

Part V

ADMINISTRATION OF THE TRUST INDENTURE ACT OF 1939

The Trust Indenture Act of 1939 requires that bonds, notes, debentures, and similar securities publicly offered for sale, sold, or delivered after sale through the mails or in interstate commerce, except as specifically exempted by the Act, be issued under an indenture which meets the requirements of the Act and has been duly qualified with the Commission. The standards of the Act outlaw many provisions previously incorporated in indentures to exculpate the trustee. The Act is designed to insure that he will act on behalf of the bond or debenture owners and to insure his complete independence of the issuer and the underwriters. The provisions of the Securities Act of 1933 and the Trust Indenture Act of 1939 are so integrated that registration pursuant to the Securities Act of 1933 of such securities to be issued under a trust indenture shall not be permitted to become effective unless the indenture conforms to the specific statutory requirements expressed in the Trust Indenture Act of 1939. The indenture is automatically "qualified" when registration becomes effective as to the securities themselves.

ENACTMENT AND SCOPE OF THE ACT

The Trust Indenture Act of 1939, approved August 3, 1939, is the second of the two statutes which resulted from the Commission's study and investigation of protective and reorganization committees. It was designed to correct certain defects which had existed in trust indentures and to provide means whereby the rights and interests of security holders can be more effectively safeguarded. In order to accomplish this objective, the Act provides that issues of bonds, notes, debentures and similar debt securities exceeding \$1,000,000 in principal amount, except certain classes which are specifically exempted, may not be offered for sale to the public unless they are issued under a trust indenture which conforms to specific statutory standards. The Commission has no powers with respect to the enforcement of the provisions of the indenture. Its only functions under the Act are to see that the trustee is eligible and qualified as provided in the Act and that the provisions of each indenture filed for qualification conform to the prescribed statutory standards. The Act is based on the theory that, if the terms of the trust indenture provide adequate protection for investors, it is appropriate to leave the enforcement of such terms to the bondholders without the continuing supervision of a governmental agency.

In order to assist applicants and their attorneys in meeting the requirements of the Act, the Commission has made its staff available to discuss with them in advance of the formal filing any questions which may arise and has also encouraged the practice of submitting copies of proposed indentures for informal preliminary examination. The Commission's staff also cooperated with a group of trust officers

and attorneys familiar with trust indenture problems and practices in the preparation of a so-called model indenture to conform to the statutory provisions, which was printed and is in more or less general use. The Commission has also adopted a rule permitting a trust company to determine in advance of the filing of an indenture whether or not the Commission would find such trustee disqualified because of a control relationship with a particular underwriter. In brief, the rules and practices of the Commission make it possible for applicants to get indentures qualified with a minimum of time and effort.

An indenture, to be qualified under the Act, must incorporate certain specific provisions, including those governing the eligibility and qualification of the trustee, and must provide for periodic reports by both the obligor and the trustee to the security holders with respect to compliance by the obligor with conditions and covenants contained in the indenture and the trustee's continued eligibility. The Commission is required to issue an order refusing to permit qualification of an indenture if the indenture does not conform to the statutory requirements or if the trustee has any conflicting interest as defined in the statute.

The indenture, in order to facilitate the cooperation of security holders in the protection of their interests, must provide that the trustee will maintain a reasonably current list of their names and addresses and either make the list available to such of their number as desire to communicate with the others or mail communications, to those whose names appear on the list, when they are submitted by security holders with a remittance to cover the cost. If the trustee is of the opinion that the mailing of the material to the bondholders would be detrimental to their interests or in violation of applicable law, it may file with the Commission a copy of the material with a written statement specifying the basis for its opinion. After opportunity for hearing upon the objections specified in the trustee's statement, the Commission is authorized to enter an order either sustaining or refusing to sustain the objections made by the trustee.

One of the principal objectives of the Act is to insure that the holders of indenture securities will have the services of an effective and independent trustee. Standards relating to the eligibility and qualification of trustees are established in the Act. Provision must be made for a corporate trustee with a minimum capital and surplus of not less than \$150,000 and with certain specified powers and duties to insure the more adequate protection of investors.

If a trustee has or acquires an interest in conflict with that of the security holders under the indenture, it must either eliminate the conflict of interest or give up the trusteeship. The conditions under which a trustee shall be considered to have such a conflicting interest are set forth in detail in the Act. In general, the trustee must not be affiliated with either the obligor or an underwriter of the securities. Obviously, the trustee should not be permitted to be too closely affiliated with the obligor because the creditor interests represented by the trustee will clearly be adverse to the interests of the obligor and its stockholders in case there is a default or the threat of one. To a lesser extent there may be a conflict of interest between the two all during the life of the indenture securities with regard to such matters as substitution of collateral, disclosure of financial condition, declaration and payment of dividends, and wasting or diversion of assets.

Experience has proved that there is also grave danger in permitting

the trustee to be affiliated with an underwriter of the indenture securities. This is true particularly in default situations where underwriters may consider it to their interest to conceal the default long enough to secure control of reorganization committees. The Trust Indenture Act is designed to eliminate the use of friendly or complacent trustees who fail to warn security holders and take no steps contrary to the wishes of the obligor or underwriter.

In case of default by the obligor (as this term is defined in the indenture), the duties and responsibilities assumed by the trustee are increased. A qualified indenture may provide that, prior to default, the trustee shall not be liable except for the performance of duties specifically set out in the indenture but in case of default it must require the trustee to exercise such of the rights and powers vested in it by the indenture and to use the same degree of care and skill in their exercise as a prudent man would exercise or use under the circumstances in the conduct of his own affairs. These provisions are designed to bring all indenture trustees up to the high level of diligence and fidelity which has traditionally been associated with the more conscientious trustees.

STATISTICS OF INDENTURES QUALIFIED

Indentures covering more than \$4,750,000,000 principal amount of securities have been either formally qualified under the Trust Indenture Act or conformed to the requirements of the Act pursuant to the provisions of the Public Utility Holding Company Act. This is equivalent to almost 70 percent of the corporate long-term debt floated since the Act became effective or approximately 80 percent of such debt exclusive of railroad issues which are exempt from the Act. In the short space of 4½ years approximately one-sixth of the corporate long-term debt, exclusive of rails, has become subject to the requirements of the Act. This percentage will, of course, increase as older issues go out of existence through maturity, refunding, or reorganization.

The following tables show the number of indentures filed with the Commission, together with the disposition thereof and the amounts of indenture securities involved, both during the past fiscal year and cumulatively from February 4, 1940, through June 30, 1944.

Indentures filed in connection with registration statements under the Securities Act of 1933

	July 1, 1943, to June 30, 1944, inclusive		Feb. 4, 1940, to June 30, 1944, inclusive	
	Number	Amount of offering	Number	Amount of offering
Indentures pending June 30, 1943.....	12	\$238, 839, 600		
Indentures filed.....	¹ 52	² 620, 389, 560	³ 247	⁴ \$4, 581, 360, 560
Indentures qualified.....	54	645, 116, 760	⁵ 223	⁶ 3, 991, 144, 160
Indentures withdrawn.....	3	⁷ 73, 095, 600	15	⁸ 364, 791, 100
Refusal orders issued.....	0	0	0	0
Indentures pending June 30, 1944.....	6	163, 500, 000	6	163, 500, 000

¹ Reduced to 51 by amendments.

² Reduced to \$547,972,760 by amendments.

³ Reduced to 243 by amendments.

⁴ Reduced to \$4,137,550,760 by amendments.

⁵ Includes 1 indenture that was subsequently withdrawn.

⁶ Reduced to \$3,950,751,660 by post-effective amendment and withdrawal.

⁷ Reduced to \$8,195,600 by amendments.

⁸ Reduced to \$23,299,100 by amendments.

Application filed for qualification of indentures covering securities not required to be registered under the Securities Act of 1933

	July 1, 1943, to June 30, 1944, inclusive		Feb. 4, 1940, to June 30-1944, inclusive	
	Number	Amount of offering	Number	Amount of offering
Applications pending June 30, 1943.....	1	\$1,615,000	0	-----
Applications filed.....	15	69,798,996	85	^{1 2} \$366,934,978
Applications effective.....	16	71,413,996	81	¹ 354,983,578
Applications withdrawn.....	0	-----	4	11,562,500
Refusal order issued.....	0	-----	1	³ 2,010,500
Applications pending June 30, 1944.....	0	-----	0	-----

¹ Includes 1 indenture of an indeterminate amount.

² Reduced by amendment to \$366,546,078.

³ Refusal order rescinded and qualification made effective on July 6, 1940.

ADDITIONAL INFORMATION RELATING TO TRUST INDENTURES

During the past fiscal year the following additional material relating to trust indentures was filed and examined for compliance with the appropriate standards and requirements: 5 indentures exempt from the Trust Indenture Act of 1939 but subject to the Public Utility Holding Company Act of 1935; 84 trustee statements of eligibility and qualification under the Trust Indenture Act of 1939 (68 on form T-1 for corporations, and 16 on form T-2 for individuals); 82 amendments to trustee statements of eligibility and qualification (26 amendments to form T-3, 48 amendments to form T-1, and 8 amendments to form T-2); 52 supplements S-T, covering special items of information concerning indenture securities registered under the Securities Act of 1933; 23 applications for findings by the Commission pursuant to Section 310 (b) (1) (ii); 9 applications on form T-4, for exemption pursuant to Section 304 (c); 217 annual reports of indenture trustees pursuant to Section 313.

During the period February 4, 1940, through June 30, 1944, an aggregate of 405 trustee statements (341 for corporations and 64 for individuals) and 232 Supplements S-T had been filed.

Under the Trust Indenture Act of 1939 there has been no litigation and there have been only two refusal order proceedings initiated since its enactment. In the first case, April 1940, the indenture was amended prior to the entry of an order and in the second case, July 1940, the refusal order was rescinded after the filing of an amendment and the trust indenture was thereafter qualified.

Part VI

STUDY OF INVESTMENT TRUSTS AND ADMINISTRATION OF THE INVESTMENT COMPANY ACT OF 1940

The Investment Company Act of 1940 requires the registration of and regulates investment companies, that is, companies engaged primarily in the business of investing, reinvesting, and trading in securities. The Act requires, among other things, disclosure of the finances and of the investment policies of these companies, to afford investors full and complete information with respect to their activities; prohibits such companies from changing the nature of their business or their investment policies without the approval of the stockholders; bars persons guilty of security frauds from serving as officers and directors of such companies; prevents underwriters, investment bankers, and brokers from constituting more than a minority of the directors of such companies; requires management contracts in the first instances to be submitted to security holders for their approval; prohibits transactions between such companies and their officers and directors and other insiders except on the approval of the Commission; forbids the issuance of senior securities of such companies except in specified instances; and prohibits pyramiding of such companies and cross ownership of their securities. The Commission is authorized to prepare advisory reports upon plans of reorganizations of registered investment companies upon request of such companies or 25 percent of their stockholders and to institute proceedings to enjoin such plans if they are grossly unfair. The Act also requires face-amount certificate companies to maintain reserves adequate to meet maturity payments upon their certificates.

ENACTMENT OF INVESTMENT COMPANY ACT

An important segment of the Commission's work since 1935 has been its study and investigation of investment trusts and investment companies and its administration of the Investment Company Act of 1940.¹ Most of the basic data of the study was obtained from answers to questionnaires and from field studies and public examinations of many companies. From the data thus obtained, an over-all report on investment trusts and investment companies and six supplemental reports were prepared and transmitted to the Congress together with the Commission's conclusions and recommendations.

The Act, which was approved on August 22, 1940, and became generally effective on November 1, 1940, was evolved from a bill which was based upon the conclusions and recommendations of the Commission. The legislation, as adopted, was desired by the investment trust industry itself. The terms and provisions of the compromise bill were worked out in conference between representatives of

¹ A list of the reports on the Commission's investigation is given in Part XI under Publications.

the industry and the Commission with the approval of the congressional committees concerned. The industry recognized the existence of abuses and it joined in urging the passage of the Act. It passed both Houses without a vote against it.

BACKGROUND OF THE ACT

Investment trusts and investment companies are essentially institutions which provide a medium for public investment in common stocks and other securities. They have emerged as important financial institutions only within the last 20 years. By 1929 they were being created at the rate of almost one a day and the American public had invested altogether almost \$7,000,000,000 in investment companies of all types. After the market crash of 1929, the substantial losses suffered by closed-end management investment companies acted as an impediment to the further distribution of their securities, and the rise of other types of companies was accelerated. The open-end management companies and the unit investment trusts rapidly increased the sales of their securities after 1930. Although face-amount certificate companies have been in existence since 1894, the greater portion of their certificates have been sold since 1929. Finally, since 1930, periodic payment plans have attracted the savings of a large number of individuals in the lower income strata of the country's population. The present assets of all investment companies have a value in excess of approximately \$2,000,000,000. The securities of such companies are owned by approximately 2,000,000 investors throughout this country, probably exceeding the number of investors in all other industries except utility holding company systems.

Investment trusts and investment companies are vitally associated with the national economy. They conduct their business by the use of the mails and the channels of interstate and foreign commerce. In numerous cases they conduct a substantial portion of their business in States other than those in which they are incorporated or otherwise created. Their security holders are situated in every State and in several foreign countries. A large portion of all corporate securities sold in this country are those of investment trusts and investment companies. Investment companies are also substantial purchasers of securities listed on national securities exchanges, and their trading may have an important effect on the price movements of securities.

The enterprises subject to the control and influence of investment companies include banks, insurance and mortgage-financing companies, aviation and steamship companies, oil-producing and refining companies, chemical companies, motion-picture producing and exhibiting companies, steel and rubber companies, food and food-products companies, manufacturing companies of all types, department stores and other merchandising companies engaged in sales of their wares by mail order and the channels of interstate commerce.

A most significant function of investment companies in relation to the immediate needs of the national economy is their potential usefulness in the supply of new capital to industry, particularly to small and promotional ventures. In this connection, the Investment Company Act contains provisions [Sec. 12 (e)] authorizing investment companies to organize and contribute funds to companies to be engaged in the business of "underwriting, furnishing capital to

industry, financing promotional enterprises, purchasing securities of issuers for which no ready market is in existence, and reorganizing companies or similar activities." The investment companies have not made use of this provision, although several of the companies and the Commission have expressed great interest in the promising possibilities of such a development.

Problems in Connection With the Investment Company Industry

Basically the problems of the industry flow from the very nature of the assets of investment companies. The assets of such companies invariably consist of cash and securities, assets which are usually completely liquid and readily negotiable. Because of these characteristics, control of such funds offers manifold opportunities for exploitation by an unscrupulous management.

Since no specified amount of capital was required to organize investment trusts and companies, they were created and their securities were sold to the public in many instances by irresponsible individuals. Brokers, security dealers, investment bankers, and commercial banks were in a position to dominate the board of directors and control the management of investment companies; and thus, when they were unscrupulous, to advance the pecuniary interest of their other businesses at the expense of the investment companies they had organized and the security holders.

The Securities Act of 1933 and the Securities Exchange Act of 1934 have been ineffective to correct abuses and deficiencies in investment companies: first, because the record is clear that publicity alone, which in general is the remedy provided by these Acts, is insufficient to eliminate the abuses and deficiencies which exist in investment companies, and second, because a large number of such companies have never come under the purview of these Acts.

It is not meant to imply that most investment trusts and investment companies at present operating in this country were guilty of unfair practices or were mismanaged. Nor is it meant to indicate that progress has not been made by the members of the industry voluntarily to eliminate some of the major abuses and deficiencies, and to improve generally standards of practice. However, virtually every representative of investment companies who appeared before the subcommittees of Congress considering the Investment Company Act of 1940 conceded the necessity for, and in fact urged the immediate passage of, effective legislation to regulate investment companies.

Management Investment Companies

The capital structures of management investment companies have often been inordinately complex, and the rights, preferences, and dividend claims of senior securities have in many instances been inadequately safeguarded. By various devices of control, such as special voting stocks issued to distributors and managements, voting trusts, long-term management contracts, control of the proxy machinery, and pyramiding of companies, public investors were effectively denied, in many instances, any real participation in the management of their companies.

The distribution and repurchase of the securities issued by investment companies have on occasion resulted in discrimination in favor of the management or other "insiders" who have been able to acquire

the securities and to have the companies repurchase them on a basis more favorable than that accorded public stockholders. In the open-end companies, that is, companies issuing redeemable securities, the method of pricing their securities, which they are continuously selling and redeeming, led at times to substantial dilution of the investors' equity in the companies, and in some instances was used by persons closely connected with the companies to realize riskless trading profits.

A distinctive feature of the management investment companies is that no, or only limited, restrictions are imposed with respect to the nature, types, and amounts of investment which their managements may make. The absence of any legal requirement for adherence to any announced investment policies or purposes created a major problem. Such policies were often radically changed without the knowledge or prior consent of stockholders. Similarly, after investors had invested in companies on their faith in the reputation and standing of the existing managements, control of the public's funds was frequently transferred without the prior knowledge or consent of stockholders to other persons who were subsequently guilty of gross mismanagement of the companies.

"Self-dealing,"—that is, transactions between officers, directors, and similar persons and the investment companies with which they were associated—presented opportunities for gross abuse by unscrupulous persons.

The small investors in certain investment companies, particularly in unit investment trusts and open-end management companies, have been subjected to switching operations from one investment company to another to their pecuniary damage. Similarly, investors have been often powerless to protect themselves against plans of reorganization which have been grossly unfair or have constituted gross abuses of trust on the part of their sponsors.

Finally, particularly with respect to those companies which have not registered their securities under the Securities Act of 1933 or the Securities Exchange Act of 1934, and only a small number has so registered its securities, the investor has been unable to obtain adequate information as to their operations. The accounting practices and financial reports to stockholders of management investment companies frequently were deficient and inadequate in many respects and oft-times were misleading. In many cases, dividends have been declared and paid without informing the stockholders that such dividends represented not earnings but a return of capital to stockholders.

Unit Investment Trusts

In the fixed or unit investment trusts, management discretion is completely or almost completely eliminated. The abuses which characterized particularly this type of company were traceable to the fact that the most important emolument to the promoters of such trusts consisted of the profits to be derived by the methods of pricing and selling the certificates of such trusts to the public. Inequitable pricing of shares, excessive sales loads, hidden loads, and charges were not infrequent.

Periodic Payment Plans

Early in 1930 a somewhat novel variety of investment scheme, called variously "installment-investment plan," "periodic payment

plan," "thrift plan," "foundation plan," etc., was conceived. These plans are, in essence, devices for selling investment trust or investment company securities on a periodic or installment plan basis. The holder of a periodic payment plan certificate is entitled to receive the asset value of his certificate. This value is based upon the value of the securities in the portfolio of the investment company or investment trust underlying the certificate and may be less than, equal to, or more than the amount paid by the certificate holder, depending upon market prices of these portfolio securities which almost invariably consisted of common stocks. The structure of the plan in most instances was that of a "trust on a trust" whereby two sets of sales loads were imposed upon the investors, usually without their knowledge. The total loading charges, including trustees' fees and secondary loading charges, often were more than 30 percent of the net amount invested by certificate holders during the period studied. A serious problem was presented by the fact that these substantial sales loads were usually deducted entirely from the payments made in the early months of the periodic payment plan contract. Lapses of certificates in the early period of the contract were frequent. Approximately 40 percent of the total amount payable on periodic payment plan certificates sold in the period 1930-35 was lapsed at the end of 1935. The holders of such certificates were also subject to a variety of switching operations resulting in profits to the sponsor and a loss to the investor by the exaction of another "secondary" sales load on the switches. These periodic payment plan certificates, which were sold for as low as \$5 a month, were specifically designed to make their strongest appeal to wage-earning men and women who were not in a financial position to invest or speculate in common stocks.

Companies Issuing Face-Amount Installment Certificates

Face-amount installment certificates, in essence, are unsecured obligations to pay either a specified amount to the holder at a specified future date provided the purchaser makes all the payments required by these contracts or a cash surrender value prior to maturity if the certificate is surrendered to the issuing company.

The Commission's study indicated that the lapse experience of investors in such securities was high, particularly during the first and second years when the investor had no surrender value or a surrender value substantially less than the total of the amount he had paid (although the certificates issued by some of the face-amount companies provided for reinstatement with credit for the amount paid in). The so-called stretch-out practice of depriving the investor pursuant to contract of any interest return on his entire investment during any period in which he has been in default was common. Furthermore, surrender values accrued only as of yearly anniversary dates of the certificates. Monthly payments less than a year-and interest on the last attained surrender value would not increase the surrender value above the preceding anniversary date. As a result of the variety in regulatory provisions of the many states in which face-amount companies operate, there was no uniform actuarial reserve system required by law.

**GENERAL PURPOSES AND PROVISIONS OF THE INVESTMENT
COMPANY ACT OF 1940**

The Act regulates three broad categories of investment companies: management investment companies (both open-end and closed-end), face-amount certificate companies, and unit investment trusts including those which issue periodic payment plan certificates. The objectives of the Act, five in number, are, in the main, achieved by affirmative statutory requirements or prohibitions. By and large the rule and regulation making powers of the Commission are confined to implementation of the affirmative requirements of the Act.

