

7. Whether, for the purpose of fairly and equitably distributing voting power among security holders of York County Gas Company pursuant to the provisions of section 11 (b) (2) of the Public Utility Holding Company Act of 1935, it is necessary or appropriate to require that York County Gas Company shall revise and simplify its stock structure so as to cause the same to consist of common stock only.

8. Whether, and the extent to which, the property and investment accounts of York County Gas Company, Interborough Gas Company, Conewago Gas Company and Peoples Light Company of Pittston reflect intangibles, write-ups, properties not used or useful, or other inflationary items; and what disposition should be made of such items.

9. Whether the claim of Pennsylvania Gas & Electric Corporation to participate in a new common stock of York by reason of its holdings in the present preferred stock should be accorded the same treatment as the claim of other preferred stockholders so to participate.

10. Whether further action may be required by York County Gas Company in order to effect complete compliance with section 11 (b) (2) of the Public Utility Holding Company Act of 1935.

It is further ordered, That York County Gas Company and Pennsylvania Gas & Electric Corporation, the respondents herein, file with the Secretary of the Commission on or before January 19, 1942, answers in the form prescribed by Rule U-25 to the allegations of paragraphs 1 to 17, inclusive, hereof.

It is further ordered, That notice of said hearing is hereby given to York County Gas Company, Pennsylvania Gas & Electric Corporation, Interborough Gas Company, Conewago Gas Company, Peoples Light Company of Pittston, to their respective security holders, and to all consumers of York County Gas Company and its subsidiaries, all states, municipalities and political subdivisions of states within which are located any of the physical assets of said companies or under the laws of which any of said companies are incorporated, all state commissions, state securities commissions and all agencies, authorities or instrumentalities of one or more states, municipalities or other political subdivisions having jurisdiction over York County Gas Company or over any of said companies, or over any of the businesses, affairs or operations of any of them; that the Secretary of the Commission shall serve notice of the hearing aforesaid by mailing a copy of this order by registered mail to York County Gas Company, Pennsylvania Gas & Electric Corporation, Interborough Gas Company, Conewago Gas Company, Peoples Light Company of Pittston and the Pennsylvania Public Utility Commission not less than fifteen days prior to the date hereinafter fixed as the date of hearing; that such notice shall be given further by a general release of the Commission, distributed to the press and mailed to the mailing list for releases issued under the Public Utility Holding Company Act of 1935; and that further notice shall be given to all persons by publication of this order in the FEDERAL REGISTER not less than fifteen days prior to the date hereinafter fixed as the date of hearing; and

It is further ordered, That any person proposing to intervene in these proceedings shall file with the Secretary of the Commission on or before the 19th day of January 1942, his request for application therefor as provided by Rule XVII of the Rules of Practice of the Commission.

By the Commission.

[SEAL]

FRANCIS P. BRASSOR,
Secretary.

[F. R. Doc. 42-140; Filed, January 6, 1942; 11:36 a. m.]

[File No. 70-472]

IN THE MATTER OF MAINE SEABOARD PAPER COMPANY AND THE WRIGHT COMPANY

NOTICE OF FILING AND ORDER FOR HEARING

At a regular session of the Securities and Exchange Commission, held at its office in the City of Washington, D. C., on the 6th day of January, A. D. 1942.

Notice is hereby given that a declaration or application (or both) has been filed with this Commission pursuant to the Public Utility Holding Company Act of 1935 by Maine Seaboard Paper Company and The Wright Company, subsidiary companies of New England Public Service Company, a registered holding company. All interested persons are referred to said document, which is on file in the office of this Commission, for a statement of the transactions therein proposed, which are summarized as follows:

The Wright Company, a wholly owned subsidiary of Maine Seaboard Paper Company, proposes to acquire the S. S. *Malang*, a steamship of approximately 3754 tons gross for \$350,000 from the Estate of Clifford D. Mallory. The S. S. *Malang* has been chartered by the Maine Seaboard Paper Company since 1930 and has been used to transport newspaper print manufactured by that company from its plant at Bucksport, Maine, to various points of delivery, including Boston, New York, and Baltimore. The Wright Company is the distributor of Maine Seaboard Paper Company's newspaper.

The Wright Company also proposes to issue and sell 1,750 shares of common stock at \$100 per share and its \$175,000 4% note to Maine Seaboard Paper Company, secured by a first preferred ship mortgage on the S. S. *Malang*, and to amend its charter to change its \$100 par stock to no par value stock.

The Maine Seaboard Paper Company proposes to acquire from The Wright Company the above mentioned common stock and 4% note.

It appearing to the Commission that it is appropriate in the public interest and the interest of investors and consumers that a hearing be held with respect to said matters, that said declaration shall not become effective nor said application be granted except pursuant to further order of this Commission;

It is ordered, That a hearing on such matters under the applicable provisions of said Act and rules of the Commission thereunder be held on January 21, 1942, at 10:00 o'clock, A. M., at the offices of the Securities and Exchange Commission, 1778 Pennsylvania Avenue NW., Washington, D. C. On such day the hearing-room clerk in Room 1102 will advise as to the room where such hearing will be held. At such hearing, cause shall be shown why such declaration or application (or both) shall become effective or shall be granted. Notice is hereby given of said hearing to the above-named declarants and applicants and to all interested persons, said notice to be given

to said declarants and applicants by registered mail and to all other persons by publication in the FEDERAL REGISTER.

It is further ordered, That James G. Ewell or any other officer or officers of the Commission designated by it for that purpose shall preside at the hearings in such matter. The officer so designated to preside at any such hearing is hereby authorized to exercise all powers granted to the Commission under section 18 (c) of said Act and to a trial examiner under the Commission's Rules of Practice.

It is further ordered, That without limiting the scope of issues presented by said declaration or application (or

both) otherwise to be considered in this proceeding, particular attention will be directed at the hearing to the following matters and questions:

1. Effect of the acquisition of the S. S. *Malang* on the New England Public Service Company system, with particular reference to the cash position and earnings of the industrial subsidiaries and the New England Public Service Company.

2. Present cost of chartering the S. S. *Malang* by the Maine Seaboard Paper Company and the proposed savings contemplated by the acquisition of such vessel.

3. Whether or not the approval or concurrence of the Maritime Commission and other agencies, if any, necessary to effectuate this acquisition have been obtained.

4. Agency agreement with Maine Transport Company for the operation of the S. S. *Malang*.

5. Necessity for the change by The Wright Company of its \$100 par stock to no par value stock.

By the Commission.

[SEAL] FRANCIS P. BRASSOR,
Secretary.

[F. R. Doc. 42-141; Filed, January 6, 1942;
11:37 a. m.]