

[Docket No. 3244]

[File No. 7-235]

IN THE MATTER OF HARRY A. RIPPNER AND LOUIS G. RIPPNER, INDIVIDUALLY, AND DOING BUSINESS UNDER THE TRADE NAME AND STYLE OF JOHN HANCOCK PEN COMPANY

IN THE MATTER OF MARKET STREET RAILWAY COMPANY COMMON STOCK, 6% CUMULATIVE PREFERRED STOCK, 6% CUMULATIVE PREFERRED STOCK, AND 6% NON-CUMULATIVE SECOND PREFERRED STOCK, EACH \$100 PAR VALUE

ORDER APPOINTING EXAMINER AND FIXING TIME AND PLACE FOR TAKING TESTIMONY

ORDER SETTING HEARING ON APPLICATION TO EXTEND UNLISTED TRADING PRIVILEGES

This matter being at issue and ready for the taking of testimony, and pursuant to authority vested in the Federal Trade Commission, under an Act of Congress (38 Stat. 717; 15 U. S. C. A., Section 41),

The San Francisco Stock Exchange, pursuant to Section 12 (f) of the Securities Exchange Act of 1934, as amended, and rule JF1 promulgated thereunder, having made application to the Commission to extend unlisted trading privileges to the Common Stock, \$100 Par Value, 6% Cumulative Preferred Stock, \$100 Par Value, 6% Cumulative Preferred Stock, \$100 Par Value, and 6% Non-Cumulative Second Preferred Stock, \$100 Par Value, of Market Street Railway Company; and

It is ordered, That Miles J. Furnas, an examiner of this Commission, be and he hereby is designated and appointed to take testimony and receive evidence in this proceeding and to perform all other duties authorized by law;

The Commission deeming it necessary for the protection of investors that a hearing be held in this matter at which all interested persons be given an opportunity to be heard;

It is further ordered, That the taking of testimony in this proceeding begin on Friday, June 3, 1938, at nine o'clock in the forenoon of that day (eastern standard time) in Room 531, Federal Building, Cleveland, Ohio.

It is ordered, That the matter be set down for hearing at 10 A. M. on Wednesday, June 1, 1938, in Room 1301, Securities and Exchange Commission, 625 Market Street, San Francisco, California, and continue thereafter at such times and places as the Commission or its officers herein designated shall determine, and that general notice thereof be given; and

Upon completion of testimony for the Federal Trade Commission, the examiner is directed to proceed immediately to take testimony and evidence on behalf of the respondent. The examiner will then close the case and make his report.

By the Commission.

It is further ordered, That Howard A. Judy and Charles R. Burr, or either of them, officers of the Commission, be and they hereby are designated to administer oaths and affirmations, subpoena witnesses, compel their attendance, take evidence, and require the production of any books, papers, correspondence, memoranda or other records deemed relevant or material to the inquiry, and to perform all other duties in connection therewith authorized by law.

[SEAL]

OTIS B. JOHNSON, *Secretary.*

By the Commission.

[SEAL]

FRANCIS P. BRASSOR, *Secretary.*

[F. R. Doc. 38-1373; Filed, May 13, 1938; 9:53 a. m.]

[F. R. Doc. 38-1377; Filed, May 13, 1938; 12:35 p. m.]

RURAL ELECTRIFICATION ADMINISTRATION.

[Administrative Order No. 246]

ALLOCATION OF FUNDS FOR LOANS

MAY 9, 1938.

By virtue of the authority vested in me by the provisions of Section 4 of the Rural Electrification Act of 1936, I hereby allocate, from the sums authorized by said Act, funds for loans for the projects and in the amounts as set forth in the following schedule:

Project designation:	Amount
Washington 8023A2 Grays Harbor.....	\$19,000

JOHN M. CARMODY, *Administrator.*

[F. R. Doc. 38-1365; Filed, May 12, 1938; 3:29 p. m.]

[Administrative Order No. 247]

AMENDMENT OF ALLOCATIONS OF FUNDS FOR LOANS

MAY 10, 1938.

I hereby amend Administrative Order No. 125 by reducing the amount of the allocation to Alabama 8023B Pike from \$310,000 to \$243,350.

I hereby amend Administrative Order No. 124 by rescinding the \$97,500 allotted to Illinois 8004B Peoria.

JOHN M. CARMODY, *Administrator.*

[F. R. Doc. 38-1366; Filed, May 12, 1938; 3:29 p. m.]

SECURITIES AND EXCHANGE COMMISSION.

*United States of America—Before the Securities and Exchange Commission*

At a regular session of the Securities and Exchange Commission, held at its office in the city of Washington, D. C., on the 11th day of May 1938.