(1) Honest and Unbiased Management

The Act provides for a degree of independence in management personnel by restricting bankers, brokers, commercial bankers, principal underwriters, etc., who may have a possible bias in the management of the company, to a minority of the board of directors. It also requires a minority of the board to be independent of the officers of the company. It prohibits self-dealing and exaction of excessive commissions by affiliated persons of investment companies. Insider trading in the securities of investment companies is subject to the same regulation as that contained in the Securities Exchange Act of 1934. It enables the Commission to sue in the courts to prevent gross abuse of trust and gross misconduct and grossly unfair plans of reorganization of investment companies. It makes embezzlement of investment company funds a Federal offense, and prevents investment bankers and other affiliated persons from using their investment companies to assist them in their underwriting activities. It provides that an investment company may maintain its portfolio securities and other property in its own custody or in the custody of brokers only under or pursuant to the regulations of the Commission. Otherwise portfolio securities must be maintained in the custody of a bank. The Act also provides for bonding of employees having access to the company's assets.

(2) Greater Participation in Management by Security Holders

The Act requires investment companies in their registration statements to designate their status as a diversified or non-diversified company as defined in the Act and to set forth therein a precise statement of their investment policies. The status and policies of a company as set forth in its registration statement cannot be changed without an affirmative vote of a majority of the security holders. The Act also requires at least two-thirds of the directors of an investment company to have been elected by the shareholders; restricts the period of effectiveness of management contracts to 2 years; and requires the approval of such contracts, and therefore in effect of the investment adviser, by the shareholders. The Act also requires ratification of the selection of the accountants of the company by the shareholders; investment company proxy solicitation is subjected to Commission regulation; it is further provided that all shares issued by management companies after the effective date of the Act must be voting shares and requires preferred shares to contain provisions transferring majority voting power to the holders of such stock in the event of default in the payment of dividends.

(3) Adequate and Feasible Capital Structures

The Act restricts, in the case of closed-end management companies, the amount of bonds and preferred stock which may be issued, a restriction which, speaking generally, requires closed-end investment companies issuing senior securities to have at least 50 percent of their assets represented by common stock equity at the time of issuance of such securities. Only one class of bonds and one class of preferred stock may be issued. Open-end companies are not permitted to issue any senior securities but may contract bank loans provided a 300 percent coverage in assets for such loans is maintained at all times. In the case of face-amount certificate companies the Act requires new companies to have a minimum capital of at least \$250,000 and to maintain statutory reserves presumably adequate to mature the certificates. Restrictions are placed on the power of face-amount certificate companies to declare dividends where the effect of such declarations may be to injure the financial stability of such companies. In addition, face-amount certificate companies are not permitted to issue preferred stocks without an order of the Commission.

(4) Financial Statements and Accounting

The Act requires investment companies to transmit financial reports containing prescribed information to their security holders at least semiannually. Power is given the Commission to obtain annual and periodic reports including financial statements. The Commission is also empowered to enact rules requiring the preservation of books and records which form the basis of such reports; to require financial statements sent to shareholders and the Commission to be certified by independent public accountants; and to promulgate uniform accounting rules.

(5) Selling Practices

Particularly in the case of open-end companies, periodic payment plans and face-amount certificate companies, numerous abuses in selling practices were disclosed. These the Act remedies in general by requiring investment companies which were not previously required to comply with the registration requirements of the Securities Act to so comply. The Commission is also empowered to correct selling practices of open-end companies which may result in dilution of their shares or in unfair trading profit to insiders and dealers. "Switching" of open-end investment company securities and those of unit investment trusts and face-amount certificate companies on a basis permitting reloading is prohibited in the absence of an order or rule of the Commission. In addition, sales literature issued by face-amount certificate companies, open-end companies, and unit investment trusts which would include most periodic payment plans, must be filed with the Commission within 10 days after use. Finally, in the case of the Securities Act prospectuses of face-amount certificate companies and periodic payment plans the Commission is empowered by section 24 (c) of the Act to rearrange the form and items of such documents and to require summaries of information which can be prominently displayed in the prospectus. The Act also regulates the sales load which may be charged on periodic payment plan certificates and prescribes the form of trust indentures to be used and the charges which may be made by trustees and sponsors of unit investment trust including those issuing periodic payment plan certificates.

ADMINISTRATION OF THE INVESTMENT COMPANY ACT OF 1940

In part, perhaps because the statute was the result of a compromise, but in greater measure because of the diversity in the character of the companies it covers and the intricacy of the problems they present, the Act is a complex and elaborate piece of legislation, calling for the use of a great variety of administrative procedures and techniques: The Act contains flat statutory prohibitions, the violation of which may give rise to either injunctive or criminal proceedings in the courts; provisions which authorize the Commission to institute injunctive proceedings but the violation of which is not a criminal offense; requirements for filing financial and other data with the Commission, which is then open to public inspection; requirements for the transmission of financial and other data to security holders; provisions authorizing the Commission to render advisory reports to security holders; provisions authorizing the Commission to adopt rules and regulations in some circumstances for the purpose of giving content to statutory prohibitions which would otherwise be inoperative and in other circumstances for the purpose of relaxing statutory prohibitions which would otherwise obtain; provisions for administrative orders in proceedings initiated in some cases by the Commission and in other cases by the companies or persons affected; and provisions for the further study of certain aspects of investment company operations. Most of these procedures have been employed in the same or a comparable form in one or more of the statutes already administered by the Commission, so that no difficulties have been encountered in fitting the administration of the new Act into the framework of the Commission's previous practice.

The principal problems faced by the Commission during its administration of the Act can conveniently be grouped into seven categories, namely, (1) determining which companies are investment companies subject to the Act and which are not investment companies or are entitled to exemption; (2) the classification of companies subject to the Act; (3) prescribing the information to be filed with the Commission and that to be transmitted to security holders and the integration of the required information with that furnished under other Acts administered by the Commission so as to avoid duplication; (4) the administration and enforcement of those provisions of the Act which regulate the relationships and transactions of persons who are affiliated with investment companies; (5) matters relating to the distribution, redemption, and repurchases of securities issued by management companies; (6) reorganizations of investment companies; and (7) the treatment accorded certain special types of companies, such as unit investment trusts, periodic payment plans, and face-amount certificate companies.

The "Investment Company" Concept

Although the terms "investment company" and "investment trust" have been part of the language of the financial community for some time, a definition precise enough to distinguish them sharply from holding companies on the one hand and operating companies on the other did not exist prior to the enactment of the Investment Company Act of 1940. The distinctive feature of the Act in this connection is its use of a quantitative or statistical definition, expressed in terms of the portion of a company's assets which are investment

securities. Thus the statute provides, *inter alia*, that a company is an "investment company" if it is engaged in the business of investing, reinvesting, owning, holding, or trading in securities, and owns investment securities (defined to exclude securities of majority-owned subsidiaries and of other investment companies) exceeding 40 percent of its total assets (exclusive of Government securities and cash items). However, the act provides machinery whereby the Commission may declare by order upon application that a company, notwithstanding the quantitative definition, is nevertheless not an investment company. Thus, companies that believe the application of the quantitative test would unreasonably cause them to be classified as investment companies are given the opportunity of obtaining administrative dispensation by showing that they are primarily engaged in a business or businesses other than that of investing, reinvesting, owning, holding, or trading in securities, either directly or through majority-owned subsidiaries or through controlled companies conducting similar types of businesses. Since November 1, 1940, about 50 such applications have been filed. Knotty questions have been raised by these applications, including difficult and complicated problems of valuation, especially with respect to the so-called special situation companies.

Such an application was filed on behalf of a company, Bankers Securities Corp., whose portfolio contained securities of companies engaged in a great variety of enterprises: railroads, utilities, banks, newspapers, insurance companies, industrial companies of every kind, hotels, apartment houses, retail establishments, department stores, and many others. Extensive hearings were held before a trial examiner, briefs were filed and oral argument was had before the Commission.

The company contended that it was primarily engaged in the real estate and department store business because the bulk of its investments were in those fields. Based upon the history and operations of the company, its investments in special situations, its statements of policy, and other relevant factors, the Commission concluded not only that the record before it fell short of sustaining the claim that the company was primarily engaged in noninvestment company business but that the record demonstrated affirmatively that the applicant was organized and always had been operated as an investment enterprise. The applicant appealed from the order of the Commission denying the application to the United States Circuit Court of Appeals for the Third Circuit. On November 21, 1944, that court unanimously affirmed the Commission's order.

Exemption of Companies from the Investment Company Act of 1940

In addition to the provisions for excluding certain types of organizations from the concept of "investment company," the act contains certain exemptive provisions applicable to companies which, while admittedly investment companies, should for one reason or another be relieved from some or all sections of the Act. Several of these exemptive provisions are provided by the statute itself, but three subsections of the Act leave exemption in whole or in part to administrative determination.

In Section 6 (b) the Commission is directed to exempt by order any employees' securities company from the provisions of the Act, to the extent that such exemption is consistent with certain specified stand-

ards.² The disposition of such applications presents many difficult problems and requires constant use of the Commission's informal conference procedure, for Section 6 (b), in effect, directs the Commission to study in detail the history and operations of each such company and to determine the effect which each section of the Act will have on one or more aspects of the applicant's business. After this is done, the Commission, in effect, must accommodate the Act to the particular circumstances of the employees' securities company involved, in the light of the considerations enumerated in Section 6 (b).

Section 6 (d) of the Act directs the exemption by rule or order, to the extent consistent with the public interest and the protection of investors, of certain small closed-end investment companies whose securities are offered intrastate.

The remaining exemptive provision, and in many ways the most important, is Section 6 (c) which reads as follows:

The Commission, by rules and regulations upon its own motion, or by order upon application, may conditionally or unconditionally exempt any person, security, or transaction, or any class or classes of persons, securities, or transactions, from any provision or provisions of this title or of any rule or regulation thereunder, if and to the extent that such exemption is necessary or appropriate in the public interest and consistent with the protection of investors and the purposes fairly intended by the policy and provisions of this title.

Many of the applications which have been filed seeking orders under this Section requested orders which amounted to little more than the formal expression of minor administrative determinations. This exemptive power vested in the Commission has helped to eliminate many small but irritating inconveniences, particularly those which inevitably occur during the period of adjustment to new regulatory law, without sacrificing substance or principle. Some of the applications filed under Section 6 (c), however, have requested sweeping substantive exemptions. Such applications involve considerations in many respects similar to those discussed in relation to applications filed by employees' securities companies under Section 6 (b). It will be noted that the exemptive function of the Commission may be exercised not only by order on application but also by rule on the Commission's own motion. No rules have been adopted under this Section giving complete exemption to any class of companies:

INFORMATIONAL REQUIREMENTS

Registration Statements

The first step in the general scheme of regulation provided by the Act is the requirement that investment companies shall register with the Commission. A company registers under the Act by filing with the Commission a notification of registration. From the effective date of the Act to June 30, 1944, 489 companies of all types had registered under the Act. One hundred and eighteen of these had for one reason or another ceased to be investment companies, leaving 371 registered investment companies at the end of the past fiscal year.

After registration each company must file with the Commission, in accordance with rules, regulations, and forms promulgated for the purpose, a detailed registration statement containing complete information regarding the company. Most of the required information is

² These do not include employees' stock bonus, pension, or profit-sharing trusts which meet the conditions of Section 165 of the Internal Revenue Code, since such trusts are excluded from the definition of "investment company" by Section 3 (c) (13).

similar to that required in registration statements filed under the Securities Act of 1933 and the Securities Exchange Act of 1934. In addition, however, the Investment Company Act of 1940 requires the registration statement to contain a recital of the policy of the registrant with respect to certain specified subjects, such as issuing senior securities, borrowing money, engaging in underwriting, making loans, or investing in real estate or commodities. These required statements of policy, which must be as specific as is practicable, constitute one of the keystones of the Act. Once having stated such a policy in its registration statement, a registrant may not deviate from it without the consent of a majority of its outstanding voting securities.

In one case, *Securities and Exchange Commission v. Guaranty Income Trust and James S. Gladish*, the Commission obtained an injunction restraining Gladish from further violation of the registration provisions of the Act. The Commission's complaint alleged that Gladish had been using the mails and instrumentalities of interstate commerce in selling, purchasing, redeeming or otherwise acquiring face-amount certificates of the trust and had effected securities transactions for the trust without having the trust registered in accordance with the requirements of the Act.

Periodic Reports to the Commission

Section 30 (a) of the Act provides that registered investment companies must file with the Commission such information, documents, and reports as companies having securities registered on a national securities exchange are required to file with the Commission pursuant to Section 13 (a) of the Securities Exchange Act of 1934. Section 30 (b) of the act authorizes the Commission to require registered investment companies to file periodic reports on a semiannual or quarterly basis so as to keep reasonably current the information contained in the registration statements of such companies. All registered investment companies which filed detailed registration statements are required to file annual reports on the appropriate form within 120 days after the close of each fiscal year. The annual report form is designed to bring up to date, as of the close of each fiscal year of the registrant, the information originally furnished by the registrant in its detailed registration statement.

Section 24 (b) of the Act requires the filing with the Commission, within 10 days after the use thereof, of copies of the full text of all sales literature employed by the various types of investment companies registered under the Act.

Reports and Other Information Sent to Security Holders

Under the Act certain information is required to be transmitted to stockholders by registered investment companies at various times and under various circumstances. Thus, reports of condition must be rendered at least semiannually. These requirements have been implemented by appropriate rules. The significance of this requirement cannot be overestimated, when it is considered in the light of the power given to the Commission to bring about some standardization in the substance of information made public, particularly statements of accounts.

Other provisions designed to keep security holders better informed on matters relating to their investments are likewise important. When a

dividend is paid by a registered company from a source other than certain types of income, or accumulated income, the payment to the security holder must be accompanied by a written statement indicating its source.

Financial Requirements

An especially important part of the informational requirements of the Act are those relating to financial statements and accounts. The Act authorizes the Commission to require a reasonable degree of uniformity in the accounting practices of investment companies, and work along this line is already well advanced.

Affiliated Persons

In order to insure that the interests of all classes of security holders are paramount in the operation of investment companies, the act contains a number of provisions imposing limitations and prohibitions with respect to the eligibility and activities of persons affiliated with investment companies and the transactions of such affiliated persons with those companies. It is in relation to these provisions that the Commission is delegated some of its most important administrative functions under the Act.

Eligibility of Officers and Directors

First, there is the provision that a person may not serve as an officer or director of or perform certain other functions for a registered company if he has been convicted of certain crimes involving security transactions, or if by reason of similar misconduct has been enjoined from specified activities. The Commission is directed to give relief from those prohibitions under proper circumstances by order upon application.

Transactions With Investment Companies

By far the most important provision concerning the activities of affiliated persons is that which, with certain exceptions, prohibits any affiliated person, promoter, or principal underwriter of a registered company from selling to, or buying or borrowing property from, the investment company or any company it controls. The prohibition is supplemented by a provision that the Commission shall exempt by order upon application any proposed transaction if evidence establishes that its terms are reasonable and fair and do not involve overreaching, and that it is consistent with the company's recitals of policy in its registration statement and with the general purposes of the Act. The disposition of such applications requires a nice balance of conflicting factors which points up the need in such cases for the review of a specialized agency. On the one hand, in most of the situations resolved, there was the necessity of a speedy determination because the transactions depended a great deal on movements in the security markets. On the other hand, many of the issues involved in the determination of fairness were of a complicated nature requiring the fullest use of financial experience and a delicate exercise of administrative judgment.

Judicial Sanctions

Another such control is the power vested in the Commission to seek an injunction against any person for gross misconduct or gross abuse of trust in respect of any registered company that such person serves in any of certain designated capacities. In one instance, the Commission believed that the management of an investment company,

with knowledge that they intended to dissolve such company, had acquired substantial blocks of the company's preferred stock from the public at a cost less than the value of that portion of the assets of the company to which such stock would be entitled on dissolution. At the suggestion of the Commission the management agreed to surrender to the company the stock they had acquired at a price equivalent to the cost of such shares to the management. As a result, the remaining holders of the company's preferred stock received a substantially higher proportion of the company's assets than they would otherwise have obtained.

Protection Against Theft and Embezzlement

The Act has two provisions involving administrative functions, the purpose of which is to protect investment companies from theft and embezzlement by affiliated persons. First, there is a requirement with respect to the safekeeping of the securities and investments of such companies; and second, a provision concerning the bonding of persons connected with such companies who have access to securities and funds.

The safekeeping requirement in effect provides that the securities and similar investments of registered management companies shall be placed in the custody of a bank or in the custody of brokers who are members of a national securities exchange subject to rules and regulations of the Commission. The Commission is also given the power either by order on application or by rule to permit such companies to maintain in their own custody their securities and investments. The Commission had adopted rules governing companies whose securities are maintained in their own custody or in the custody of brokers. Where securities are held by brokers, the rule requires the execution of a written contract between the registered company and the broker which provides for physical segregation of the securities, prohibitions against hypothecation of or the creation of liens on such securities, and periodic examinations of such securities by the company's public accountants. In the case where securities are in the custody of the investment company, the rule permits withdrawal of such securities only by specifically designated officers and responsible employees only for specified purposes, and provides for periodic verification of such securities by an independent accountant at least twice each year without prior notice to the company.

DISTRIBUTION, REDEMPTION, AND REPURCHASE OF SECURITIES

Redeemable Securities

It is the practice of open-end investment companies to sell their securities at prices based upon the value of their underlying assets and to agree to redeem them at prices similarly based. Prior to the enactment of the Act, almost all open-end companies determined the market value of their underlying assets at 3 p. m., the time of the closing of most stock exchanges, on which their portfolios were listed. The selling price of the shares based on this computation remained fixed until 3 p. m. of the next day when a new calculation was made. The effect of this one price system was often damaging to security holders. For example, if the asset value was \$10 a share at 3 p. m. on Monday and at 12 noon of the next day because of a rise in market values the asset value was \$15 a share, nevertheless the public could purchase such shares at a price to net the company \$10 a share.

Under such circumstances the value of the existing shareholder's stock would be substantially diluted. Moreover, insiders such as directors and officers and underwriters who could obtain shares without payment of a sales load could purchase them at \$10 a share and redeem them at \$15 a share, since the redemption price per share was computed almost uniformly on the basis of the market value of assets at the time of the redemption.

The Act seeks to prevent these abuses by providing that any securities association registered under the Securities Exchange Act of 1934 may adopt rules setting out methods of computing prices at which their members may purchase, sell, or redeem open-end securities and the minimum time that must elapse between purchases and redemptions of such securities. Such associations may also adopt rules limiting and prescribing the method of computing the commissions their members may take on transactions in the securities in order to avoid excessive sales loads. After 1 year from the effective date of the Act, the power to make rules concerning these matters rests in the Commission. To the extent that such rules may be inconsistent with the rules of any registered securities association, the latter will be superseded. The National Association of Securities Dealers, Inc., an association registered under the Securities Exchange Act of 1934, has already adopted regulations which provide that prices, heretofore computed generally only once a day, shall be computed twice daily. The effect of this rule is to diminish, but not to eliminate, possible dilution in the value of the shares of existing stockholders. Pursuant to the Securities Exchange Act of 1934, the rules of these associations become effective unless the Commission take affirmative action with respect to them. In the instant case the Commission, without indicating approval, allowed the rules to become effective.

Closed-end Companies

Registered closed-end companies are prohibited from purchasing securities of which they are the issuer, except (1) on national securities exchanges or other open markets designated by the Commission under specified circumstances, (2) pursuant to tenders, or (3) under such other circumstances as the Commission may permit by rule, regulation, or order. The primary purpose of this provision is to eliminate unfair discrimination in these transactions.

The Commission has adopted a rule as to repurchases of securities of closed-end companies other than on an exchange or by tender which, in effect, permits a registered investment company to purchase its securities for cash under the following circumstances: The securities involved, if entitled to cumulative dividends, are not in arrears; if not entitled to cumulative dividends, 90 percent of the issuer's net income for the last fiscal year was distributed to security holders; if the securities are junior to securities representing indebtedness, such securities shall have at least 300 percent asset coverage after the purchase, and if the securities are junior to any outstanding stock, such senior securities shall have asset coverage of at least 200 percent immediately after the purchase and shall not be in arrears as to dividends; the seller is not to the knowledge of the issuer an affiliated person; the securities are accompanied or preceded by a written confirmation; the price paid is not above market or asset value, whichever is lower; the issuer discloses to the seller or his broker the approximate asset coverage per unit of the subject securities; no brokerage.

commission is paid to any affiliated person of the issuer; the purchase is made without discrimination; and if the security is a stock, notice of intention to purchase must have been given to the stockholders at large.

Plans of Reorganization

In connection with any reorganization³ involving a registered investment company, the Act provides that copies of all the documents relevant to the solicitation of proxies, consents, and other types of action of security holders be filed with or mailed to the Commission. The Act also vests in the Commission two functions with reference to reorganizations. First, the Commission is authorized, if requested by any participating registered investment company or the holders of 25 percent of any class of its outstanding securities; to render an advisory report in respect of the fairness of any plan of reorganization and its effect upon any class or classes of security holders. Second, it may seek to enjoin the consummation of any such plan in the courts on the ground that it is grossly unfair or constitutes gross misconduct or gross abuse of trust on the part of officers, directors, or other specified persons sponsoring the plan.

With respect to the first—the power to render advisory reports on request—three such requests have been received. In each case an advisory report was prepared and distributed to the interested security holders. The type of problem involved in these reports is illustrated by the first plan of reorganization presented to the Commission. The plan involved consolidation of two investment companies followed by offers of the consolidated company to exchange its securities for outstanding securities of three other investment companies which were thereafter to dissolve. The companies involved were Standard Investing Corp., International Equities Corp., Central Capital Corp., Atlantic Securities Co. of Boston, and Beacon Participations, Inc. All of these companies were affiliated and were the component companies in a system of investment companies known as the Henderson Group. Standard Investing Corp. and International Equities Corp. were the consolidating companies, the other three the dissolving companies.

The complicated issues presented by this reorganization can be indicated merely by pointing out the complex capital structures of the companies (which created sharp conflicts of interest among the holders of the various classes of securities) and the types of assets which had to be valued (as a basis for determining the fairness of the treatment accorded by the plan to the various security holders). As to capital structure, Beacon Participations, Inc., had outstanding two classes of preferred stock and common stock; Atlantic Securities Co. of Boston had outstanding debentures, a preferred stock, and a common stock; Central Capital Corp. had outstanding only common stock; Standard Investing Corp. had outstanding debentures, preferred stock and common stock; International Equities Corp. had outstanding two classes of stock with different claims against the company's assets and profits. Various degrees of cross-ownership and circular-ownership existed among the companies and all of the companies were controlled by another company which was not being reorganized.

³ The term includes among other things a dissolution, merger, consolidation, a sale of a substantial portion of assets, and recapitalizations.

The underlying assets of these companies, upon the valuation of which depended in a large measure the fairness of the treatment accorded to all the classes of security holders involved, were as follows: real estate and hotel companies, service companies, a company manufacturing fiber containers, an aviation accessory company, and diversified investment securities.

After numerous conferences between the management of these companies and members of the Commission's staff some features of the original tentative plan desired by the management were altered. In the report of the Commission addressed to the security holders, the plan was carefully explained; the capital structures were outlined; the methods of evaluating the assets, particularly the assets having no quoted market values, were discussed; and the effect of the plan on the existing rights and privileges of each of the outstanding classes of securities were analyzed and defined.

It was indicated to the security holders that the Commission did not recommend or approve the plan. The stated purpose of the Commission was to assist security holders in exercising their judgment whether or not to accept the plan of reorganization. It was, however, the opinion of the Commission that the plan, on the basis of certain specified assumptions, was sufficiently within the limits of fairness to justify its submission to the security holders for their consideration.

This function of the Commission fills a long-felt need. It enables security holders who often do not possess great financial knowledge to obtain an impartial analysis of the effects of a plan of reorganization on their securities, thus enabling them to arrive at an informed judgment as to the merits of the plan. It is important to note that although the Commission has authority to submit advisory reports only when requested by the reorganizing company's management or by 25 percent of its security holders, the existence of its power to seek an injunction restraining any grossly unfair plan of reorganization has resulted in the submission by investment companies of several plans for informal consideration as to fairness before solicitation of security holder approval.

Periodic Payment Plan Certificates and Unit Investment Trusts

As already indicated, since these periodic payment certificates are sold to persons of small means, who frequently default in their payments, the sales load, if it is deducted in its entirety from the early payments, will result in substantial loss to those investors whose payments lapse early in the period of the contract. The Act deals with this problem by providing that the sales load on such certificates shall not be more than 9 percent of the total payments. Not more than one-half of this sum may be deducted during the first year and the balance must be spread proportionately over the entire period of the contract.

Face Amount Certificate Companies

In discussing above the different types of investment companies under the Investment Company Act of 1940 it was indicated that among the chief problems presented under the Act by face-amount certificate companies were those of certificate reserves and of selling methods. Since January 1, 1941 (the effective date of the Act for this type of investment company), the efforts of the Commission in relation to this type of company have been directed mainly to the enforcement of the reserve requirements and certain related provisions

of the Act pertaining to eligibility of assets, custody of assets, and certain provisions relating to cash surrender and loan values.

The Investment Company Act of 1940 in its application to face-amount certificate companies thus differs somewhat in concept from the Act in its application to the more common types of investment company. A very close resemblance to State statutes regulating life insurance companies may be noted. It is obvious, therefore, that in administering these sections of the Act important actuarial questions arise in addition to the usual legal, accounting, financial, and selling problems. In its efforts to obtain compliance with these requirements the Commission has devoted much time to conferences and correspondence, much of it of a highly technical nature.

An interesting variant to the face-amount certificate company was found in a number of States. An insurance company (usually a fire or casualty company) is organized under State laws and an affiliated company organized by the promoters of the insurance company. The affiliated company then offers to the public a face-amount certificate under the terms of which the purchaser is to pay to the issuing company \$1,200 over a 10-year period in monthly or other periodic installments, on the representation that at the end of the period the purchaser will receive back in cash the total of his payments to the company plus a specified number of shares of stock in the insurance company. These shares, under the plan, are purchased by the face-amount certificate company out of the earnings on the payments of the installment purchasers to the face-amount certificate company which are to be invested in various media. It is urged by those enterprises that the plan not only returns all the principal to the investor but finances the insurance company and secures a wide distribution of its stock which promotes good will. While such companies registered under the Act, no company of this type has yet revised its structure so that it could comply fully with the provisions of the Act and proceed with its selling program. The sales of the securities of all companies of this type have been discontinued pending compliance with the Act.

The documents filed under the Investment Company Act in each of the past three fiscal years were as follows:

	Fiscal year		
	1944	1943	1942
Number of registered investment companies:			
Beginning of year.....	390	397	436
Registered during year.....	8	14	17
Terminations of registration during year.....	27	21	56
Number of companies registered at end of year.....	371	390	397
Notifications of registration.....	8	14	17
Registration statements.....	5	23	245
Amendments to registration statements.....	47	95	123
Annual reports.....	248	215	196
Amendments to annual reports.....	53	18	15
Quarterly reports.....	809	911	196
Periodic reports to stockholders containing financial statements.....	706	1,078	633
Reports of repurchases of securities by closed-end management companies.....	111	114	26
Copies of sales literature.....	910	1,069	947
Applications for exemption from various provisions of the Act.....	34	51	105
Applications for determination that applicant has ceased to be an investment company.....	21	11	44
Total applications:			
Pending at beginning of year.....	95	91	67
Filed during year.....	55	63	149
Disposed of during year.....	68	59	125
Pending at end of year.....	82	95	91
Amendments to applications.....	57	40	90

Important Judicial Proceedings under the Act

Section 22 (e) of the Act prohibits the suspension of redemption of redeemable securities issued by investment companies for a period of more than 7 days except during certain specified emergency periods or other periods fixed by the Commission. The first action in which the Commission requested and obtained the appointment of a permanent receiver to liquidate an investment company arose under this Section upon the failure by the company to make redemption on its outstanding beneficial shares, to furnish semiannual reports to shareholders or to file quarterly reports with the Commission. In that case, as the court pointed out,⁴ there was "a complete and irremediable failure of corporate purpose and of corporate management" and "Fiscal (Fiscal Fund, Inc.) is receiving no investment advice and has defaulted in its redemptions. Its shareholders are receiving none of the service for which they bargained." The court continued:

I can see no substantial hope of ever reviving this business. It cannot continue to function under its present setup. As stated by the Commission in its brief: "The reason for the failure of interested parties to obtain new management and to restore Fiscal to its intended functions is obvious. The management or maintenance fee of \$3,000 per annum is too small to attract any disinterested, competent management. Furthermore, any increase in the fee would require unanimous consent of the beneficial shareholders, would substantially alter their investment, would absorb a disproportionate share of Fiscal's meager income and would undoubtedly result in a flood of voluntary redemptions which would only aggravate and intensify the situation."

On July 2, 1943, the Commission filed a complaint in the United States District Court at Minneapolis against Investors Syndicate, Investors Syndicate of America, Inc., and Investors Mutual, Inc., their directors, principal officers and certain key employees charging that they had violated the Securities Act of 1933, the Securities Exchange Act of 1934 and the Investment Company Act of 1940. The corporate defendants are investment companies registered as such with this Commission under the Investment Company Act of 1940. Investors Mutual, Inc., and Investors Syndicate of America, Inc., have effective registration statements on file with the Commission covering their securities pursuant to the Securities Act of 1933. The three companies are affiliated under common management and control. Investors Syndicate is also the principal underwriter and distributor of the securities of Investors Mutual, Inc., and of Investors Syndicate of America, Inc.

The Commission charged that after Investors Syndicate organized Investors Syndicate of America, Inc., and Investors Mutual, Inc., Investors Syndicate in breach of fiduciary relationship to its own certificate holders devised a scheme to switch its certificate holders into the securities of Investors Syndicate of America, Inc., and Investors Mutual, Inc. The Commission charged that Investors Syndicate induced its certificate holders to terminate such contracts and to reinvest in Mutual Shares of Investors Mutual and in series 1 certificates of Investors Syndicate of America, Inc. These transactions were not only alleged to be in violation of Section 11 of the Investment Company Act of 1940 relating to the making of offers of exchange without first obtaining Commission approval, but were also alleged to be to the financial disadvantage of the companies' own

⁴ *Securities and Exchange Commission v. Fiscal Fund, Inc.*, 48 Fed. Supp. 712 (1943) D. C. Delaware.

security holders who, the Commission claimed, were induced to enter into these transactions by many false and misleading statements. The Commission also charged that Investors Syndicate, as principal underwriter for Investors Syndicate of America, Inc., and Investors Mutual, Inc., was engaged in selling securities of those companies by means of false and misleading statements. The complaint charged gross misconduct and gross abuse of trust on the part of Investors Syndicate; its principal officers and directors and the Commission asked for removal of these officers and directors from office as well as for the removal of Investors Syndicate as underwriter for Investors Mutual, Inc., and Investors Syndicate of America, Inc. Since the removal of these officers and directors would leave Investors Syndicate without management, the Commission asked the court to appoint a receiver for that company.

On October 18, 1943, the corporate defendants while denying any misconduct or the violation of any statute, rule, or regulation, consented to the entry of a judgment enjoining them, their officers, directors, and employees in the sale of securities from violating the registration and fraud provisions of the Securities Act of 1933, certain fraud provisions of the Investment Company Act of 1940, as well as from engaging in switching operations and making offers of exchange of the securities of Investors Syndicate of America, Inc., and Investors Mutual, Inc., for the securities of Investors Syndicate contrary to the provisions of the Investment Company Act of 1940. After this judgment was entered a voting trust agreement was executed by certain depositing stockholders of Investors Syndicate who owned a majority of its authorized voting stock by Investors Syndicate, itself, and by three voting trustees. This agreement was filed with the clerk of the court on January 17, 1944. None of the voting trustees had ever been connected theretofore with any of the companies. According to the trust agreement no successor trustee may be a person who prior to the date of the voting trust agreement has been an officer, director, agent, servant, or employee of Investors Syndicate or any of its affiliated companies and no voting trustee is permitted to own beneficially more than one share of common stock or a voting trust certificate representing more than one share. The agreement provides that the by-laws of the corporation are to be amended so that the board of directors shall consist of not less than three nor more than five directors and the trustees are required to elect themselves to the board.

The voting trust, which terminates 3 years from the date of its execution, provides that the trustees shall cause the business and operations of Investors Syndicate to be conducted in accordance with all applicable statutes, rules, and regulations and in accordance with good business practices, and, to that end, the trustees as soon as practicable, are to take such action as in their judgment is necessary or desirable for the supervision, selection or retention of personnel of the corporation, including its management and sales personnel, or for the removal of any such personnel as they may deem necessary or desirable to accomplish the purposes of the trust. Under certain circumstances the voting trust may be extended for an additional two years by the trustees. The trustees are to take such action as is necessary or desirable for the employment of sound accounting methods and practices which will fully and fairly reflect the financial condition of

the corporation, including adequate provision for certificate and other reserves in respect of securities issued by Investors Syndicate for the full and fair presentation of financial statements with reference to it and its affiliated companies. The trustees are also to take such action as is desirable for the adequate instruction and education of sales representatives with respect to proper sales practices, and the requirements of statutes, rules, and regulations pertaining thereto, including knowledge and understanding of the terms and provisions of securities previously issued by Investors Syndicate and the securities distributed or being distributed by it as underwriter for any other investment company. So that these purposes may be effectively accomplished, the voting trustees in addition to the taking of any such action by them, are to make such investigations, examinations, and surveys as they may deem necessary or desirable; and upon completion of these investigations the trustees are to make a report to all the holders of common stock of Investors Syndicate, which shall include their recommendations for the correction of any practice or any other action with reference to Investors Syndicate or its affairs which they may deem necessary or advisable in order adequately to protect the rights and privileges of all classes of security holders and creditors of the corporation. The trustees, however, are not bound to follow any advice or counsel given to them by the common stockholders of Investors Syndicate.

Following the creation of the voting trust, the Commission moved the dismissal of the action without prejudice as to the matters not encompassed within the terms of the judgment entered on October 18, 1943, and an order of dismissal without prejudice was entered by the court.

On September 9, 1942, invoking for the first time the provisions of Section 36 of the Investment Company Act of 1940, the Commission filed an action in the United States District Court at Kansas City, Mo., against a face-amount certificate corporation known as United Funds Management Corporation (hereinafter sometimes called United),⁵ its officers and directors, charging that since January 1, 1941, the individual defendants had known that the reserves of the corporation were not sufficient to provide for the payment of the outstanding certificates at maturity; that the defendants had been and were inducing the certificate holders to surrender their certificates for the cash surrender values, that this method of retirement was calculated to cause considerable loss to the certificate holders and to enrich unjustly the directors and officers who were the principal beneficial owners of the preferred and common stock of the company; and that these directors and officers had failed to effect a plan of liquidation which would be fair and equitable to the certificate holders. The Commission charged that the individual defendants in committing such acts were guilty of gross misconduct and gross abuse of trust and were therefore subject to removal from office under Section 36 of the Act. The Commission in addition to asking for the removal from office of the directors and principal officers requested that a receiver be appointed to conserve the assets of the corporation and to hold such assets subject to the order of the court for liquidation and

⁵ Since 1926 United Funds Management Corp. had issued and sold to the public several series of face-amount certificates. Various issues of these certificates had been widely distributed and sold in about 22 States.

distribution among the creditors, face-amount certificate holders, and stockholders of the company.

Under the terms of his contract each purchaser was required to make installment payments for a specified number of years and at the end of that period was entitled to the face amount or maturity value of that certificate, which amount exceeded the total amount of payments made by the purchaser. After the certificate remained in force for a stated period (usually about 18 months) the holder was entitled to receive at his option, upon surrendering his certificate, the amount fixed in the certificate known as the cash surrender value. Prior to the seventh year in the case of a 10-year certificate, or the ninth year on a 15-year certificate, the cash surrender value was less than the amount paid in by the certificate holder, but from that date on the cash surrender value was greater than the total amount of installment payments made by the purchaser. Many of the surrenders which it was charged were induced by the management involved certificates which had a cash surrender value of less than the amount paid in.

The Commission charged that the purpose of United's campaign was to improve the equity stock of the company by inducing certificate holders to accept less than the amount of their payments to United and to relinquish the benefit of the proportionately greater improvement called for by the certificates as they proceeded to maturity, thus relieving United of the burdensome obligation to improve its certificates. The mechanics of this plan involved, in part, the switching of certificate holders into other securities.

The district court issued a temporary restraining order enjoining the defendant directors and officers from inducing or persuading holders of face-amount certificates to cash surrender their face-amount certificates; from making loans to certificate holders; from retiring certificates either at the cash surrender value or at the face-amount thereof; and from receiving any money from certificate holders unless such money is immediately segregated in a trust account with a corporate trustee approved by the court; and by order of the court the Commerce Trust Co., Kansas City, Mo., was appointed trustee for this purpose.

While the action was pending United filed a petition in bankruptcy and was duly adjudicated a bankrupt on October 1, 1942. Thereafter on October 23, 1942, the district court invited the Commission to participate in the bankruptcy proceedings as *amicus curiae* and the Commission has acted in that capacity since such invitation.

The bankruptcy having progressed to the point where a trustee had been appointed and practically all of the assets of the company having been converted into cash, and partial distribution having been ordered, the Commission in May 1944 consented to the entry of an order dismissing its action brought pursuant to Section 36 of the Investment Company Act.

ADMINISTRATION OF THE INVESTMENT ADVISERS ACT OF 1940

The Investment Advisers Act of 1940 requires the registration of investment advisers, that is, persons engaged for compensation in the business of advising others with respect to securities. The Commission is empowered to deny or revoke registration of such advisers if they have been convicted or enjoined because of misconduct in respect of security transactions. The Act also makes it unlawful for investment advisers to engage in practices which constitute fraud or deceit; requires investment advisers to disclose the nature of their interest in transactions executed for their clients; prohibits profit-sharing arrangements; and in effect prevents assignment of investment advisory contracts without the client's consent.

ENACTMENT AND GENERAL NATURE OF ACT

The Investment Advisers Act became effective November 1, 1940. Its enactment stemmed largely from a report sent to Congress in August 1939, on "Investment Counsel, Investment Management, Investment Supervisory and Investment Advisory Services," following a study of such services conducted ancillary to the Commission's investment trust study.

The Act covers all individuals, partnerships, corporations, or other forms of organization which for compensation engage in the business of advising others, either directly or through publications or writings, as to the value of securities or as to the advisability of investing in, buying, or selling securities, or who for compensation and as part of a regular business disseminate analyses or reports concerning securities. Exempted from the provisions of the Act, however, are newspapers, magazines, and financial publications of general and regular circulation; brokers and security dealers whose investment advice is given solely as an incident of their regular business for which no special fee is charged; banks; certain bank holding company affiliates; individuals or organizations which give advice solely with reference to securities issued or guaranteed by the United States or corporations in which it is interested; and lawyers, accountants, engineers, and teachers whose investment advice, if any, is furnished solely incidental to the practice of their professions.

Exception from the registration requirements of this Act is provided for: (1) Individuals or organizations which act as investment advisers solely for investment and insurance companies; (2) individuals or organizations all of the clients of which are residents of the State in which they do business, provided no advice is given with respect to securities traded on national securities exchanges; and (3) individuals or organizations which do not hold themselves out as investment

advisers generally to the public and which have had during the preceding year less than 15 clients.

Registered investment advisers are prohibited from employing any device, scheme, or artifice to defraud any client or prospective client, or to engage in any transaction, or practice, or course of business which operates as a fraud or a deceit upon any client or prospective client. These fraud provisions are similar to those under the Securities Act of 1933 and the Securities Exchange Act of 1934. Furthermore, if an investment adviser acts as a principal for his own account in connection with the sale of any security to or purchase of any security from a client, he must disclose to such client, in writing, the capacity in which he is acting with respect to such transaction, and obtain the consent of the client to such transaction.

REGISTRATION OF INVESTMENT ADVISERS

On November 1, 1940, 605 investment advisers became registered. The number has increased since that date, and as of June 30, 1944, a total of 719 were registered under the Act. The following table reflects the registration record for the entire period and for the year ending June 30, 1944.

Investment advisers registrations under the Investment Advisers Act of 1940

	For entire period Sept. 24, 1940, ¹ to June 30, 1944		For year ending June 30, 1944	
Applications pending at beginning of period.....				9
Applications filed.....		1,098		88
Applications withdrawn.....	7			
Registrations withdrawn.....	296		60	
Registrations canceled.....	65		8	
Registrations denied.....	1			
Registrations revoked.....	3		1	
Registrations effective at beginning of period.....				698
Registrations effective on June 30, 1944.....	719		719	
Applications pending on June 30, 1944.....	7		7	
Total.....	1,098	1,098	795	795

¹ The date on which the first applications were received. A total of 605 investment advisers became registered on Nov. 1, 1940, the effective date of the Act.

The investment adviser is a comparatively new institution in finance, emerging as an independent occupation or profession only after the first World War. Less than 20 of the investment advisers now registered were in business prior to 1919. More than 85 percent commenced their investment advisory activities after 1930. As might be expected, registered investment advisers are concentrated in the larger financial communities. Approximately 85 percent are located in eight States: New York, Ohio, Michigan, Massachusetts, Pennsylvania, New Jersey, Illinois, and California. The largest concentration, approximately 40 percent, is in the State of New York.

Three hundred and seventy-three of the registered investment advisers are also engaged in other business enterprises or professions; 172 are also registered as brokers and dealers. Among the other 201 are accountants, engineers, lawyers, doctors, dentists, college professors, insurance brokers, and persons engaged in business and estate management.

The Act prohibits an adviser from representing that he is an "in-

vestment counsel" and from using the name "investment counsel" as descriptive of his business unless he is primarily engaged in giving continuous advice as to the investment of funds on the basis of the individual needs of each client and unless his application so states. Three hundred and twenty-eight registered investment advisers represent in their applications that they are primarily or exclusively engaged in this type of business. The services of 85 registered investment advisers consists solely of information and advice through publications and 118 others also issue publications in one form or another. The following tabulation with respect to the general character of the services provided has been abstracted from applications for registrations:

Tabulation showing general character of services rendered by investment advisers registered as of June 30, 1944

Number of registrants who are engaged in giving continuous advice on the basis of the individual needs of clients:	
Exclusively or primarily.....	276
Exclusively and also issue uniform publications.....	13
Primarily and also issue uniform publications.....	39
Substantially.....	105
Substantially and also issue uniform publications.....	32
Incidentally.....	86
Incidentally and also issue uniform publications.....	34
Number of registrants who issue publications but do not give continuous advice on the basis of the individual needs of clients.....	85
Number of registrants who are not engaged in giving continuous advice on the basis of the individual needs of clients and who do not issue publications.....	49
Total.....	719

The Commission's duties with respect to registration of investment advisers are substantially similar to its duties relating to registration of over-the-counter brokers and dealers under the Securities Exchange Act. The disclosures required for registration of investment advisers, however, are somewhat broader than those required in the application for broker-dealer registration. Although the Commission has no authority under the Act to pass upon the qualifications of an investment adviser, the Act requires an applicant for registration to disclose information concerning the education of the principals in the firm and information concerning all of their business affiliations for the preceding ten years, including, of course, present business affiliations. Comparable information is not required in the application for broker-dealer registration, except to the extent that brokers and dealers must disclose a ten-year history or previous connections in the securities business. The added requirement recognizes that professional qualifications, although not a prerequisite to registration, may be material to investors who seek the services of investment advisers. The requirement that such information should be available in a public record follows the general disclosure philosophy underlying other Acts administered by the Commission.