Tuesday, May 17, 1938

No. 96

WAR DEPARTMENT.

RULES AND REGULATIONS TO GOVERN THE USE, ADMINISTRATION AND NAVIGATION OF ALL WATERWAYS TRIBUTARY TO THE ATLANTIC OCEAN SOUTH OF CHESAPEAKE BAY AND ALL WATERWAYS TRIBUTARY TO THE GULF OF MEXICO EAST AND SOUTH OF ST. MARKS, FLORIDA

THE LAW

Section 7 of the River and Harbor Act of August 8, 1917, provides as follows:

Sec. 7. \* \* \* That it shall be the duty of the Secretary of War to prescribe such regulations for the use, administration, and navigation of the navigable waters of the United States as in his judgment the public necessity may require for the protection of life and property, or of operations of the United States in channel improvement, covering all matters not specifically delegated by law to some other executive department. Such regulations shall be posted in conspicuous and appropriate places, for the information of the public; and every person and every corporation which shall violate such regulations shall be deemed guilty of a misdemeanor and, on conviction thereof in any district court of the United States within whose territorial jurisdiction such offense may have been committed, shall be punished by a fine not exceeding \$500, or by imprisonment (in the case of a natural person) not exceeding six months, in the discretion of the court.

THE REGULATIONS

In pursuance of the foregoing law the following regulations are hereby prescribed to govern the use, administration and navigation of all waterways tributary to the Atlantic Ocean south of Chesapeake Bay and all waterways tributary

## DEPARTMENT OF THE INTERIOR.

## National Bituminous Coal Commission.

[Docket No. 13]

IN THE MATTER OF THE PETITION OF MALLORY COAL CO., ATLANTIC SMOKELESS COAL CO., ASHLAND COAL & COKE CO., HANNA COAL CO. OF OHIO, JAMISON COAL & COKE CO., PITTSBURGH COAL CO., WESTMORELAND COAL CO., AND WHEELING COAL CO.

## NOTICE OF AND ORDER FOR HEARING

The petitioners above named, having on the 11th day of May, 1938, petitioned this Commission to vacate its Ruling dated March 30, 1938, and to revoke its construction therein of Section 10 (a) of the Bituminous Coal Act of 1937 permitting the introduction in evidence at a hearing before the Commission of data with respect to 1936 costs of production of individual producers, notice is hereby given that the above entitled proceeding is assigned for hearing before the Commission, on May 25, 1938, at 10:00 o'clock, a. m. at the Hearing Room of the Commission, 734 Fifteenth Street, N. W., Washington, D. C., at which time an opportunity will be afforded interested parties to be heard.

The Secretary of the Commission is, forthwith, directed to mail a copy of this Notice of Hearing to the petitioners above named, to each code member and to the Consumers' Counsel, and shall cause a copy to be published in the FEDERAL REGISTER. A copy of the aforesaid petition is on file and available to interested parties for inspection at the Office of the Secretary of the Commission.

By Order of the Commission.

Dated this 13th day of May, 1938.

[SEAL] EDGAR C. FARIS, JR., Acting Secretary.

[F. R. Doc. 38-1379; Filed, May 14, 1938; 11:34 a. m.]

## Office of Indian Affairs.

## REGULATIONS GOVERNING THE DEPOSIT OF INDIAN FUNDS IN BANKS

MARCH 2, 1938.

## AUTHORITY FOR DEPOSIT

SECTION 1. Indian moneys, individual or tribal, may be deposited in banks under authority of the acts of June 25, 1910 (36 Stat. 855), as amended (48 Stat. 648); May 25, 1918, (40 Stat. 591); and February 27, 1925 (43 Stat. 1008).

## BANKS DEFINED

SEC. 2. For the purpose of these regulations, the word "banks" shall include state and national banks, and savings banks and trust companies doing a banking business.

## APPLICATION

SEC. 3. Any bank desiring to qualify for deposits of Indian funds shall transmit to the Commissioner of Indian Affairs (or to the proper Superintendent if a call for bids has been issued) an application accompanied by a report in the form prescribed by the Comptroller of the Currency (or the State Banking Department) showing fully the condition of the bank on a day not more than one month prior to the date of such application. In making application, banks must state the maximum amount desired and the minimum that will be accepted, the rate of interest that will be paid, and the type of security that will be furnished. The following statement must be incorporated in the letter of application: This bank agrees that if designated a depository, it will comply with the regulations of the Interior Department governing the deposit of Indian funds in banks and with such instructions as may from time to time be issued by the Commissioner of Indian Affairs.