Compensation for services rendered by investment advisers varies. "Investment counselors," that is those registered advisers engaged primarily in giving continuous advice as to the investment of funds on the basis of the individual needs of each client and who so state in their applications, generally charge either a fixed fee or a fee computed at a certain percentage of the aggregate value of the assets

managed. A number scale their rates according to the size of the fund supervised. Investment advisers whose services consist only of uniform publications charge fixed subscription prices for such publications. The Act does not prescribe any method for computing fees but it prohibits fees computed on a profit-sharing basis.

ENFORCEMENT

The Commission is granted authority to make investigations when it appears that the provisions of the Act have been or are about to be violated, and by the use of its subpoena power may obtain information concerning such violations. If an investigation establishes violations of law, the Commission may set punitive machinery in motion. It may also seek to enjoin violations and under specific circumstances it may revoke or deny registration. The exercise of this power of investigation has resulted in actions against four investment advisers. Registration of George C. Crowder, doing business as the Investors Information Co., was denied on March 27, 1941,¹ based on an injunction entered by the Supreme Court, New York State, under the Martin Act enjoining Crowder from certain fraudulent practices. F. W. Dyer, doing business as Empire Service Co., was enjoined from engaging in and continuing fraudulent practices by decree of United States District Court for the District of Colorado, entered on January 3, 1942, on a bill in equity filed by the Commission. His registration as investment adviser was revoked on February 27, 1942.² On complaint of the Commission, Frances J. Lubbe was similarly enjoined in March 1943, by decree of United States District Court for the Southern District of Illinois, and a receiver was appointed; the investment adviser registration and the broker-dealer registration of Lubbe were revoked on July 8, 1943.³ The registration of Petroleum Information Service, Inc., was revoked on January 4, 1943;⁴ the fact that its president, who also controlled the firm, had been enjoined under the Martin Act in the State of New York from certain fraudulent practices established a basis under the Act for proceedings on the question of revocation of its registration.

The protections afforded under the Investment Advisers Act, however, are not so extensive as those afforded with respect to the activities of brokers and dealers under the Securities Exchange Act, chiefly because the Advisers Act does not grant power to the Commission to inspect books and records such as is granted under Section 17 (a) of the Exchange Act. The absence of such power limits the effectiveness of the Act with respect to protection of investors. The Commission cannot, for instance, make periodic inspections to determine whether advisers who claim in their applications that they do not accept clients' funds for investment or securities for safekeeping have truthfully reported the nature of their activities. Neither can the Commission make periodic examinations to determine whether those advisers who admit that they do accept custody of clients' funds or securities keep such property intact. This omission leaves unsupervised and unprotected a broad field in the handling of investment funds of the general public. The seriousness of the situation is

¹ Investment Advisers Act Release No. 16.

² Investment Advisers Act Release No. 28.

³ Investment Advisers Act Release No. 37, Securities Exchange Act Release No. 3456.

⁴ Investment Advisers Act Release No. 35.

illustrated by the following summaries of two of the Commission's investigations.⁵

(1) *Albert E. Atkinson*.—In September 1941, a member of the Commission's staff attempted several times to make a routine inspection of the books of Atkinson, who was registered with the Commission both as an investment adviser under the Investment Advisers Act of 1940 and as a broker-dealer under the Securities Exchange Act of 1934. Each time he was unsuccessful because of Atkinson's absence. When finally interviewed, Atkinson stated that he conducted only an investment advisory business; that he had but five or six clients, each of whom paid him an annual fee of \$5,000; that he did not have custody of customers' securities or funds; that he did not buy from or sell to the public as a dealer; and that he maintained his broker-dealer registration only so that it would be available to him when and if he should desire to engage in the securities business. Furthermore, he stated that, since his sole function was that of selling investment advice, he kept no books or records except a check book. Since the Commission possessed no evidence to the contrary, and since under the Investment Advisers Act it has no powers of inspection, the matter was closed.

Subsequently, information was obtained which indicated that Atkinson's statements were false. A formal investigation was instituted by the Commission. Before its completion Atkinson committed suicide.

The investigation revealed that he had had about 150 clients who had placed \$1,700,000 in cash and securities in his hands, of which they received back approximately \$1,100,000 for an indicated loss of \$600,000.

From statements made by his clients it appeared that Atkinson constantly gave the appearance of financial responsibility and affluence; his office created the same illusion. His clients trusted him implicitly. Many of them believed him to be a market wizard. Most of them entered into no formal agreement with him regarding his services, but simply turned over their securities and funds to him upon the oral understanding that he would have full discretionary authority to buy and sell securities for them and invest and reinvest their funds, merely sending them statements from time to time.

It was learned further that his compensation was invariably based upon a share of the clients' capital gains, which is directly contrary to his representation that he charged an annual fee of \$5,000 to each customer.

Shortly before his death, Atkinson had sent to his clients statements reflecting their "equities" amounting to about \$1,500,000, which later proved to be wholly fictitious. His assets amounted to a very small fraction of the amount claimed by his clients.

(2) *Robert J. Boltz*.—The Boltz case broke a few days before the Investment Advisers Act became effective. He had operated an investment advisory business in Philadelphia for more than 13 years, but had not been registered as a broker-dealer with either the Pennsylvania Securities Commission or this Commission. About the

⁵ The case histories of Albert E. Atkinson and Robert J. Boltz are recited in greater detail in the Commission's Report to Congress on January 31, 1945, recommending certain amendments to the Investment Advisers Act.

middle of October 1940 representatives of the Pennsylvania Securities Commission requested permission to examine his books and records. He refused, asking for a day to consider it, and promptly disappeared. The Pennsylvania Securities Commission informed this Commission's New York office of the fact and both agencies collaborated in the ensuing investigation, which ultimately resulted in Boltz' pleading guilty to Federal and State charges. In February 1941 he was sentenced to 20 to 40 years' imprisonment.

The investigation revealed that, as in the case of Atkinson, Boltz gave every appearance of success and financial responsibility. His clients had the utmost trust and confidence in him. By 1940, he had built up his business to some 180 accounts and held funds and securities valued at approximately \$1,500,000.

His method of operation was swift and sure. A client would turn over to him securities, cash, or possibly both with which to open an account. The securities were almost immediately converted into cash. Through fictitious entries of purchases and sales, the client's account was built up to show holdings of various issues and a substantial profit over the amount originally entrusted to him. Actual transactions in securities were, for the most part, for his own account, the only real dealings for clients being the sale of stocks or bonds turned over to him for investment.

On August 25, 1942, the receiver announced that the 180 creditors who had established claims would shortly receive a 2 percent initial payment and that not more than 3½ percent would be returned on the \$1,500,000 in cash and securities entrusted to Boltz.

Since, with its limited powers under the Act, the Commission can only set the machinery of the law in operation after violations have been established, the Act should not be relied on as a measure to prevent such fraudulent practices, except, of course, to the extent that any law which provides criminal penalties may act in and of itself as a deterrent to crime.

Part VIII

THE COMMISSION'S FIRST DECADE IN THE COURTS

INTRODUCTION

This review of the Commission's first 10 years in the courts summarizes the Commission's efforts to effectuate the policies of the Securities Act of 1933, the Securities Exchange Act of 1934, the Public Utility Holding Company Act of 1935, and the Investment Company Act of 1940.¹ Enforcement of the provisions of the Trust Indenture Act of 1939 and the Investment Advisers Act of 1940 has been well-nigh entirely a matter of administrative procedure, with an almost complete absence of court review or court enforcement.

The greater portion of the Commission's work in administering these statutes never reaches the courts. Thus, in the administration of the 1933 and 1934 Acts, general rules, opinions and orders, interpretative opinions, and full and free communication with the Commission and its staff, enable all those concerned with the issuance and marketing of securities to avoid violations; while investigations, and even knowledge of the prospect of investigation, deter as well as disclose offenses. In the administration of the Holding Company Act the day-to-day regulation of the activities of holding companies is mainly a matter of licensing transactions which meet the standards of the Act. Indeed, most of the Commission's formal orders have not been challenged in the courts, either because the orders granted the relief sought by the persons who might have been aggrieved by an adverse order, or because what would otherwise have been disputed issues were satisfactorily adjusted at the administrative level, before the orders were issued. Thus, although the Commission has issued more than 2,000 formal orders under the Acts, only about 100 petitions for review have been filed, and approximately half of those were dismissed on motion or stipulation of the parties before decision on the merits.

Through the cases in which it has participated, the Commission has obtained a basic set of precedents interpreting its statutory powers and duties. Many of these cases have not only affected the Commission's own work but have also played a significant part in the development of general administrative and corporate law.

GENERAL RESULTS

By June 30, 1944, the Commission had instituted 508 civil actions under the Securities Act of 1933, the Securities Exchange Act of 1934, the Public Utility Holding Company Act of 1935, the Investment Company Act of 1940, and the Investment Advisers Act of 1940. These were for the most part actions in the Federal district courts to

¹ A detailed review of the significant decisions has been given in the chapters relating to each of the statutes administered by the Commission. A tabulation of the cases indicating the sections of the statutes involved is given in appendix table 32.

enjoin apparent or threatened violations of the Securities Act and Securities Exchange Act; the balance included district court proceedings to enforce subpoenas issued in the course of investigations under the Securities Act and the Securities Exchange Act, applications to carry out voluntary plans of compliance with the corporate integration and simplification provisions of the Holding Company Act, and a small number of miscellaneous legal proceedings. Of these cases, 479 were closed and 30 were still pending at July 1, 1944.

During the same period, 188 legal proceedings were instituted against the Commission. The actions against the Commission were principally petitions for review in the circuit courts of appeals and the Court of Appeals for the District of Columbia of Commission orders under the Securities Act, the Securities Exchange Act, the Public Utility Holding Company Act, and the Investment Company Act, and Federal district court proceedings to enjoin enforcement of these acts and subpoenas issued by the Commission in investigations thereunder; the remainder comprised a small number of miscellaneous actions in State and Federal courts against the Commission or its officers. Of the foregoing actions against the Commission, 169 were closed and 19 were still pending at July 1, 1944.

In the private suits in which the Commission was permitted to appear as intervener, and in various cases wherein the Commission participated as *amicus curiae*, the Commission undertook to defend the constitutionality of the Acts, to express its views as to the respective fields of jurisdiction of the Commission and the courts, and to obtain judicial interpretation of the Acts, rules and orders involved in such suits; consonant with the public interest.

The record of civil actions in Federal district courts instituted by and against the Commission (including the intervener and *amicus curiae* cases) comprises more than 500 cases, of which only 10, or less than 2 percent, resulted in adverse decisions.

In addition to these cases, approximately 100 proceedings for judicial review of Commission orders have been instituted in the circuit courts of appeals and the Court of Appeals for the District of Columbia. Of these proceedings, which are actually original suits filed in those normally appellate courts, 84 cases resulted in either denial of the objections raised on the merits or dismissal of the petition on motion or stipulation of the parties,² 13 cases are still pending,³ and only 3

² The dismissal of review proceedings by stipulation or on motion of the petitioners (about 50 cases) is considered as a tacit upholding of the Commission's order, since in such cases the effect is to leave the Commission's order unreversed and required to be carried out.

Court orders affirming Commission orders on the merits and, as well, those dismissing petitions for review on motion of the Commission on legal grounds not going to the merits, are considered alike as upholding the Commission's position, since in both situations the result is that the Commission's order finally stands unreversed. Motions to dismiss, not granted by the courts, are not reversals, however, since in all such cases the court proceeds to consider the case on the merits, and it is that final decision which affirms or sets aside the Commission's order.

³ One of the 13 cases still pending is *Engineers Public Service Company v. S. E. C.*, 138 F. (2d) 936 (App. D. C., 1943), wherein although the major portions of the Commission's divestment order were upheld by the court of appeals, the order was actually set aside on one point relating to the Commission's interpretation of the "other business" clauses of the Holding Company Act. This case is treated as pending since the Supreme Court has granted certiorari on the petitions of both the Commission and the company. No action has been taken by the Court, however, to set the case for hearing.

concluded cases have resulted in decisions setting aside the Commission's orders in whole or in part.⁴

Appellate litigation under the statutes administered by the Commission involved appeals to the circuit courts of appeals from judgments of the Federal district courts in civil cases brought by and against the Commission and in criminal cases prosecuted by the Department of Justice. Of 50 appeals in civil cases instituted by or against the Commission, the records disclose the successful outcome of 43 appeals. Only three appellate decisions resulted in reversal of lower court judgments favorable to the Commission, and four appeals are still pending.⁵

BASIC QUESTIONS SETTLED

Fundamental, of course, to any consideration of the Commission's record in the courts is the question of how the courts have dealt with issues of constitutionality. Only the Securities Act of 1933, the Securities Exchange Act of 1934, and the Public Utility Holding Company Act of 1935 have been challenged on constitutional grounds, and, with the exception of one case involving the constitutionality of the Holding Company Act, to which the Commission was not a party, the courts have uniformly sustained the constitutionality of the provisions of these Acts in all cases in which the question has arisen.

The registration, fraud, and investigatory provisions of the Securities Act have been sustained in civil and criminal cases by the Second, Fifth, Sixth, Seventh, Ninth and Tenth Circuit Courts of Appeals and numerous Federal district courts. The Second and Seventh Circuits and the Court of Appeals for the District of Columbia and several district courts have upheld the constitutionality of various provisions of the Securities Exchange Act. While the Supreme Court has not undertaken to pass upon the constitutionality of any of the provisions of the Securities Act or the Securities Exchange Act, it has denied certiorari to review a number of the decisions of circuit courts of appeals upholding those acts in civil and criminal cases.

⁴ In *Lawless v. S. E. C.*, 105 F. (2d) 574 (C. C. A. 1, 1939), the court set aside a Commission order which sought to grant relief requested by International Paper & Power Company, although the company was not then registered under the Holding Company Act.

In *Charles C. Wright v. S. E. C.*, 112 F. (2d) 89 (C. C. A. 2, 1940), the court set aside a Commission order expelling Wright from various securities exchanges for violation of the anti-manipulation provisions of the Securities Exchange Act. In a subsequent case, *Wright v. S. E. C.*, 134 F. (2d) 733 (C. C. A. 2, 1943), which is included among the 84 review proceedings wherein the Commission's orders were upheld, the circuit court of appeals sustained the Commission's order of expulsion which was issued upon a rehearing of the same charges against Wright.

In *S. E. C. v. Chenery Corporation, et al.*, 318 U. S. 80 (1943), the Supreme Court held that the Commission had erred in relying on equity precedents for its decision that managers of a registered holding company could not profit through a reorganization under the Holding Company Act with respect to stock purchased by them during the course of the reorganization. The Commission's order was set aside and in February 1945, the Commission issued its findings, opinion, and order reaffirming its prior decision. At this writing, the time for review has not yet expired. This proceeding is not treated as a pending case, since it is not pending before a court.

⁵ In civil appeals from injunctions obtained by the Commission, the occasional instance of an affirmance as to only some of the defendants does not reflect failure of the Commission's efforts to prevent violations of the statutes administered by it but is, rather, a decision that fewer persons than originally considered had actually been proved to have participated in the wrongful acts.

With respect to the Public Utility Holding Company Act, the Supreme Court has sustained the constitutionality of the registration requirements; the First, Second and Third Circuit Courts of Appeals, the Court of Appeals for the District of Columbia, and at least one Federal district court has upheld the constitutionality of the corporate simplification and integration provisions; and the Eighth Circuit has affirmed on constitutional grounds a criminal conviction for violation of the anti-political-contributions provision of the Act. In three cases the Supreme Court has granted certiorari to settle constitutional questions arising under the corporate simplification and integration provisions of the Holding Company Act and two other cases are now pending on petitions for certiorari. None of these cases, however, has yet been argued before the Supreme Court.

Part IX

CRIMINAL PROCEEDINGS

GENERAL

The statutes administered by the Commission provide for the transmission of evidence of statutory violations to the Attorney General, who may, in his discretion, institute appropriate criminal proceedings. As a matter of practice, the Commission, largely through its 10 regional offices, thoroughly investigates all suspected violations and prepares detailed investigation reports which go to the Attorney General whenever the investigations disclose a basis for criminal proceedings. When it is decided to institute criminal proceedings the Commission assigns such of its employees as have participated in the investigation to assist in the preparation of the case for presentation to the grand jury, in the conduct of the trial, and in the preparation of briefs on appeal. Where the investigation discloses violations of statutes other than those administered by the Commission, reference is made to an appropriate Federal or State agency.

Up to June 30, 1944, 342 criminal cases were developed by the Commission and prosecuted by the Department of Justice, and a total of 2,316 defendants were indicted in these cases.¹ Of the criminal cases which have been concluded, 95 percent were successfully prosecuted as to one or more of the defendants named in the indictments. In two-thirds of these cases no trial was necessary because of the entry of a plea of guilty or *nolo contendere*. Sixteen cases resulted in either dismissal of the indictments or in verdicts of not guilty as to all of the defendants.

In cases of appeals verdicts of guilty were reversed as to all defendants in only six cases. With respect to those six cases, however, the Government was successful in five cases in obtaining new convictions on retrial; and while several new appeals were taken they all resulted in affirmance of the convictions. In 59 appeals verdicts of guilty were affirmed, at least as to major defendants. Seven criminal cases are still pending in the appellate courts.

The Commission's investigations have not been limited to activities in and about the great financial centers, but have extended throughout the Nation. Recently, during the course of a single fiscal year, cases were instituted or tried in approximately 40 of the Federal district courts. In any given year the cases under investigation or being prosecuted included matters affecting investors residing in each of the 48 States.

Most of the cases developed by the Commission involve fraud in the sale of securities. These are prosecuted for the most part under Section 17 (a) of the Securities Act of 1933, and the reach of this

¹ See appendix table 32 for a tabulation of civil and criminal cases involving statutes administered by the Commission.

statute is indeed considerable, as has been shown, in view of the broad definition given to the term "security." In the last few years there has been a distinct increase in prosecutions under the Securities Exchange Act, particularly Sections 10 (b) and 15 (c). Many of the fraudulent sales were made possible, in part, by the deliberate failure of the promoters to file registration statements and prospectus material with the Commission, as required by the Securities Act. Hence a large number of the criminal cases also charge violation of the registration provisions of that act which appear in Section 5.

TYPES OF CASES

The frauds and other statutory violations encountered by the Commission in its investigations under the various acts are as varied as human imagination and ingenuity can contrive. Many of the cases have entirely novel features or present a new, "twist" of one kind or another. As a rule, however, the cases fall into certain broad patterns, set out below:

(1) *Express misrepresentations.*—The most common type of fraud is the simple promotion based upon express misrepresentations, which does not involve any of the complex and refined devices not infrequently employed in securities schemes. The promotion of mining ventures, usually gold mines, and the sale of oil and gas interests frequently present opportunities for perpetration of this type of fraud. Thus, in the case of *United States v. Samuel J. Mustain, et al.* (S. D. N. Y.), three individual defendants and four corporate defendants, among the latter a company known as Continental Securities Corp., were convicted in connection with fraudulent sales of oil royalty securities. In the course of such sales it had been falsely represented to investors that they were certain of a definite income for life if they purchased the oil interests; that they could have their money back at any time if not satisfied; that their principal would be fully returned within 2½ years; and that the securities were being purchased by banks.

The alleged fraudulent promotion is also encountered in the exploitation of so-called inventions. Thus, convictions have been obtained in promotions of a new type of revolving top for commercial buildings, *United States v. Charles Thelman Rice, et al.* (D. N. M.), and of a vessel said to be capable of attaining speeds of 80 to 100 miles per hour, *United States v. Mark L. Gilbert, et al.* (S. D. Ohio). An indictment is currently pending with respect to a pinless diaper promotion, *United States v. Philip A. Frear, et al.* (D. C.).

In a number of the mining company cases, securities have been sold by persons resident in Canada and operating from across the border without compliance with the statutes of this country. The Commission has been cooperating with the State Department and the Department of Justice in efforts to secure a treaty with Canada which would permit extradition from Canada of persons violating the Federal securities laws and cognate statutes. The treaty was ratified in the United States Senate in 1942, but to date it has not been ratified by the Canadian Parliament.

(2) "*Ponzi*" schemes.—This type of case, a perennial favorite of the securities swindler, involves the payment of "profits" or "dividends" out of capital. The apparent success of the venture makes the in-

vestor susceptible to further investment, a process sometimes colloquially described as "reloading." The "Ponzi" system is a recurrent motif in fraudulent small loan company ventures. Illustrative of these cases is *United States v. Devitt T. Simpson, et al.* (S. D. Ga.), involving Standard System Investment Corp., a holding company which had obtained control of a number of industrial loan companies operating in various cities in Georgia. Prominent business and professional men who were not aware of the scheme were persuaded to act on the board of directors. Actual control, however, was exercised by Simpson and two associates, who made fictitious book entries and paid dividends out of capital, despite lack of real earnings. All three were convicted in 1943, in Savannah, Ga., for violations of the fraud provisions of the Securities Act of 1933, and for other statutory offenses.