Vol. III—pt. 1—38—60

## QUALIFICATION

Sec. 4. In the selection of a bank to serve as a depository, the following points will be given consideration:

1. Location with respect to the nearest Agency.
2. Financial condition.
3. Rate of interest and security offered.

Sec. 5. No bank will be considered for designation unless it has been in successful operation for one year and has accumulated a surplus equal to 10 per cent of the capital stock. This will not apply to banks offering United States bonds or notes as security.

## SECURITY

Sec. 6. Under the acts of Congress cited herein, deposits of Indian funds are required to be secured by surety bonds (corporate or individual) or by bonds or notes of the United States. The following securities are classed as United States obligations: Panama Canal Loan Bonds, Treasury Bonds, and Treasury Notes. Bonds on which surety companies or individuals appear as sureties must be executed in triplicate on forms prescribed for the purpose, and each copy must be accompanied by a transcript of a resolution by the board of directors of the bank, authorizing the proper officers to execute the instrument. The bonds must be executed for a stipulated term of not less than 180 days. Such bonds, however, are continuing in nature and will remain in force beyond the stipulated period until canceled in accordance with the provisions contained therein.

Sec. 7. Whenever a bank receives notice from any source that its surety bond is to be canceled, it shall immediately arrange to submit substitute security which must reach the Indian Office and be approved ten days before the effective date of the cancellation notice. Any bank failing to furnish other security in accordance with the foregoing shall relinquish its deposit with accrued interest not later than the date of the tenth day preceding the effective date of the cancellation notice.

Sec. 8. *Corporate Sureties.*—Only those companies holding certificates of authority from the Secretary of the Treasury to write bonds on which the United States is obligee are acceptable as sureties.

Sec. 9. *Individual Sureties.*—Each person appearing as surety on a personal surety bond must qualify in an amount equal to twice the penalty of the bond. At least four individuals must act as sureties on each bond. Officers and directors of a bank furnishing a personal surety bond will not be accepted as sureties, nor will any person who is a bonded officer of the United States or a married woman.

Sec. 10. *Collateral Security.*—Banks pledging United States bonds or notes as security shall execute a deposit agreement on forms prescribed by the Commissioner of Indian Affairs and shall furnish a resolution of authority by the board of directors, authorizing the sale, assignment, or transfer of the collateral. The bonds or notes shall be either deposited with the Commissioner of Indian Affairs who will place them with the Treasurer of the United States for safekeeping, or sent direct to the Division of Securities, Office of the United States Treasurer, Treasury Department, to be held subject to the order of the Commissioner of Indian Affairs. In either case, receipt for the collateral will issue from the Indian Office. Registered bonds must be assigned in blank before shipment, and a resolution by board of directors, authorizing the assignment, must be filed with the Division of Loans and Currency, Treasury Department, on Treasury Department Form PD 1009 or Form PD 1010. All correspondence relating to the deposit, withdrawal, substitution, or exchange of securities shall be addressed to the Commissioner of Indian Affairs.

## DEPOSITS

Sec. 11. Each bank that has been designated as a depository, and has filed proper bond will be given a deposit in an amount equal to 95 per cent of the penalty of the bond, unless

it has been selected to carry an active checking account in which case the deposit will be limited to 90 per cent of the security. Upon receipt of the deposit from the disbursing agent, the bank shall immediately credit it to an account which must be opened under his name and official title. The deposit shall be subject to withdrawal in accordance with the terms of the depositary's surety bond or its deposit agreement.

SEC. 12. Time certificates of deposit, running for definite periods during which deposits are not subject to check, are not acceptable. The terms of any such instruments issued contrary to these regulations will be considered void and of no effect.

#### PAYMENT OF INTEREST

SEC. 13. Except as to depositaries for funds of the Osage and Five Civilized Tribes Agencies, each bank carrying a deposit shall credit interest thereon at the agreed rate to the account of the disbursing agent at the close of June 30, and December 31 of each year. Banks carrying deposits in the names of the disbursing agents of the Five Civilized Tribes and Osage Agencies shall credit interest to their accounts at the close of April 30 and October 31 of each year. Within five days after the close of the interest period, the amount credited to the account of a disbursing agent shall be remitted to him by draft unless he has previously arranged to withdraw it by check. Any bank delinquent in the payment of interest shall be liable for interest on the overdue amount.

SEC. 14. In the event that a deposit or any part thereof is withdrawn during an interest period by reason of the cancellation of a bond, interest which has accrued on the amount so withdrawn shall immediately be credited and promptly remitted to the disbursing agent by draft unless included in his check or covered by separate check.