The "Ponzi" method is sometimes employed in vending machine promotions. Thus, in *United States v. Maurice A. Levine, et al.* (D. Mass.), cigarette and peanut vending machines were sold to investors under a lease-back arrangement whereby the promoters were to operate the machines for the investors on a profit-sharing basis. "Profits" were paid periodically out of capital until the entire structure collapsed, leaving the victims with machines worth far less than they had paid for them. Six defendants pleaded guilty in this case.

(3) "Switch" schemes.—Some individuals sell their victims bona fide securities, thereby cultivating their trust and confidence, and then persuade them to dispose of their holdings and to substitute securities which are frequently worthless. In other cases the scheme is to obtain lists of persons previously sold a security and then induce them to accept a new security in exchange. This "switch" device was one aspect of the fraudulent scheme involved in *United States v. John Factor, et al.* (N. D. Iowa), a bottling contract case, in which John (Jake the barber) Factor and a group of confederates, operating through United Bottling & Distributing Co., a Delaware corporation, defrauded some 250 investors to the extent of an estimated \$1,000,000. The owners of whisky warehouse receipts were induced to exchange them for bottling contracts, by the terms of which United Bottling was to hold the whisky until it matured, see to its bottling and distribution, and transmit the profits, less a stated service fee, to the investor. In a number of instances, persons who did not own whisky warehouse receipts were sold such receipts and then "switched" into bottling contracts. United Bottling was a mere paper organization, and the whisky warehouse receipts were sold or hypothecated as soon as possession was obtained. Eleven defendants pleaded guilty and received substantial prison sentences, Factor himself being sent to the Federal penitentiary at Leavenworth for a term of 10 years.

(4) *Front money schemes.*—This device involves the exploitation of small business enterprises upon a promise to procure for them needed financing. Perhaps the most important of the "front money" cases developed by the Commission was that of *United States v. E. J. Hill, et al.* (N. D. Ohio), stemming from an intensive investigation conducted in cooperation with the Post Office Department and the Department of Justice. It was disclosed that, for approximately 6 years, hundreds of enterprises or prospective entrepreneurs had been victimized by the operations of this racket. The victims had been induced to pay advance fees estimated to total some \$1,000,000

for various services in connection with incorporation, registration, and the preparation of sales literature. This was accomplished by false and misleading representations as to the ability of the respondents to secure financing and capital upon the payment of an advance fee; actually, the investigation failed to disclose a single instance in which a share of stock had been sold or a dollar of capital secured for the victims. Ten persons were convicted in this case.

(5) *'Bucket shops.*—This type of fraudulent activity was the subject of intensive enforcement work in the early days of the Commission, and the "bucket shop" as such has become a comparative rarity. The scheme consists of pretending to purchase securities for a customer on a full payment or margin payment basis, with the broker deliberately failing to acquire the securities; in short, "bucketing" the transaction. In the case of a margin purchase, if the price drops, the customer is "sold out" and the customer's payment is pocketed. If the customer pays in full, and the price drops, the security is purchased and delivered to the customer. On the other hand, if the price rises the customer is persuaded to sell out and invest in another security. The process is continued until the customer's funds are depleted. A considerable number of convictions for "bucket shop" activity have been obtained. Examples are *United States v. Turivas & Co., et al.* (E. D. La.), and *United States v. Harold J. Kattelmann, et al.* (E. D. Mo.).

(6) *Investment advice.*—Dishonest investment advisers range from tipsters with "inside" information to spurious purveyors of purportedly impartial investment services. In the recent case of *United States v. John W. Hession* (S. D. N. Y.), a railroad bond trader who wrote a column which appeared as a regular feature in a financial newspaper, was convicted for violations of the fraud provisions of the Securities Act of 1933. The indictment charged that he had pretended to have "inside" information derived from a Government source concerning action to be taken by the Interstate Commerce Commission in connection with the reorganization of a certain railroad, and that by the dissemination of this and other false information, he had induced widespread purchases and caused a rise in the market price of the bonds. Hession's appeal was dismissed.

Another type is epitomized by the case of *United States v. Robert J. Boltz* (E. D. Pa.). Boltz, an investment counselor, was a member of the Philadelphia bar and of that city's most exclusive clubs and institutions. He used his name and position to induce some 200 persons to entrust to him more than \$2,500,000 in funds and securities. Contrary to agreements with his customers, he ran a margin trading account, executed short sales, and used customers' funds to speculate in securities and commodities for his own account, with very large losses to the customers. Such was the confidence engendered by Boltz in his clients that when, in response to inquiry from customers, Boltz said their funds were being used for his own purposes, the customers assumed he was merely jesting. Boltz pleaded guilty to all counts of an indictment alleging violations of Section 17 (a) of the Securities Act of 1933, Section 15 (a) of the Securities Exchange Act of 1934, and Section 215 of the Criminal Code (mail fraud). He was sentenced to 20 years' imprisonment, the longest sentence ever imposed under any of the Acts administered by the Commission.

(7) *Investment trusts.*—Abuses in the investment company industry led to the adoption of the Investment Company Act of 1940, as de-

scribed elsewhere in this report. Prior to that legislation, however, the Commission had initiated successful prosecutions in a number of cases involving investment trusts and their managers. Among these were *United States v. Foundation Plan, Inc.; et al.* (S. D. N. Y.); *United States v. Sidney J. Dillon, et al.* (S. D. Iowa); *United States v. S. W. Gongoll, et al.* (D. Minn.). In the last-named case, seven defendants were convicted of fraud in connection with the sale of several million dollars face amount of investment contracts and other securities issued by a large number of investment companies, many of them controlled by the defendants. These sales were made on a coast-to-coast basis by S. W. Gongoll & Co. of Minneapolis, and numerous misrepresentations were charged in connection with such sales. When it was forced into bankruptcy, S. W. Gongoll & Co. owed \$2,800,000 to its clients and had cash assets of but \$4,600.

(8) *Fraternal organizations.*—The religious beliefs and social proclivities of prospective investors have been utilized as a basis for promotional ventures which were made the subject of prosecution in such cases as *United States v. C. F. Davis, et al.* (N. D. Ill.) (Universal Order of Plenocrats), and *United States v. H. B. Monjar, et al.* (D. Del.). The latter case involved the Mantle Club, a nation-wide fraternal organization with 30,000 members, devoted to moral betterment and other ethical ideals. A deep sense of personal loyalty to Monjar, the founder, was fostered among the membership. Monjar was represented as a financially astute individual who would extend pecuniary benefits to persons proving themselves worthy. Many of the club's members were induced to make personal loans to Monjar, aggregating some \$1,340,000, on the representation that their financial independence in future years would thereby be assured. After trial on charges of violating the fraud provisions of the Securities Act and cognate statutes, Monjar and 10 other defendants were convicted and given jail sentences and fines. Subsequent to the close of the tenth fiscal year, the United States Circuit Court of Appeals for the Third Circuit upheld the convictions.

(9) *Manipulations.*—The manipulation of securities prices is, generally speaking, another class of fraudulent practice. Any successful manipulation results in a false representation to the investor concerning the value and marketability of a particular security. Manipulation on securities exchanges is specifically outlawed by Section 9 (a) (1) and (2) of the Securities Exchange Act of 1934, and examples of successful prosecution under these sections are *United States v. George J. Morrison, et al.* (S. D. N. Y.), which involved "rigging" of the market for the common stock of B/G Sandwich Shops, Inc., on the New York Produce Exchange; *United States v. Norman W. Minuse, et al.* (S. D. N. Y.), involving a stock "jiggle" in the class A capital stock of Tastyeast, Inc., a security listed on the New York Curb Exchange; and *United States v. David A. Smart, et al.* (N. D. Ill.), involving manipulation in the common stock of Esquire-Coronet, Inc., on the New York Curb Exchange.

Manipulation in the over-the-counter markets have been successfully prosecuted, under the antifraud provisions of the Securities Act of 1933, in such cases as *United States v. M. D. Haynes, et al.* (E. D. Mich.), involving a secondary distribution of a refining company stock to the public through a firm of over-the-counter dealers

in Detroit, Mich.; and *United States v. James H. Collins, et al.* (S. D. Cal.), involving the sale of stock of Union Associated Mines of Salt Lake City, Utah. Appeals are pending in the latter case.

Over-the-counter manipulation was also involved in *United States v. Edmond B. Bronson, et al.* (S. D. N. Y.), in which convictions were obtained in connection with the sale of a mining company's treasury stock at artificial prices greatly in excess of the amount the company received from those distributing the stock. The Circuit Court of Appeals for the Second Circuit sustained the convictions on December 14, 1944, holding that the sale of treasury stock was, for practical purposes, like the sale of a new issue, and that the practice of charging prices far in excess of what the company was to receive was *per se* a fraud on those to whom the stock was sold.

(10) *Broker-dealer cases.*—While manipulation cases can and sometimes do involve brokers or dealers, they are not limited to such persons, and others have been successfully prosecuted for manipulation. On the other hand, there are a number of statutory offenses peculiar to brokers and dealers. Thus, the hypothecation of customers' securities in contravention of Section 8 (c) of the Securities Exchange Act of 1934 was the basis for two convictions in *United States v. E. E. Morrison, et al.* (N. D. Cal.), while violation of the margin provisions of that Act and excessive trading in a discretionary customers' account resulted in a conviction in *United States v. Russell W. McDermott* (S. D. Ind.). The Circuit Court of Appeals for the Seventh Circuit affirmed the latter conviction in an opinion reported in 131 F. (2d) 313, upholding the constitutionality of the margin provisions. Certiorari was denied by the United States Supreme Court in 318 U. S. 765.

During the last fiscal year, convictions were obtained in *United States v. Otto B. Dagg, et al.* (W. D. Wash.), the first *criminal* case in which fraud in the sale of securities was predicated upon sales by securities dealers to their customers at prices not reasonably related to the prevailing market prices, without appropriate disclosure. Indictments based on the same theory of fraud were returned during the fiscal year in *United States v. Guaranty Underwriters, Inc., et al.* (S. D. Fla.), and *United States v. Florida Bond and Share, Inc., et al.* (S. D. Fla.). Another case during the fiscal year marked the first instance of a successful criminal prosecution for the failure of a broker-dealer to keep books and records in the manner prescribed by the Commission pursuant to Section 17 (a) of the Securities Exchange Act of 1934, *United States v. Samuel S. Alexander* (S. D. N. Y.).

OTHER IMPORTANT CASES

One of the outstanding cases of the past 10 years, and probably the most spectacular, was the McKesson & Robbins case (*United States v. F. Donald Coster, et al.* (S. D. N. Y.)). The enormous fraud perpetrated by Philip M. Musica, alias F. Donald Coster, president of McKesson & Robbins, together with certain co-conspirators, attracted widespread attention. The effect of the case upon auditing practices is discussed in the accounting section of this report. Some \$21,000,000 of the listed assets of the company, representing close to one-fourth of its total book assets, were discovered to represent a wholly fictitious foreign crude drug business. Through the medium

of this fictitious enterprise large sums were allegedly siphoned from the corporation. Philip M. Musica committed suicide. Seven persons were convicted, including Musica's three brothers, George, Arthur, and Robert. Among the statutory violations upon which the case was based were the filing with the Commission and the New York Stock Exchange of false reports and statements in violation of Sections 13 and 32 of the Securities Exchange Act of 1934. The comptroller of the company, who was also convicted, appealed, contending, among other things, that the reporting provisions of the Act and the Commission's regulations and rules thereunder were unconstitutional. The Circuit Court of Appeals for the Second Circuit affirmed the conviction, without opinion. *United States v. McGloon*, 116 F. (2d) 285, cert. denied, 312 U. S. 702.

Section 12 (h) of the Public Utility Holding Company Act of 1935, which forbids political contributions by utility holding companies and their subsidiaries, was involved in *United States v. Union Electric Company of Missouri and Louis H. Egan* (E. D. Mo.). An intensive investigation by the Commission resulted in the conviction of Union Electric Co. of Missouri for violation of that Section and for conspiracy to do so, while Louis H. Egan, its president during the period involved, was convicted on the conspiracy count alone. The convictions were sustained in *Egan v. United States*, 137 F. (2d) 369 (C. C. A. 8, 1943), certiorari denied, 320 U. S. 788. The Commission's investigation had disclosed the long existence of a "slush fund" which was accumulated through various artifices, such as the padding of expense accounts, kickbacks on legal fees, and payments to contractors and insurance agents. Three officials of the company were convicted for perjury in connection with their testimony before the Commission investigators.

Fraudulent practices in the development of a large public utility holding company system were involved in *United States v. Howard C. Hopson, et al.* (S. D. N. Y.). Hopson was the leading figure in the Associated Gas & Electric system, which mushroomed in the 1920's until it comprised companies rendering services to a population of over 7,000,000 persons in more than 6,200 communities in some 20 States and the Philippine Islands. The acquisition of these holdings was largely financed by the sale to the public of securities of Associated Gas & Electric Co. and subsidiary companies to the extent of \$1,000,000,000. The outcome of this venture is discussed more fully in the section of this report dealing with the administration of the Holding Company Act. Hopson was indicted and convicted for violation of the mail fraud statute and sentenced to 5 years' imprisonment.

Dishonest promoters have sometimes sought to organize chains of "investment" offices, as in the case of *United States v. John J. Burke, et al.* (N. D. Ga.), affirmed in part and reversed in part, *sub nom. Kopald-Quinn & Co. v. United States*, 101 F. (2d) 628 (C. C. A. 5, 1939), certiorari denied, 307 U. S. 628. The scheme in this case involved the organization or acquisition of investment firms and corporations, among them Kopald-Quinn & Co., which would maintain offices in various cities and places for the sale, at retail, and on the partial payment plan, of stocks which were more or less worthless.

The case of *United States v. B. E. Buckman, et al.* (W. D. Wis.) involved fraudulent practices in connection with the operation of B. E. Buckman & Co., one of the largest security firms in the

Middle West. Buckman and Louis C. George, officers of the firm, had organized and dominated the affairs of a number of corporations and sold the stock of certain of these corporations to their customers at a time when the issuing companies were insolvent. Both Buckman and George were convicted and sentenced to terms of imprisonment.

United States v. Central Securities Corporation, et al. (N. D. Ind.) was a successful prosecution in connection with a fraudulent scheme for the redemption of municipal bonds issued by the cities of Gary, Hammond, and East Chicago, Ind. A registered broker-dealer known as Central Securities Corporation induced its customers to surrender their bonds at from 25 to 70 percent of their values, on the representation that purchasers had been found who were willing to pay such amounts, which were the best prices that could be obtained. These bonds were thereafter redeemed in full through the intercession of the then treasurer of Lake County, Ind., in return for the payment to him of bribes totalling 20 percent of the aggregate amount of principal and interest received by the corporation in the redemption of the bonds. All the defendants in this case, including the county official, were convicted upon pleas of *nolo contendere*.

Part X

ACTIVITIES OF THE COMMISSION IN THE FIELD OF ACCOUNTING AND AUDITING

GENERAL

The several Acts administered by the Commission empower it to prescribe rules and regulations with respect to the form and content of financial statements to be filed and the accounting principles and auditing practices to be observed in their preparation. During the past decade the Commission has had to examine critically more than 80,000 sets of financial statements. These statements reflect the financial affairs of all kinds and sizes of companies, including commercial, industrial, financial and utility companies, as well as security brokers and dealers. Under the 1933 Act, and 1934 Act financial statements are filed primarily for the benefit of the investing public. In other cases, notably under the 1935 Act, financial statements constitute, in addition, an important segment of the information on which the Commission bases its regulatory actions.

The past 10 years witnessed a major acceleration in the rate of development of accounting. Under the impact of forces generated by the preceding financial debacle and evidenced by the Securities Acts, fundamental changes have been made in the approach of companies and their accountants toward their accounting problems. Accountants' public responsibilities have been recognized more fully and they have assumed new and heavier responsibilities under the Securities Acts. As a result, during this period, public accountants have sought to free themselves from any stigma of managerial influence in their selection or approval of accounting principles and in the determination of the proper scope of their examination. Furthermore, the profession has had to seek a "philosophy of accounting" for the purpose of establishing the rationale of its principles and eliminating to the fullest extent possible, the conflicting and irreconcilable treatment of identical transactions. Finally, this period was characterized by acceptance of the need for full disclosure in financial statements. Brief and uninformative balance sheets, income statements that revealed little more than the net profit for the period, and the failure to supply adequate supplementary data and explanatory footnotes became accepted ground for a refusal to certify. Concomitantly with an increase in the public interest in the profession of accounting, there has been a growth in emphasis on standards of professional conduct.

The Commission's efforts to improve financial statements through exercise of its statutory powers have resulted in the adoption of a basic accounting regulation governing the form and content of most of the financial statements currently filed under the Securities Acts, the promulgation of uniform systems of accounts for public utility

holding companies and service companies, the detailed consideration of particular cases culminating in some instances in formal Commission opinions, and the issuance of a number of opinions on accounting matters by the Commission's Chief Accountant.

At all times, the Commission has drawn heavily on the experience and counsel of the accounting staffs of the companies filing with it, as well as professional associations of accountants and individual accountants. Cooperating committees and governmental agencies interested in the problems of accounting, auditing, and standards of professional conduct have been particularly active in this work and have contributed substantially to the progress that has been made.

It is the purpose of this section to review the principal lines of development and to note the various landmarks which reflect progress achieved.

ACCOUNTING PRINCIPLES AND PRACTICES

A notable development of the past decade in the field of accounting has been the growth of a body of authoritative literature with respect to accounting principles. At the time the Commission was established there was no way of determining the propriety of any accounting principle or practice with any degree of finality or authority. In recent years, however, accounting classifications issued by various regulatory agencies, the Commission's accounting rules, decisions and opinions and comprehensive statements on accounting principles issued by professional accounting societies have resulted in the establishment of improved accounting standards and have clarified the application of those standards to numerous questions on which accountants had held divergent opinions for many years.¹ This progress is of the greatest significance to persons who rely on financial statements. The several Acts administered by the Commission have made possible a further contribution—the express sanctions of these acts have provided an effective means of securing general adherence to the standards developed.

The Commission has established requirements as to the form and content of financial statements filed under the Securities Act of 1933, the Securities Exchange Act of 1934, and the Investment Company Act of 1940. While these requirements are comprehensive, they do not seek to prescribe in every situation the accounting practices to be followed or the disclosures to be made of business transactions. Instead the Commission has required that generally accepted accounting principles be followed in recording the many transactions not specifically covered by its rules. For the most part the Commission's accounting requirements under these Acts have been integrated into a single regulation, Regulation S-X. This regulation, promulgated in 1940, superseded the accounting requirements contained in the various individual reporting forms and has proved to be a most helpful simplification in the Commission's reporting requirements.

These accounting rules and regulations of the Commission have evolved under the influence of decisions in particular cases, and discussions and correspondence with registrants and their accountants. Some of these cases have been the subject of formal Commis-

¹ In 1936 the American Accounting Association issued a "Tentative Statement of Accounting Principles Affecting Corporate Reports." This bulletin was revised in 1941. The Committee on Accounting Procedure of the American Institute of Accountants instituted a series of bulletins in 1939 known as Accounting Research Bulletins. This series now comprises more than 20 bulletins.

sion decisions and mark significant progress made in this decade. Inflated asset valuations, improper determinations of income, overstatements of contributed capital or accumulated earned surplus, as well as other accounting improprieties, have been found in various cases formally decided by the Commission. A comprehensive review of these formal decisions would not be feasible, but specific mention should be made of several cases in which the Commission found that the financial statements were in large part misleading and deceptive devices employed for the purpose of benefiting persons in control of the reporting company. In *In the Matter of Resources Corporation International*,² the registrant served as a medium by which the controlling officer was able to unload large amounts of his holdings of the company's stock on the public. The financial statements did not disclose the enormous profits this officer was reaping from these sales nor did they adequately disclose the character of the inflated valuations which had been reflected in the balance sheet and which contributed to the carrying out of his scheme. Another such case was *In the Matter of Associated Gas and Electric Company*.³ This company was the top holding company in a public utility holding company system which ultimately collapsed after financial frauds had been committed which cost investors millions of dollars and sent the principal perpetrator, Howard C. Hopson, to the penitentiary. In its decision the Commission severely criticized the accounting practices that had been employed by the company in its financial statements for the years 1934 through 1937. The Commission felt that the principal purpose of these financial statements was to mystify, baffle, mislead, and conceal, and found that the statements failed to give any indication of the fraudulent transactions that had been effected and the inconsistent and improper accounting practices that had been followed. Another case involving fraudulent financial statements was that of *McKesson-Robbins*,⁴ in which a wholly fictitious crude drug business provided a vehicle by which the perpetrators of the fraud were able to siphon away from the company several million dollars in cash.

These several cases were important because of the size of the companies involved, the large public interest therein, and the scope of the accounting problems involved. There were, however, numerous cases of smaller dimensions that came before the Commission during this ten-year period. The stop orders or delisting orders that have been issued in such cases represent an important service that has been rendered to the investing public.

In addition to its rules, regulations, and decisions on accounting matters, the Commission has authorized the issuance of releases in an Accounting Series to serve certain specialized purposes. They afford a medium for making known to registrants and to the public established Commission policy on particular accounting questions. Such policy determinations should not be the privileged knowledge of a favored few registrants or their advisers, but instead should be made available to the fullest possible extent to all who have dealings with such an agency. Accounting Series releases constitute the Commission's principal instrument, other than its formal decisions and

² 7. S. E. C. 689 (1940).

³ Securities Exchange Act of 1934, Release No. 3285A (1942).

⁴ Report of the Securities and Exchange Commission *In the Matter of McKesson & Robbins, Inc.*

reports, for informing the public as to its basic policy in accounting matters. These releases have also been valuable in dealing with specialized types of cases which are so unusual or complex that establishment of a general and inflexible rule is deemed inadvisable.

The disclosure requirements of the Commission have also influenced the character of the financial statements included in annual reports to stockholders. The financial collapse in 1929 was in no small measure traceable to the fact that investors had been inadequately and, in many instances, incorrectly informed about the affairs of the companies in whose securities they were investing. Annual reports that had been furnished to stockholders were often uninformative; but ordinarily no other source of reliable information was open to those not on the "inside." The Securities Acts were a direct result of this system of inadequate disclosure. Another result was that an increasing number of business men and accountants recognized the need for furnishing stockholders with adequate financial information. The influence of these individuals has been felt but it seems clear that the rapidity and pervasiveness of the improvements in financial reporting that have occurred in the past 10 years have in no small measure arisen because fairly complete financial statements had to be filed publicly with the Commission.

The Public Utility Holding Company Act of 1935 gave the Commission the power to regulate the accounting and record-keeping practices of public utility holding companies and certain subsidiaries and affiliates thereof. Pursuant to this authority the Commission in 1937 promulgated uniform systems of accounts for public utility holding companies and their mutual and subsidiary service companies. Until then, such companies had generally been free from regulation by State or Federal utilities commissions. These systems of accounts represented a first step in attempting to introduce uniformity into the accounting of these companies to the extent that they were subject to the jurisdiction of this Commission.

In administering the Public Utility Holding Company Act of 1935 the Commission has decided many cases involving accounting problems of all degrees of complexity. One of the most significant of these cases, accountingwise, was *In the Matter of Associated Gas and Electric Corporation*.⁵ It was in this case that the Commission first discussed at length the nature and accounting implications of a quasi-reorganization, a procedure by which a company, among other things, eliminates a deficit in its accumulated earnings and establishes a new point of departure for the accumulation of an earned surplus account. Other decisions of the Commission under the Public Utility Holding Company Act of 1935 have dealt with a great variety of accounting matters, including the accounting treatment to be accorded investments under various circumstances, proper accounting for fixed property in mergers or otherwise, and proper accounting for the constituent elements of capital stock and surplus.⁶

Under the Securities Exchange Act of 1934 the Commission is empowered to prescribe the books and records that shall be kept by security brokers and dealers and to require these persons to file periodic reports. In 1939, after long study and consultations with

⁵ 6 S. E. C. 605 (1940). At a later date the Commission issued an opinion under the 1934 Act, *In the Matter of Associated Gas and Electric Company*, in which it discussed similar and related accounting questions.

⁶ For a fuller discussion of the Commission's accounting activities under the 1935 Act, see part III of this report.

a large number of individuals and all interested organizations, the Commission in collaboration with the State blue sky commissions devised and prescribed rules relating to the business records that must be maintained by broker-dealers subject to its jurisdiction. Also the Commission in 1942 promulgated a financial reporting form for these firms. Subsequently a number of State regulatory bodies and national securities exchanges have either adopted this form or have indicated their willingness to accept it in satisfaction of their reporting requirements for brokers and dealers, thereby effecting a considerable saving in effort and expense for the reporting firms.

The various rules, regulations, decisions, and other releases on accounting questions that have been referred to above represent the more readily observable results of the Commission's activities in accounting matters. Underlying this outward evidence is a large amount of research and critical review of experience directed toward the establishment of sound policies on accounting matters. The largest part of the Commission's accounting work, however, consists of the critical examination of financial statements filed with it for the purpose of ascertaining whether these statements appear to be acceptable or whether specific deficiencies should be cited against them. As pointed out above, this procedure and the resulting conferences with registrants have been powerful factors in improving the quality of financial statements filed with the Commission as well as financial statements prepared for other purposes.

AUDITING PRINCIPLES AND PRACTICES

Financial statements included in a registration statement or annual report filed under the Securities Act of 1933, the Securities Exchange Act of 1934 or the Investment Company Act of 1940 must in most instances be certified by an independent public accountant. Such a certification, if it is to provide adequate assurance that the financial statements fairly present the affairs of the company, must be based on an impartial and expert review of the financial statements and the underlying records and procedures. Such certification of financial statements, based on a reasonably comprehensive audit of the underlying books and records, is one of the principal services rendered by the public accounting profession and operates as an important line of defense against intentional or inadvertent misstatements or omissions in financial statements prepared by management.

The accountant's certificate in general use at the time the Commission was organized did little more, in describing the scope of the audit made, than to refer to the fact that the accountants had examined or tested accounting records of the company. There was no listing of detailed procedures employed. Moreover, no authoritative accounting literature existed which clearly indicated the type of auditing procedures normally employed by certifying accountants.⁷

Initially, the Commission accepted the customary certificates under the sanctions of the several Acts. This course of action placed nearly the entire responsibility for the adequacy of auditing procedures in the express sanctions of the Act under which a certificate

⁷ In 1936 the American Institute of Accountants published a bulletin, "Examination of Financial Statements by Independent Public Accountants," which sketched briefly the general outline of an acceptable examination. This bulletin was an enlargement and revision of a bulletin which was first published in 1917 by the Federal Reserve Board and was revised and republished in 1929 under the joint sponsorship of the Federal Reserve Board and the American Institute of Accountants.

was filed. As a result, auditing procedures were subjected to Commission inquiry only in cases in which evidence came to light that the financial statements had been improperly drawn or carelessly certified. In these particular cases, through field investigations, hearings, and conferences with the registrant and its accountants, the Commission ascertained the adequacy of the auditing procedures that had in fact been followed.

The early experience with financial statements filed with the Commission appeared to justify this approach. There were only a few cases in which particular accountants were criticized for a failure to follow necessary auditing procedures or for a failure to disclose in their certificates various improprieties in the financial statements being certified or inadequacies or limitations in the scope of the audits on which their certificates were based. Of special significance was the *Interstate Hosiery Mills* case⁸ in which the Commission set forth its views as to the relative responsibilities of a registrant and a certifying accountant in assuring the accuracy of financial statements. The Commission stated in its decision that the fundamental and primary responsibility for the accuracy of information filed with the Commission rests upon management, and the employment of independent public accountants, however reputable, is not a substitute for management's accounting of its stewardship but, instead, serves as a check on that accounting.

That is not to say that the responsibilities of the certifying accountant are in any way lessened. The accountant has duties and responsibilities of an order distinct from those of management. As the Commission pointed out in *In the Matter of Cornucopia Gold Mines*,⁹ an accountant's certificate performs the high function of giving meaning and reliability to financial statements and of increasing the likelihood that those statements will not be misleading or untrue. In short, when the accountant submits his certificate he takes full responsibility for the opinions expressed therein with respect to the propriety of the financial statements.

These early cases scarcely presaged the developments that grew out of the fraud perpetrated by Coster-Musica and others in the *McKesson-Robbins* case. The fact that, notwithstanding an annual audit by a reputable firm of certifying accountants, officials of this company had through collusive machinations been able to milk the company of millions of dollars, overstate its assets by almost \$20,000,000 and each year report large profits from the operations of a nonexistent crude drug business, raised serious doubts as to the adequacy of existing auditing procedures. As a result of the Commission's preliminary investigation it issued an order directing that public hearings be held to inquire into the auditing aspects of the case.

Disclosure of the fraud resulted in an unprecedented public interest in the adequacy of the protection afforded investors by the certification of financial statements. It also engendered serious and searching discussions in professional accounting circles. As the facts of the case unfolded, it became apparent that the fraud could not have been perpetrated had the accountants physically inspected inventories and corresponded directly with debtors to confirm amounts reported as accounts receivable. The testimony of expert witnesses at the

⁸ 4 S. E. C. 706 (1939).

⁹ 1 S. E. C. 364, 367 (1936).

Commission's hearing indicated that these procedures, while frequently employed and generally recommended by accountants, were not considered normal and necessary procedures by the accounting profession. However, several months later the membership of the American Institute of Accountants, in an action directly traceable to the impact of the *McKesson-Robbins* case, approved a statement entitled "Extensions of Auditing Procedure"¹⁰ which contained the recommendation that physical inspection of inventories and confirmation of receivables should thenceforth be considered standard auditing procedure.

At the conclusion of its hearings the Commission published a transcript of the testimony of the expert witnesses and a report on its investigation. In its report the Commission found that the accountants had "failed to employ that degree of vigilance, inquisitiveness, and analysis of the evidence available that is necessary in a professional undertaking * * *". Also the Commission recommended a material advance in the development of auditing procedures whereby the facts disclosed by the records and documents of the firm being examined would be to a greater extent checked by the auditors through physical inspection or independent confirmation. Particularly it was the Commission's opinion "that auditing procedures relating to the inspection of inventories and confirmation of receivables, which, prior to our hearings, had been considered optional steps, should, in accordance with the resolutions already adopted by the various accounting societies, be accepted as normal auditing procedures in connection with the presentation of comprehensive and dependable financial statements to investors."

Another direct result of the *McKesson* case was a thorough overhauling of the accountant's certificate with a view to clarification and improvement. The bulletin, "Extensions of Auditing Procedure," contained certain recommendations in this regard. However, the Commission's report on the *McKesson* investigation recommended far-reaching changes which were adopted in Accounting Series Release No. 21 as an amendment of Regulations S-X. The new rules required the certifying accountant to add certain clear-cut representations to his certificate. He was thereafter called upon to make a positive representation as to whether the audit he performed was in conformity with generally accepted auditing standards applicable in the circumstances—that is, was at least equal in the scope of procedures followed and the manner of their application to that which other professional accountants would consider essential in the circumstances. In order to assure that audit programs would be well suited to the circumstances of particular cases the certifying accountant was also called upon to state whether any procedure had been omitted which in his own individual judgment should have been employed. It was further required that departures from "normal" procedures should be expressly described. This approach was adopted in preference to its alternative, the enumeration of the specific procedures followed, since the latter would result in a cumbersome catalog of technical phrases of little value to the ordinary investor in indicating the adequacy of the audit. On the contrary the disclosure of specific "normal" procedures that have been omitted and disclosure of supple-

¹⁰ This statement was the first of a series of bulletins designated as "Statements on Auditing Procedure" issued under the aegis of the Committee on Auditing Procedure of the American Institute of Accountants. In the twenty bulletins thus far issued in this series the Committee has expressed its views on a number of specific problems in auditing practice.

mentary procedures employed, together with the reason therefore, is a most practicable and helpful means of characterizing the scope of the audit performed by the certifying accountants.

These requirements with respect to accountants' certificates were, of course, mandatory in certificates filed with the Commission but were not at first generally observed in certificates prepared for other purposes. However, about two years later the membership of the American Institute of Accountants voted in favor of eliminating this "double standard" in accountants' certificates and adopted the substance of the Commission's requirements.

Subsequent to the McKesson case the Commission issued a number of decisions in which it criticized the auditing practices of particular accountants. Of these more recent cases the two of outstanding significance were *In the Matter of Resources Corporation International* and *In the Matter of Associated Gas and Electric Company*. In the *Resources* case, decided in 1940, the Commission found that a representative of the certifying accountants had at one time entertained serious doubts as to the legitimacy of the operations of the registrant and had communicated those doubts to the supervising partner of the accounting firm. The Commission found that the certifying accountants failed in the performance of their duties by not extending their examination to resolve these doubts. The Commission also found that the certifying accountants were at fault in that they were aware of certain additional facts which were of material significance to investors but which were not disclosed.

The Commission also criticized the accountant's certificate furnished in the *Resources* case. The certificate exempted from its purview all but \$35,000 of assets out of total stated assets of more than \$9,000,000. The Commission held that such a report is not a "certificate" within the meaning of the Commission's rules. In 1939 the American Institute of Accountants adopted a similar position, stating that an accountant should not express an opinion on financial statements if his exceptions or reservations are so material as to negative his opinion.

In *In the Matter of Associated Gas and Electric Company* the Commission severely criticized the work of the certifying accountants. The Commission found in this case that the audits were inadequate in scope. Moreover, the opinions expressed in the accountants' certificate were not clear and were so qualified by exceptions and explanations as to render those opinions nugatory. As stated above, the Commission was of the opinion that the financial statements filed by the registrant were principally intended to mystify, baffle, mislead and conceal. The Commission went on to say that the audits and certificates of the accountants did nothing to prevent the accomplishment of that purpose.

The most recent developments in the field of auditing have related primarily to new and serious problems that have arisen as a result of the war. All concerned with auditing problems are agreed that high standards of auditing procedure must be maintained and that the progress recently achieved must not be lost. A principal difficulty has been the loss by most accounting firms of trained personnel to other phases of the war effort. Furthermore, a similar loss of accounting personnel by private business, frequently coupled with a large new volume of war work, has meant that internal accounting and auditing

controls upon which the public accountant must rely in many respects, have in many instances suffered and hence, with a smaller or less experienced staff, the public accountant may often be faced with the necessity of being even more painstaking in his audit.

Members of the Commission's staff have cooperated with registrants and public accountants in exploring various means of meeting the situation and specific proposals have been put into effect. Study of these problems continues and, as occasion warrants, informal conferences are held with individual accountants and with the appropriate committees of professional societies.

STANDARDS OF PROFESSIONAL CONDUCT

The maintenance of high standards of professional conduct on the part of the public accountants who certify financial statements is a matter of the utmost importance to persons who rely on these statements. The reader of a financial statement has a right to expect that the certifying accountant has done his work expertly and impartially and that his opinion as to the financial statements is forthright and unbiased. Organizations of professional accountants have recognized the importance of high standards of professional conduct and have established certain self-disciplines for the purpose of protecting the interests of third persons and to help insure that the accounting profession will continue to merit the confidence and trust that has been placed in it.

One cornerstone of proper professional conduct is that the accountant shall be independent of the client whose financial statements he certifies. This view has long been held by many individual accountants but was explicitly introduced in the Securities Act of 1933 as a necessary prerequisite to the certification of financial statements filed under that Act. This need for independence has also been given statutory recognition in the other principal acts administered by the Commission. The goal of such a principle is obvious—the accountant's opinion, if it is to be valuable to the reader of financial statements, must be arrived at objectively and expressed impartially.

The problem of deciding whether or not an accountant is independent in a given case is often most difficult and has been the subject of a number of releases and decisions. Some persons have contended that the independence of an accountant should not be questioned unless there is evidence in the form of misstatements or omissions that his opinion is not honest and impartial. The Commission, however, has viewed the requirement of independence not only as a safeguard against conscious falsification but also as a preventive of impalpable and unprovable biases in the exercise of his professional judgment which may arise as a result of incompatible interests or relationships. Consequently, the Commission has found an accountant to be lacking in independence with respect to a particular registrant if the relationships which exist between the accountant and the client are such as to create a reasonable doubt as to whether the accountant will or can have an impartial and objective judgment on questions confronting him.

The Commission has not attempted to catalog all the relationships that are incompatible with independence. However, the Commission has indicated that it expects the certifying accountant to operate as an

outside check on the accounting of management to assure that the accounting is accurate, complete and unbiased. Certain relationships have been designated as clearly inconsistent with this conception of the accountant's function. For example, an accountant who has a substantial financial interest in a client can scarcely view that company's financial reports with an impartial eye. Furthermore, if an accountant has been connected with a business in a capacity such as a director, officer, employee, or voting trustee, it is unlikely that he will be able to dissociate himself from these managerial activities and conduct an audit and render a report that would be unaffected thereby. Consequently, the Commission has stated in its rules that relationships of this kind will necessitate a finding that the accountant is lacking in independence.¹¹

The Commission has further clarified its concept of independence through its decisions in particular cases and by opinions expressed in Accounting Series releases. There have been several cases in which the Commission has found that an accountant has taken over responsibilities that properly belong to management and thereby has destroyed his independence. For example, where the accountant plays a leading role in the original accounting determinations of his client, his subsequent audit is in large part a mere rubber stamping of his own work and is not an independent verification of management's representations. Likewise where an accountant has actively participated in the formation and execution of management decisions he is apt not to review with sufficient objectivity the management's disclosure of these matters in the financial statements.

Also, the Commission has indicated that the failure of an accountant to discharge his responsibilities in a professional manner may be further evidence of a lack of independence. Acceptance of unverified information furnished by management as to the validity or propriety of particular items, or the condoning or negligent overlooking of material omissions or improper disclosures in the financial statements has been held to cast serious doubt on his independence. The Commission has also said that an accountant who is subservient to his client and "consistently submerges his preferences or convictions as to accounting principles to the wishes of his client is not in fact independent."¹² In Accounting Series Release No. 22 the Chief Accountant of the Commission expressed the opinion that an accountant who had been indemnified by a registrant against all losses or damages arising out of his certification other than those resulting from his wilful misstatement or omission, cannot be considered independent since such an indemnification may remove or greatly weaken one of the major stimuli to objective and unbiased consideration of the problems encountered in a particular engagement.

The Commission in its decisions has indicated a number of other relationships that may destroy an accountant's independence. For example, financial relationships which go beyond the normal accountant-client relationship or which involve the accountant and responsible persons affiliated with his client, may adversely affect the accountant's independence. Also, it has been held that the use of the accountant as a cloak to cover certain private business dealings, or a continued disregard of an accountant's protests against manage-

¹¹ Regulation S-X, Rule 2-01 (b).

¹² *In the Matter of Associated Gas and Electric Company*, Securities Exchange Act of 1934, Release No. 3235A, p. 73.

ment's improper use of his name in its reports may be further evidence of a lack of independence.

These formal decisions of the Commission have been supplemented by Accounting Series Release No. 47 which summarized the facts in a number of cases in which informal rulings were issued finding particular accountants to be lacking in independence.

The Commission has consistently distinguished the responsibilities and duties of the accountant from those of management. Relationships that destroy this separation of responsibility or impair its effectiveness will destroy or impair the accountant's status as an independent expert. Moreover, the Commission has from the first indicated that in deciding a question of independence, it will inquire into all the pertinent relationships between accountant and client and will not direct its inquiry solely to relationships existing in connection with the filing of reports with the Commission. This last proposition was made explicit by the adoption of a rule to that effect in Regulation S-X.¹³ The decision to make Commission policy explicit on this point was prompted by cases in which significant information relative to particular practices of management was set forth in statements filed with the Commission but was not disclosed in statements otherwise made public. The Commission's release pointed out that complaisant accession to the wishes of management in such matters raises a serious question as to whether the accountant is in fact independent.

The Commission has followed the practice of bringing to the attention of appropriate accounting societies and State agencies each case in which it has publicly criticized the work or professional conduct of accountants practicing before it. These societies and agencies have recognized the necessity of maintaining high standards of professional conduct and to that end have established codes of ethical standards. Violations of these standards, established after appropriate hearings, may be grounds for public admonition, suspension or expulsion from the societies or, in the case of State regulatory agencies, for revocation of the license to practice.

The disciplinary machinery of professional societies and State agencies together with the Commission's requirement of independence have done much to strengthen the standards of professional conduct observed by accountants. However, the Commission has necessarily reserved to itself under its Rules of Practice appropriate disciplinary authority to deal with cases in which accountants practicing before it engage in improper professional conduct or are found not to possess the requisite qualifications to represent others.¹⁴

The Commission has invoked these sanctions against accountants in three cases. In two of these cases the privilege of the accountant to practice before the Commission was suspended for several months.¹⁵ In the third case the accountant was permanently denied the privilege of practicing before the Commission.¹⁶ Each of the cases involved a wilful disregard both of Commission rules and of proper standards of professional conduct.

¹³ Accounting Series Releases Nos. 37 and 44.

¹⁴ Rule II (c) of the Commission's Rules of Practice provides "the Commission may disqualify, and deny, temporarily or permanently, the privilege of appearing or practicing before it in any way to, any person who is found by the Commission after hearing in the matter (1) not to possess the requisite qualifications to represent others; or (2) To be lacking in character or integrity or to have engaged in unethical or improper professional conduct."

¹⁵ *In the Matter of Abraham H. Pruder et al.*; Securities Exchange Act Release No. 3073 (1941). *In the Matter of Kenneth N. Logan*, Accounting Series Release No. 28, (1942).

¹⁶ *In the Matter of C. Cecil Bryant*, Accounting Series Release No. 48 (1944).

Part XI

OTHER ACTIVITIES OF THE COMMISSION UNDER THE VARIOUS STATUTES

THE ECONOMIC WARFARE UNIT

The Commission's initial share in the national defense effort began with the lending of facilities and personnel to various agencies even before the declaration of a full national emergency in the summer of 1941. This participation was increased in 1942, when arrangements were made for the assignment of a number of members of the Commission's staff to work on the procurement of information needed by the Board of Economic Warfare in connection with its analyses and operations against the economies of Axis countries.

The Board of Economic Warfare and its successor, the Foreign Economic Administration, have engaged in collecting in the United States and abroad a wide range of information regarding the economic resources of our enemies in Europe and the Far East. Working closely with the War and Navy Departments, the State Department, the British Ministry of Economic Warfare, and with other American and combined agencies, it has maintained current inventories of enemy strengths and weaknesses for the use of the military. It has also devised and carried out measures to enforce the blockade and cut the enemy from neutral war resources. Among the various agencies contributing to this joint effort, the Commission was in a particularly good position to make use of certain types of information sources.