#### REPORTS

##### *Statement of Disbursing Account (Form 5-308)*

SEC. 15. Each depositary for Indian funds shall furnish monthly statements of receipts and paid checks on Form 5-308 (and Form 5-308a, if extra space is needed.) Paid checks will be listed thereon in numerical order, showing for each check its date, number, and amount. These statements will be prepared in triplicate for each disbursing officer having funds to his official credit. A duplicate copy will be forwarded to the disbursing officer in charge of the unit for reconciliation within ten days after the close of the month. The disbursing officer will make a prompt comparison with his records, and after adjusting any errors found with the bank, the latter will immediately forward the original statement and paid checks directly to the *General Accounting Office, Audit Division, Washington, D. C.* The triplicate copy of the statement will be retained in the bank's files.

SEC. 16. In no case will the depositary send the paid checks to the disbursing officer nor should the statement and checks be sent to or routed through the Indian Office.

SEC. 17. Statements will be required of both time and checking depositaries so long as any balance of Indian moneys remain on deposit and must be furnished for fractional parts of a month whenever a change of disbursing officers takes place or a new bond (disbursing agent's) becomes effective before the end of a month.

SEC. 18. Depositaries should apply to disbursing officers for a supply of the necessary forms.

##### *Statement of Deposits (Form 5-302)*

SEC. 19. Each bank having a deposit not actively checked against shall submit semiannually, within five days after the close of June 30, and December 31, of each year, to the officer in whose name the deposit is carried, a statement in duplicate on Form 5-302. After comparing the statement with his records, the officer will forward the original to the Indian Office if it is found correct.

SEC. 20. Banks carrying active checking accounts shall submit the statements within five days after the close of each month.

SEC. 21. Depositaries should apply to the Indian Office for Form 5-302.

#### REPORT OF CONDITION

SEC. 22. When called for by the Commissioner of Indian Affairs, a report of financial condition shall be submitted by each depositary. A copy of the report made to the Comptroller of the Currency (or the State Banking Department) will suffice if not more than one month has elapsed since such report. If a longer period has elapsed, current figures shall be given, but in the same form. No printed forms are provided by the Department for the submission of the reports.

#### CHECKS

SEC. 23. Each bank designated as a depositary shall furnish the disbursing agent, without charge, an adequate supply of blank checks.

SEC. 24. Checks to be supplied by banks carrying active checking accounts must be printed in accordance with instructions from disbursing agents.

#### MISCELLANEOUS

SEC. 25. No bank in which Indian funds are deposited shall charge or receive any exchange or other fees or compensation on account of the cashing or collection of any checks or drafts or the performance of any other service for disbursing agents.

SEC. 26. Depositaries shall render such statements and give such information as properly accredited inspecting and administrative officers may request.

SEC. 27. Any bank which shall fail to comply with these regulations shall be liable to be disqualified.

SEC. 28. These regulations shall become effective upon the date of approval and shall supersede regulations on the same subject approved February 17, 1931.

WILLIAM ZIMMERMAN, Jr.,  
Assistant Commissioner.

Approved, March 5, 1938.

OSCAR L. CHAPMAN,  
Assistant Secretary.

[F. R. Doc. 38-1384; Filed, May 16, 1938; 9:41 a. m.]

## DEPARTMENT OF AGRICULTURE.

### Agricultural Adjustment Administration.

#### ALLOTING THE DIRECT-CONSUMPTION PORTION OF THE 1938 SUGAR QUOTA FOR PUERTO RICO

##### NOTICE OF PROPOSED ORDER

Notice is hereby given of a proposed order, set forth below, of the Secretary of Agriculture revising the allotments made in Puerto Rico Sugar Order No. 10, issued April 19, 1938, allotting that portion of the 1938 Puerto Rican sugar quota for shipment to the continental United States which may be filled by direct-consumption sugar. The proposed order is based on evidence presented to the Secretary of Agriculture at the hearings held in Washington, D. C. on January 14, 1938, and May 3, 1938.

Objections to the proposed order should be filed with the Hearing Clerk, Office of the Solicitor, United States Department of Agriculture, Washington, D. C., on or before 4.30 P. M. May 24, 1938.

H. A. WALLACE,  
Secretary of Agriculture.

##### PROPOSED DECISION AND ORDER OF SECRETARY OF AGRICULTURE

General Sugar Quota Regulations, Series 5, No. 1, issued by the Secretary of Agriculture on December 20, 1937, pursuant to the Sugar Act of 1937 (hereinafter referred to as the "act"), provide that the 1938 Puerto Rican sugar quota for shipment to the continental United States may be filled by shipments of direct-consumption sugar not in excess of 126,033 short tons, raw value.

Under the provisions of section 205 (a) of the act, the Secretary is required to allot a quota whenever he finds that