To take its part in this work with the most effectiveness, the Commission established an Economic Warfare Unit with a liaison office in Washington, and from this unit directed the work of regional offices in the investigations involved and in the preparation both of replies to spot intelligence requests and of long-term basic studies. Contact with the Board of Economic Warfare (and, later, with the Foreign Economic Administration) was maintained through the Economic Intelligence Division of that agency. The activities carried out by the Economic Warfare Unit consisted mainly in examining at various places in the United States the files and records of enemy alien business firms and of American business houses, and of interviewing throughout the country American engineers and other business and professional men who had lived in enemy-controlled areas and hence might have information of value to the Nation's war effort.

During the early stages of the war, these examinations and interviews were directed chiefly toward securing information which would enable the Allied Governments to form accurate estimates of our enemies' economic capacities, and to put their finger upon weak spots. Some of this information was eventually used by the armed forces in selecting targets for strategic bombing and in making other military

decisions. The rest of the information was used, as already indicated, for the less spectacular but important purpose of carrying out blockade and related measures. These included assistance to the State Department in establishing and maintaining The Proclaimed List of Certain Blocked Nationals, known as the "blacklist," which comprised the names of persons and firms, principally in neutral countries, that had been found to be cooperating with the enemy; the tightening of controls over exports to neutrals; measures to counteract German smuggling, which became particularly active after Allied control of the seas put an end to surface vessels running the blockade; assistance to the State Department in negotiating War Trade Agreements by which neutral nations, in exchange for permission to obtain certain essential supplies limited to the needs of their own people, have bound themselves to prohibit the reexport of any of these supplies to Germany, and to limit or prohibit their exports to Germany of critical materials which they produce; and, finally, in carrying out preclusive buying in neutral countries to prevent vital supplies from getting into the hands of our enemies.

As the Allies shifted from the defensive to the offensive, the pace of economic warfare was stepped up and heavier demands were made upon the Commission. At the same time the character of the work changed, as a larger share of the services performed by the Economic Warfare Unit began to relate to the identification of "intelligence targets" within enemy-controlled territory.

The projects undertaken by the Commission were of such a varied nature that a generalized description is not possible. Moreover, in many cases specific details cannot yet be revealed, for reasons of national security. Some interesting examples, however, may be given.

In 1943 the Commission was requested to send trained investigators to participate in the examination of seized files of the American offices of Japanese trading companies in New York, Seattle, Los Angeles, and San Francisco. The Japanese companies involved were Mitsui, Mitsubishi, Okura, Aseno-Bussan, Ataka, Iwai, and others. In these files many important papers and pictures were found, some of which revealed detailed enemy shortages in specific strategic materials, and others of which were used in selecting bombing targets.

Another important project was the collection of extensive information on the coke ovens of Europe, including those in France, Belgium, the Saar-Lorraine, and the Rhineland. Other projects related to the light metals industry of Germany, the glass industry of Japan, the machine-tool industry of Germany and the hydroelectric plants of Japan.

An interesting short-term project assigned to the Commission was to determine whether a particular section of railway in enemy territory had been double-tracked. This information was needed in estimating the amount of damage that could be done by bombing and in gaging the capacity of the line in terms of shifting enemy men and matériel from one area to another to meet an attack. After an extensive search the Commission succeeded in obtaining the information from a man who had traveled over that section of the road as late as 1942.

As this report is written, the Commission is planning new assignments, in connection with postwar economic controls.

STATISTICS AND SPECIAL STUDIES

Saving Study

The Commission, on April 15, 1942, inaugurated a series of quarterly releases on the volume and composition of saving by individuals in the United States. These releases show the aggregate volume of individuals' savings, that is, the increase in their assets less the increase in their liabilities, exclusive of gains or losses from revaluation of assets. The figures show also the components contributing to this total, such as changes in securities, cash, insurance, consumers' indebtedness, and consumers' durable goods.

In addition to the estimates of saving by individuals, the Commission also made public on June 9, 1944, the first of a new series of quarterly releases on the working capital position of corporations in the United States, exclusive of banks and insurance companies. These releases give comparative figures back through 1939 and show the principal components of current assets and current liabilities. It is intended in subsequent reports to present more detailed data on the sources and uses of corporate funds, thus giving a complete picture of the volume and composition of corporate saving as well as an up-to-date analysis of the financial condition of corporations. In that way information concerning the more important segments of the saving of the national economy will be available.

The data on which these releases are based have been compiled by the Commission from many different sources and are the result of a long period of research in this field. The interest of the Commission in data on the total volume and components of saving originally developed as a result of its concern with corporate financing and the capital markets. Information of this type, however, has acquired increased importance due to the war effort, since current observation of the various forms of saving and forecasts of the probable volume and distribution of saving in the immediate future are essential in the determination of fiscal policy. As a result, the above series have been widely used both by other Government agencies and by business management and financial institutions. Apart from the wartime usefulness of these data, they provide valuable insight into the internal and external sources of funds for business for purposes of reconversion and postwar financing:

Survey of American Listed Corporations

Since 1936 certain data contained in the registration statements of securities on national securities exchanges and the annual reports supplemental thereto filed under the Securities Exchange Act of 1934 have been abstracted and summarized in a series of reports known as the "Survey of American Listed Corporations." Originally conducted as a Work Projects Administration project, sponsored and supervised by this Commission, its work has been continued by the Commission's staff since the discontinuation of the WPA in February 1943.

The project has as its objective a series of compilations which would make more readily available to Federal bureaus and agencies and to the general public some of the financial information filed with the Commission. The project as constituted covers approximately 2,000 corporations, which is somewhat more than 85 percent of the companies having securities listed and registered on national securities exchanges at December 31, 1943. The results of the survey are being

presented in two forms, individual industry reports and special statistical studies. The individual industry reports contain both combined and individual data for registrants from 1934 to 1943, inclusive.

Until 1942 most reports of the survey were made available to the public, but during the past 3 years budgetary limitations and the paper shortage have made it necessary to limit distribution to Government agencies engaged in furthering the war effort. Copies of all public reports, however, have been made available for general use and inspection in the offices of the Commission in Philadelphia and in the Commission's regional offices as well as in 540 depository libraries. Photocopies may also be obtained of all or parts of these reports at the regular rates.

In addition to 175 published reports made publicly available, many special studies have been made for the Commission and other Government agencies, particularly in connection with various aspects of the war effort. Among the more important reports contained in the survey have been studies of corporate profits and operations for the Price Adjustment Boards of the War Department, Navy Department, Maritime Commission, Reconstruction Finance Corporation, Treasury Department, and the Contract Review Branch of the War Production Board and the Treasury Department's Bureau of Internal Revenue; a special study of the meat packing industry for the Office of Economic Stabilization; a study of remuneration for the Salary Stabilization Unit of the Treasury Department; a study of ownership and control of foreign corporations for the Office of Economic Warfare; and a study of airframe manufacturers for the War Department Army Air Corps.

As part of the Survey, the Commission's staff is presently engaged in compiling data for various Government agencies covering the balance sheet data of 1,530 companies for 5 years, at the request of the Bureau of Budget's Inter-Agency Committee on Financial Needs of Government Agencies.

During the year 1943, the coverage of the Survey was extended to those corporations registered under the Securities Act of 1933 which file annual reports. During 1944, the scope of the Survey's studies was extended further to investment companies registered with the Commission under the Investment Company Act of 1940.

Capital Market Statistics

During the past 10 years the staff of the Commission has developed a considerable body of statistical information on the capital market. Some of these statistics have been commented upon elsewhere in the text and summarized in tables 1 to 4 of the appendix, namely, data on cost of flotation of securities, on the volume of issues registered under the Securities Act of 1933, and on all new issues of securities offered for cash sale in the United States, including issues not registered with the Commission. In addition, studies have been made of the extent to which actual sales of issues of securities have varied from the amounts registered for sale. Also data have been gathered on retirements of securities, which together with the statistics on new issues, have provided estimates of changes in the volume of securities outstanding and in the amount of saving by individuals directly in the form of securities. In cooperation with other public and private agencies, considerable data have been accumulated on the investment and market performance of corporate bonds.

PUBLICATIONS

Public Announcements

Under the various acts it is the Commission's duty to publish its decisions and generally to inform Congress and the public of its activities. Its releases are classified into various categories so that a person may receive the material relating only to those phases of the Commission's work in which he is interested. The Commission has made an exhaustive check of its mailing lists to eliminate those no longer desiring specified material.

The announcements issued during the past fiscal year included 173 releases under the Securities Act of 1933; 131 under the Securities Exchange Act of 1934; 837 under the Public Utility Holding Company Act of 1935; 151 under the Investment Company Act of 1940; and 2 under the Investment Advisers Act of 1940. In addition, three releases were issued concerning the Commission's activities in corporate reorganizations and seven releases were issued under the Trust Indenture Act of 1939.

The Commission also continued the daily publication of its Registration Record, which presents a brief description of data filed under the Securities Act of 1933 and the Trust Indenture Act of 1939.

The following is a partial classification by subject matter for the past fiscal year:

Opinions and orders.....	921
Reports on court actions.....	98
Statistical data.....	10
Survey series.....	6
Accounting series.....	2

Other Publications 1935-44¹

The principal publications issued by the Commission during the 10-year period include the following:

Decisions and Reports of the Commission, volumes 1 to 10, July 2, 1934, to February 28, 1942.

Annual Reports of the Commission, Nos. 1 to 9, 1935 to 1943, inclusive.

Judicial Decisions, volume 1 (comprising all court decisions, reported and unreported, in civil and criminal cases involving statutes administered by the Securities and Exchange Commission to December 31, 1939).

Report on the Study and Investigation of the Work, Activities, Personnel, and Functions of Protective and Reorganization Committees:

Part I. Strategy and Techniques of Protective and Reorganization Committees, 1937.

Part II. Committees and Conflicts of Interest, 1937.

Part III. Committees for the Holders of Real Estate Bonds, 1936.

Part IV. Committees for Holders of Municipal and Quasi-Municipal Obligations, 1936.

Part V. Protective Committees and Agencies for Holders of Defaulted Foreign Governmental Bonds, 1937.

Part VI. Trustees under Indentures, 1936.

Part VII. Management Plans Without Aid of Committees, 1938.

¹ A complete list of the Commission's publications, the Rules of Practice, or the Guide to Forms will be sent upon request made to the office of the Commission in Philadelphia, Pa.

Part VIII. A summary of the Law Pertaining to Equity and Bankruptcy Reorganizations and of the Commission's Conclusions and Recommendations, 1940.

Report on the Study of Investment Trusts and Investment Companies:

Part I. The Nature, Classifications, and Origins of Investment Trusts and Investment Companies, 1938.

Part II. Statistical Survey of Investment Trusts and Investment Companies, 1939.

Part III. Abuses and Deficiencies in the Organization and Operation of Investment Trusts and Investment Companies:

Chapters 1 and 2, 1939.

Chapters 3, 4, and 5, 1939.

Chapter 6, 1940.

Chapter 7, 1941.

Part IV. Control and Influence Over Industry and Economic Significance of Investment Companies: Chapters 1 and 2, 1941.

Part V. Conclusions and Recommendations, 1941.

Supplemental reports:

Investment Trusts in Great Britain, 1939.

Investment Counsel, Investment Management, Investment Supervisory, and Investment Advisory Services, 1939.

Commingled or Common Trust Funds Administered by Banks and Trust Companies, 1939.

Fixed and Semifixed Investment Trusts, 1940.

Companies Sponsoring Installment Investment Plans, 1939.

Companies Issuing Face Amount Installment Certificates, 1940.

Investigation in the Matter of Richard Whitney et al.:

Volume 1. Report of the Commission, 1938.

Volume 2. Transcript of Hearing, 1938.

Volume 3. Exhibits, 1938.

Investigation in the Matter of McKesson & Robbins, Inc.:

Testimony of Expert Witnesses, 1939.

Report on Investigation, 1940.

Report on Proposals for Amendments to the Securities Act of 1933 and the Securities Exchange Act of 1934, 1941.

Report on Trading in Unlisted Securities Upon Exchanges, Pursuant to Section 12 (f) of the Securities Exchange Act of 1934, 1936.

Feasibility and Advisability of the Complete Segregation of the Functions of Dealer and Broker, 1936.

Report on the Problem of Multiple Trading on Securities Exchanges, 1940.

Cost of Flotation for Small Issues, 1925-29 and 1935-38, 1940.

Cost of Flotation of Registered Securities, 1938-39 and 1940-41.

Selected Statistics on Securities and Exchange Markets, 1939.

List of Securities Traded on Exchanges Under the Securities Exchange Act of 1934, 1944.

Report on Floor Trading—January 15, 1945.

Over-the-Counter Brokers and Dealers Registered With the Commission, July 31, 1942.

Official Summary of Security Transactions and Holdings by Directors, Officers, and Principal Security-holders. Issued monthly.

Official Summary of Security Holdings of Officers, Directors, and Principal Stockholders as of December 31, 1935.

Dividend Status of Preferred Stocks of Registered Public Utility Holding Companies and Other Electric and Gas Utility Subsidiaries as of December 31, 1938.

Charts Showing Location of Operating Electric and/or Gas Subsidiaries of Registered Public Utility Holding Companies, 1939.

The Problem of Maintaining Arm's Length Bargaining and Competitive Conditions in the Sale and Distribution of Securities of Registered Public Utility Holding Companies and Other Subsidiaries, 1940.

Depreciation and Dividend Statistics of Electric and Gas Subsidiaries of Registered Holding Companies, 1930-40.

Security Issues of Electric and Gas Utilities, 1935-44.

Financial Statistics for Electric and Gas Subsidiaries of Registered Public Utility Holding Companies, 1943.

Registered Public Utility Holding Company Systems, October 15, 1944.

Uniform System of Accounts for Public Utility Holding Companies.

Uniform System of Accounts for Mutual Service Companies and Subsidiary Service Companies.

Survey of American Listed Corporations:

Reports 1 to 66, inclusive, covers 66 industry groups, 1934-37.

Volumes 1 to 5, inclusive, covers 42 industry groups, 1934-38.

Volumes 6 to 7 covers 10 industry groups, 1934-39.

Supplements 1 to 42, inclusive, supplements the 42-industry groups contained in volumes 1 to 5, inclusive, 1939.

Statistics of American Listed Corporations, Part I, 1937.

Statistics of American Listed Corporations, Part II, 1935-39.

Subsidiaries of 2,052 Registrants covers parents and subsidiaries of approximately 15,000 companies, 1937-38.

Reports 1 to 27, inclusive, covers 52 industry groups, 1939-40.

Reports 1 to 10, inclusive, covers 13 industry groups, 1940-41.

Return on Invested Capital covers 58 industry groups, 1936-41.

Parents and Subsidiaries, 1942, covers approximately 14,000 corporations, 1942.

Data on Profits and Operations, parts I, II, III, IV, covers 1,120 corporations, 1936-42.

Data on Profits and Operations, parts I, II, III, IV, V, covers 1,530 corporations, 1942-43.

Balance Sheet Data, parts I, II, III, covers 1,530 corporations.

INSPECTION OF REGISTERED INFORMATION BY THE PUBLIC

Copies of all public information on file with the Commission, appearing in registration statements, applications, reports, declarations, and other public documents, are available for inspection in the public reference room of the Commission at Philadelphia, Pa. During the past fiscal year more than 5,222 members of the public visited this public reference room seeking such information, and thousands of letters and telephone calls were received requesting registered infor-

mation. (This is exclusive of requests for copies of releases, forms, publications, etc.) The Commission, through the facilities provided for the sale of public registered information, filled more than 1,824 orders for photocopies of material, involving 144,841 pages.

Insofar as practicable, the Commission has sought to make some of the public registered information filed with it available in its regional offices. In the New York regional office at 120 Broadway, facilities are provided for the inspection of certain public information on file with the Commission. This includes copies of (1) such applications for permanent registration of securities on all national securities exchanges, except the New York Stock Exchange and the New York Curb Exchange, as have received final examination in the Commission, together with copies of supplemental reports and amendments thereto, (2) annual reports filed pursuant to the provisions of Section 15 (d) of the Securities Exchange Act of 1934, as amended by issuers that have securities registered under the Securities Act of 1933, as amended. During the past fiscal year 7,969 members of the public visited the New York office public reference room, and more than 3,789 made telephone calls to this office, seeking registered public information, forms, releases, and other material.

In the Chicago regional office, which is located at 105 West Adams Street, there are available for public inspection copies of applications for permanent registration of securities on the New York Stock Exchange and the New York Curb Exchange which have received final examination in the Commission, together with copies of all supplemental reports and amendments thereto. During the fiscal year ended June 30, 1944, more than 2,801 members of the public visited the Chicago public reference room, and approximately 674 telephone calls were received there and 2,340 requests were made for registered information, forms, releases, and other material.

In each of the Commission's regional offices there are available for inspection copies of prospectuses used in public offerings of securities effectively registered under the Securities Act of 1933, as amended. Duplicate copies of applications for registration of brokers or dealers transacting business on over-the-counter markets, together with supplemental statements thereto, filed under the Securities Exchange Act of 1934, are also available for public inspection in the regional office having jurisdiction over the zone in which the principal office of the broker or dealer is located. Also, inasmuch as letters of notification under Regulation A exempting small issues of securities from the registration requirements of the Securities Act of 1933, as amended, may be filed with the regional office of the Commission for the region in which the issuer's principal place of business is located, copies of such material are available for inspection at the particular regional office where it is filed.

During the past fiscal year duplicate copies of applications for registration of investment advisers, together with supplemental statements thereto filed under the Investment Advisers Act of 1940, have been made available for public inspection in the regional offices having jurisdiction over the zone in which the principal office of the investment adviser is located.

There are available for inspection in the Commission's San Francisco and Cleveland regional offices, in which are provided complete

facilities for such registration and qualification, copies of registration statements and applications for qualification of Indentures filed at those regional offices.

Copies of all applications for permanent registration of securities on national securities exchanges are available for public inspection at the respective exchange upon which the securities are registered.

CONFIDENTIAL TREATMENT OF APPLICATIONS, REPORTS, OR DOCUMENTS

Among the Acts administered by the Commission, the Securities Act of 1933, the Securities Exchange Act of 1934, the Public Utility Holding Company Act of 1935, the Investment Company Act of 1940, and the Investment Advisers Act of 1940 provide for the confidential treatment, upon application by registrants, of information contained in reports, applications, or documents which they are required to file. The Securities Act of 1933 empowers the Commission to hold confidential only material contracts, or portions thereof, if it is determined by the Commission that disclosure will impair the value of the contracts and is not necessary for the protection of investors. The other four statutes referred to are, in general, without specific restriction in this respect and empower the Commission to hold confidential under certain conditions any information contained in any reports required to be filed under those statutes. Disclosure of information confidentially filed under the latter statutes is made only when the Commission determines that disclosure is in the public interest.

The Commission has in force additional wartime rules which provide for the omission or confidential treatment, either on the Commission's own motion or upon application, of information contained in such documents when it is inconsistent with the standards of the Code of Wartime Practices promulgated by the United States Office of Censorship. Since often copies of these documents must be filed also with the securities exchanges, the Commission has enlisted the cooperation of the exchanges in temporarily withholding their copies until they are cleared by the Commission for public inspection, or such information as is specifically authorized or directed by the Commission has been deleted therefrom. The staff of the Commission renders every possible assistance to registrants in advance in the preparation of documents in accordance with the objectives sought by these additional wartime rules.

The following table indicates the number of applications acted upon during the past year, including action taken by the Commission on its own motion under the wartime rules, together with the number pending at the end of the year.

Applications for confidential treatment, fiscal year ended June 30, 1944

Act under which filed	Number pending July 1, 1943	Number received	Number granted	Number denied or withdrawn	Number pending June 30, 1944
Securities Act of 1933 ¹	2	31	27	4	2
Securities Exchange Act of 1934 ²	27	85	68	31	13
Total.....	29	116	95	35	15

¹ These figures represent applications filed under rule 171 and rule 580.

² These figures represent applications filed under rule X-24B-2 and rule X-6.

PUBLIC HEARINGS

The following statistics indicate the number of public hearings held by the Commission from July 1, 1935, to June 30, 1944:

	July 1, 1935 to June 30, 1940	July 1, 1940 to June 30, 1941	July 1, 1941 to June 30, 1942	July 1, 1942 to June 30, 1943	July 1, 1943 to June 30, 1944	Total
Securities Act of 1933.....	339	11	5	10	3	368
Securities Exchange Act of 1934.....	507	98	84	83	52	824
Public Utility Holding Company Act of 1935.....	1,018	199	170	183	141	1,711
Trust Indenture Act of 1939.....	3	5	0	1	2	11
Investment Advisers Act of 1940.....	0	5	5	0	0	10
Investment Company Act of 1940.....	0	84	133	53	56	326
Total.....	1,867	402	397	330	254	3,250

PERSONNEL

As of the close of the past fiscal year, the personnel of the Commission was comprised of 5 Commissioners and 1,134 employees, 295 of whom were assigned to the regional offices. This is exclusive of 425 employees who were then in the military service, and who were carried on the rolls in a furlough status. This figure for employees in the military service does not include 17 employees who had received honorable discharges from the military service and returned to duty with the Commission; and 2 employees whose names were dropped from the rolls of the Commission because of death while in the military service.

FISCAL AFFAIRS

Appropriation title	Amount	Obligations	Unobligated balance
Salaries and expenses.....	\$4,554,500	\$4,538,802	\$15,698
Printing and binding.....	48,000	46,142	1,858
Total.....	4,602,500	4,584,944	17,556

WORKING FUND ADVANCED TO SECURITIES AND EXCHANGE COMMISSION BY FOREIGN ECONOMIC ADMINISTRATION TO COVER COST OF SERVICES RENDERED BY THE COMMISSION

Working fund, Securities and Exchange Commission.....	\$100,000	\$92,335	\$7,665
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Receipts for the fiscal year 1944¹

Character of fee	Amount
Fees for registration of securities.....	\$175,544.21
Fees under Trust Indenture Act.....	1,600.00
Fees from Registered Exchanges.....	219,726.96
Fees from sale of photo duplicates.....	10,684.43
Miscellaneous.....	89.39
Total.....	407,644.99

¹ This money must be turned into the general fund of the Treasury of the United States and is not available for expenditure by the Commission.

PART XII
APPENDIX
STATISTICAL TABLES

TABLE 1.—Issues effectively registered under the Securities Act of 1933

PART 1.—PURPOSE OF REGISTRATION AND USE OF PROCEEDS OF SECURITIES FOR EACH FISCAL YEAR FROM SEPT. 1, 1934 TO JUNE 30, 1944

[Amounts in thousands of dollars 1]

	1944	1943	1942	1941	1940	1939	1938	1937	1936	1935 *
Number of statements.....	221	123	193	313	306	344	412	840	689	284
Number of issues.....	301	189	281	456	443	520	633	1,266	966	363
For all purposes of registration (estimated value).....	1,759,780	659,490	2,003,421	2,610,684	1,786,537	2,579,193	2,101,186	4,851,463	4,835,049	913,130
Less: Not for sale.....	309,319	103,685	476,479	340,014	299,289	510,764	720,049	1,097,528	812,458	222,394
For account of issuers.....	293,096	90,835	414,332	322,910	293,957	490,078	634,478	830,865	709,622	196,914
Reserved for conversion.....	73,933	6,616	275,909	53,144	51,259	215,848	266,986	301,467	247,141	52,275
Reserved for option.....	4,834	2,414	97,309	13,728	2,146	9,848	53,616	102,426 ¹	90,645	8,089
For substitution ²	28,203	6,492	12,952	25,630	40,288	75,116	47,628	37,654	102,805	61,748
For exchange for other securities.....	182,999	75,264	23,907	225,736	174,964	110,037	197,761	297,524	227,103	51,774
For claims against issuer.....	1,142	49		522	1,143	384	14,978	71,670	847	2,950
For other purposes.....	1,984		4,255	4,151	24,156	78,845	53,509	29,125	41,081	20,078
For account of others.....	16,223	12,851	62,147	17,104	5,332	20,686	85,570	257,663	102,836	25,479
For sale (estimated gross proceeds).....	1,450,461	555,795	1,526,941	2,270,671	1,487,248	2,068,429	1,381,138	3,753,935	4,022,590	690,737
Less: For account of others than issuers.....	103,614	69,867	61,781	189,722	54,467	48,516	32,328	119,327	86,524	4,498
For sale for account of issuers.....	1,346,846	485,928	1,465,160	2,080,949	1,432,781	2,019,914	1,348,810	3,634,608	3,936,066	686,239
Less: Cost of flotation.....	54,953	18,319	31,370	62,850	52,092	71,681	69,946	140,973	153,612	35,052
Compensation to distributors.....	47,037	15,648	23,024	51,895	43,201	59,168	60,084	114,950	126,238	29,558
Expenses.....	7,916	2,671	8,345	10,955	8,891	12,513	9,862	26,023	27,374	5,494
Expected net proceeds from sales for account of issuers.....	1,291,893	467,609	1,433,790	2,018,099	1,380,688	1,948,233	1,278,864	3,493,635	3,782,454	651,186
New money.....	204,328	64,195	590,785	286,814	162,774	437,494	460,228	913,473	354,407	62,366
Plant and equipment.....	79,738	21,653	332,547	152,228	63,825	263,713	271,816	258,353	122,271	24,232
Working capital.....	123,885	41,153	242,918	117,768	90,393	152,080	183,330	634,084	207,808	38,135
Other new money purposes.....	706	1,389	15,319	16,818	8,555	21,701	4,882	21,036	24,328	
Repayment of indebtedness and retirement of stock.....	815,238	287,208	751,938	1,485,039	1,068,990	1,239,393	467,158	2,158,985	3,018,621	440,901
Bonds and notes.....	589,363	268,056	558,869	1,386,642	956,591	1,054,002	362,714	1,863,524	2,655,584	395,082
Other debt.....	51,244	2,506	168,664	27,250	55,729	80,505	88,579	70,325	149,668	45,820
Preferred stock.....	174,631	16,646	24,405	71,147	56,679	104,886	15,865	225,136	213,309	
Purchase of securities.....	269,883	107,935	83,263	239,699	114,656	237,797	346,409	388,705	395,631	144,360
For investment.....	248,018	105,897	66,678	237,194	112,603	235,716	342,261	352,802	382,753	137,222
For affiliation.....	21,864	2,038	16,585	2,505	2,053	2,081	4,148	35,904	12,878	7,138
Purchase of other assets.....	974	8,203	4,852	2,850	3,505	666	2,296	5,195	3,440	752
Miscellaneous and unaccounted for.....	1,470	68	2,962	3,697	30,754	32,883	2,973	27,277	10,345	2,807

PART 2.—METHOD OF DISTRIBUTION OF SECURITIES EFFECTIVELY REGISTERED FOR CASH SALE FOR ACCOUNT OF ISSUERS FOR EACH FISCAL YEAR FROM SEPT. 1, 1934 TO JUNE 30, 1944

[Amounts in thousands of dollars.]

Method of distribution and group to whom offered	1944	1943	1942	1941	1940	1939	1938	1937	1936	1935
All methods of distribution	1,346,846	485,928	1,465,160	2,080,949	1,432,781	2,019,914	1,348,810	3,634,608	3,936,066	686,239
To general public.....	1,221,415	460,532	982,306	1,873,107	1,311,499	1,686,819	1,103,567	3,022,352	3,564,429	672,540
To security holders.....	111,732	16,700	394,876	79,973	81,926	246,515	230,894	456,603	228,228	7,834
To other special groups.....	13,700	8,696	87,978	127,869	39,355	86,580	14,349	155,653	143,410	5,865
Through investment bankers	1,326,571	470,701	969,517	1,862,662	1,378,557	1,965,620	1,287,047	3,221,801	3,695,505	656,766
By purchase and resale.....	1,066,044	361,840	899,465	1,570,083	1,211,420	1,580,408	861,440	2,839,375	3,178,610	439,779
To general public.....	957,162	349,085	801,060	1,516,934	1,149,423	1,346,132	666,886	2,568,338	3,013,222	437,491
To security holders.....	108,882	12,755	92,456	52,853	61,968	227,190	193,242	266,950	165,389	2,288
To other special groups.....		5,949	296		29	7,086	1,312	4,087		
On best efforts basis.....	260,527	108,861	70,052	292,579	167,137	385,211	425,607	382,426	516,895	216,987
To general public.....	259,484	107,861	66,980	290,641	152,438	330,497	419,522	369,842	499,527	214,811
To security holders.....	1,040	1,000	3,072	1,862	2,968	3,657	4,461	6,879	14,068	1,350
To other special groups.....	3			75	11,731	51,058	1,624	5,705	3,300	826
By issuers	20,275	15,226	495,643	218,287	54,224	54,294	61,763	412,808	240,561	29,473
To general public.....	4,769	3,585	114,267	65,532	9,638	10,190	17,159	84,172	51,680	20,238
To security holders.....	1,810	2,945	299,348	25,258	16,990	15,669	33,191	182,774	48,771	4,196
To other special groups.....	13,696	8,696	82,029	127,498	27,595	28,436	11,413	145,862	140,110	5,040

TABLE 1.—Issues effectively registered under the Securities Act of 1933—Continued

PART 3.—TYPE OF SECURITY AND INDUSTRY OF SECURITIES EFFECTIVELY REGISTERED FOR CASH SALE FOR ACCOUNT OF ISSUERS FOR EACH FISCAL YEAR FROM SEPT. 1, 1934, TO JUNE 30, 1944

[Amounts in thousands of dollars]

	1944	1943	1942	1941	1940	1939	1938	1937	1936	1935 ¹
<i>Type of security</i>										
Number of issues for all types.....	224	135	199	312	303	378	409	815	639	229
Secured bonds.....	32	15	21	57	49	62	44	120	133	29
Unsecured bonds.....	29	17	34	29	32	39	20	77	83	18
Preferred stock.....	56	11	43	72	59	55	86	166	109	42
Common stock.....	73	46	67	108	139	156	209	355	249	111
Other types.....	34	46	34	46	24	66	50	67	65	29
Gross proceeds for all types.....	1,346,846	485,928	1,465,160	2,080,949	1,432,781	2,019,914	1,348,810	3,634,608	3,936,066	686,239
Secured bonds.....	491,355	182,372	338,411	1,179,971	684,030	907,515	293,643	1,514,658	2,232,594	396,592
Unsecured bonds.....	177,195	134,061	696,926	386,322	428,375	672,985	372,118	899,911	920,630	93,615
Preferred stock.....	343,460	32,215	161,816	164,363	110,138	108,892	209,068	405,939	251,714	27,853
Common stock.....	137,915	64,744	219,633	115,825	161,140	193,480	291,782	618,196	326,539	73,769
Other types.....	196,922	72,536	48,374	234,469	49,097	137,041	182,198	195,904	204,588	94,408
<i>Industry</i>										
Gross proceeds for all industries.....	1,346,846	485,928	1,465,160	2,080,949	1,432,781	2,019,914	1,348,810	3,634,608	3,936,066	686,239
Extractive.....	250	2,396	15,701	20,718	31,042	27,387	15,667	39,901	69,754	-----
Manufacturing.....	445,845	87,415	467,914	611,234	475,260	573,944	449,934	836,548	1,195,349	176,802
Financial and investment.....	304,512	117,072	85,260	284,349	150,007	277,910	390,522	649,475	548,306	182,195
Merchandising.....	32,728	1,576	53,369	21,111	30,264	1,584	8,548	190,104	19,799	-----
Transportation and communication.....	30,715	10,755	446,358	105,547	65,710	43,253	37,151	529,516	284,350	150
Electric light, power, gas, water.....	495,890	173,189	389,082	1,022,108	639,030	1,008,375	426,775	1,115,903	1,490,419	300,039
Foreign government.....	14,498	89,700	-----	-----	30,050	72,025	6,755	229,005	214,383	7,965
Other industries.....	22,410	3,823	7,475	15,882	11,419	15,106	13,458	44,156	104,706	19,088

TABLE 1.—*Issues effectively registered under the Securities Act of 1933—Con.*

PART 4.—INDUSTRIAL CLASSIFICATION OF ALL SECURITIES EFFECTIVELY REGISTERED DURING THE FISCAL YEAR ENDED JUNE 30, 1944

[Amounts in thousands of dollars.]

Purpose of registration and use of proceeds	Industry							
	All industries	Extractive	Manufacturing	Financial and investment	Merchandising	Transportation and communication	Electric light, power, heat, water, and gas	Miscellaneous
Number of statements.....	221	2	81	48	16	17	35	22
Number of issues.....	301	4	102	75	21	21	47	31
For all purposes of registration (estimated value).....	1,759,780	10,250	544,594	314,241	62,652	57,521	588,184	182,337
Less: Not for sale.....	309,319	10,000	81,810	9,729	23,662	16,444	49,779	117,896
For account of issuers.....	293,096	10,000	81,810	7,833	9,905	15,873	49,779	117,896
Reserved for conversion.....	73,933	-----	50,327	-----	5,107	11,248	3,180	4,071
Reserved for option.....	4,834	-----	1,531	-----	1,919	384	-----	1,000
For substitution ³	28,203	-----	11,961	5,849	-----	4,242	75	6,076
For exchange for other securities.....	182,999	10,000	17,973	-----	2,879	-----	46,524	105,624
For claims against issuer.....	1,142	-----	17	-----	-----	-----	-----	1,125
For other purposes.....	1,984	-----	-----	1,984	-----	-----	-----	-----
For account of others.....	16,223	-----	-----	1,896	13,758	570	-----	-----
For sale (estimated gross proceeds).....	1,450,461	250	462,785	304,512	38,989	41,078	538,406	64,441
Less: For account of others than issuers.....	103,614	-----	16,940	-----	6,262	10,364	42,515	27,533
For sale for account of issuers.....	1,346,846	250	445,845	304,512	32,728	30,714	495,890	36,908
Less: Cost of flotation.....	54,953	62	19,869	20,511	1,375	2,169	9,770	1,197
Compensation.....	47,037	62	16,698	19,992	1,045	1,839	6,465	937
Expenses.....	7,916	1	3,171	519	330	330	3,305	260
Expected net proceeds from sales for account of issuers.....	1,291,893	188	425,976	284,001	31,352	28,545	486,120	35,711
New money.....	204,328	188	161,249	3,326	7,449	22,534	6,605	2,978
Plant and equipment.....	79,738	65	54,343	-----	2,438	21,501	-----	1,392
Working capital.....	123,885	21	106,540	3,326	5,011	797	6,605	1,586
Other new money purposes.....	706	102	367	-----	-----	237	-----	-----
Repayment of indebtedness and retirement of stock.....	815,238	-----	253,951	32,250	23,556	5,986	477,593	21,904
Bonds and notes.....	589,363	-----	95,685	29,835	15,423	2,943	426,266	19,212
Other debt.....	51,244	-----	40,275	2,415	3,965	-----	3,398	1,191
Preferred stock.....	174,631	-----	117,991	-----	4,168	3,043	47,929	1,500
Purchase of securities.....	269,883	-----	10,719	247,981	334	-----	37	10,811
For investment.....	248,018	-----	-----	247,981	-----	-----	37	-----
For affiliation.....	21,864	-----	10,719	-----	334	-----	-----	10,811
Purchase of other assets.....	974	-----	-----	-----	-----	-----	974	-----
Miscellaneous and unaccounted for.....	1,470	-----	58	444	14	25	911	18

TABLE 1.—Issues effectively registered under the Securities Act of 1933—Continued

PART 5.—DISTRIBUTION, BY MONTHS, OF SECURITIES EFFECTIVELY REGISTERED DURING THE FISCAL YEAR ENDED JUNE 30, 1944

[Amounts in thousands of dollars ¹]

Year and month	All effectively registered			Proposed for sale for account of issuers		
	Number of statements	Number of issues	Amount	Number of statements	Number of issues	Amount
<i>1943</i>						
July.....	16	19	92,242	10	11	51,005
August.....	20	23	129,608	16	18	111,682
September.....	12	18	52,285	6	8	40,767
October.....	23	33	151,523	22	29	146,332
November.....	16	19	123,885	11	14	86,614
December.....	17	25	122,235	14	17	98,630
<i>1944</i>						
January.....	16	21	171,196	11	14	151,516
February.....	17	38	145,678	12	32	122,672
March.....	15	21	170,967	13	15	129,541
April.....	28	34	226,471	25	28	206,303
May.....	23	28	164,167	17	19	99,344
June.....	18	22	209,623	15	19	102,441
Total fiscal year 1944.....	221	301	1,759,780	172	224	1,346,846

PART 6.—TYPE OF SECURITY AND METHOD OF DISTRIBUTION OF SECURITIES EFFECTIVELY REGISTERED FOR CASH SALE FOR ACCOUNT OF ISSUERS DURING THE FISCAL YEAR ENDED JUNE 30, 1944

[Amounts in thousands of dollars ¹]

Method of distribution and group to whom offered	Type of security					
	All types	Secured bonds	Unsecured bonds	Preferred stock	Common stock	Other types ⁴
All methods of distribution.....	1,346,846	491,355	177,195	343,460	137,915	196,922
To general public.....	1,221,415	491,355	177,195	262,760	101,555	188,550
To security holders.....	111,732	.....	.....	79,860	31,872	.....
To other special groups.....	13,700	.....	.....	840	4,488	8,372
Through investment bankers.....	1,326,571	491,355	177,095	339,810	130,261	188,050
By purchase and resale.....	1,066,044	491,355	176,695	338,270	59,724	.....
To general public.....	957,162	491,355	176,695	259,450	29,663	.....
To security holders.....	108,882	.....	.....	78,820	30,062	.....
To other special groups.....	.....	.....	.....	.....	.....	.....
On best efforts basis.....	260,527	.....	400	1,540	70,537	188,050
To general public.....	259,484	.....	400	500	70,533	188,050
To security holders.....	1,040	.....	.....	1,040	.....	.....
To other special groups.....	3	.....	.....	.....	3	.....
By issuers.....	20,275	.....	100	3,650	7,653	8,872
To general public.....	4,769	.....	100	2,810	1,359	500
To security holders.....	1,810	.....	.....	.....	1,810	.....
To other special groups.....	13,696	.....	.....	840	4,484	8,372

¹ Any discrepancies between the sum of figures in the tables and the totals shown are due to rounding.² Covers the 10-month period ending June 30, 1935.³ Includes voting trust certificates and certificates of deposit.⁴ Consists mainly of certificates of participation and certificates of beneficial interest.

TABLE 2.—Costs of flotation of equity issues by small companies registered under the Securities Act from Jan. 1, 1933 to June 30, 1944¹

PART 1.—DIVISION OF COST OF FLOTATION BETWEEN DISTRIBUTORS' COMPENSATION AND EXPENSES

Cost of flotation	All issues through investment bankers			Bankers' commitment to purchase			Best efforts of bankers		
	Asset size of company			Asset size of company			Asset size of company		
	Under \$5,000,000	\$1,000,000 to \$5,000,000	Under \$1,000,000	Under \$5,000,000	\$1,000,000 to \$5,000,000	Under \$1,000,000	Under \$5,000,000	\$1,000,000 to \$5,000,000	Under \$1,000,000
All equity securities:									
Number of issues.....	184	81	103	92	57	35	92	24	68
Gross proceeds (\$000).....	101,568	64,420	37,147	52,044	44,764	7,280	49,523	19,656	29,867
Cost of flotation (percent of gross proceeds).....	17.9	15.8	21.6	15.9	15.3	20.0	19.9	16.8	21.9
Distributors' compensation.....	16.1	14.0	19.7	13.9	13.4	17.0	18.4	15.6	20.3
Expenses.....	1.8	1.7	1.9	2.1	1.9	3.1	1.5	1.3	1.6
Preferred stock:									
Number of issues.....	50	23	27	24	13	11	26	10	16
Gross proceeds (\$000).....	29,738	22,248	7,490	14,394	11,687	2,707	15,344	10,561	4,783
Cost of flotation (percent of gross proceeds).....	14.2	12.5	19.3	12.4	11.0	18.1	16.0	14.2	20.0
Distributors' compensation.....	12.7	11.0	17.5	10.3	9.2	15.1	14.9	13.1	18.9
Expenses.....	1.6	1.5	1.8	2.1	1.9	3.0	1.0	1.0	1.1
Common stock:									
Number of issues.....	134	58	76	68	44	24	66	14	52
Gross proceeds (\$000).....	71,829	42,173	29,657	37,651	33,078	4,573	34,179	9,095	25,084
Cost of flotation (percent of gross proceeds).....	19.4	17.5	22.1	17.3	16.8	21.1	21.7	19.9	22.3
Distributors' compensation.....	17.5	15.6	20.2	-15.2	14.8	18.1	20.0	18.4	20.6
Expenses.....	1.9	1.8	1.9	2.1	1.9	3.1	1.6	1.5	1.7

See footnotes at end of table.

TABLE 2.—Costs of flotation of equity issues by small companies registered under the Securities Act from Jan. 1, 1938 to June 30, 1944¹—Con.

PART 2.—DISTRIBUTION OF EXPENSES

Types of expense	All equity securities			Preferred stock			Common stock		
	Asset size of company			Asset size of company			Asset size of company		
	Under \$5,000,000	\$1,000,000 to \$5,000,000	Under \$1,000,000	Under \$5,000,000	\$1,000,000 to \$5,000,000	Under \$1,000,000	Under \$5,000,000	\$1,000,000 to \$5,000,000	Under \$1,000,000
Number of issues.....	201	94	107	55	28	27	146	66	80
Gross proceeds (\$000).....	114,630	72,749	41,882	33,437	24,497	8,940	81,193	48,251	32,942
Expenses as percent of gross proceeds:									
Expenses not affected by registration.....	0.21	0.21	0.21	0.21	0.20	0.25	0.21	0.21	0.20
Exchange listing.....	0.01	0.02	0.01	0.02	0.02	0.01	0.01	0.01	0.01
Federal revenue stamp tax.....	0.08	0.08	0.08	0.12	0.11	0.14	0.06	0.06	0.06
State qualification.....	0.07	0.07	0.07	0.06	0.06	0.06	0.08	0.08	0.08
Transfer agents.....	0.05	0.04	0.06	0.02	0.01	0.05	0.06	0.06	0.06
Expenses partly affected by registration.....	1.50	1.43	1.62	1.35	1.17	1.84	1.56	1.56	1.57
Printing and engraving.....	0.27	0.28	0.25	0.25	0.25	0.27	0.27	0.29	0.25
Legal.....	0.76	0.69	0.89	0.68	0.55	1.03	0.80	0.76	0.85
Accounting.....	0.31	0.30	0.33	0.29	0.26	0.36	0.32	0.32	0.33
Engineering.....	0.03	0.03	0.02	0.02	0.01	0.04	0.03	0.04	0.01
Miscellaneous.....	0.13	0.13	0.14	0.12	0.11	0.14	0.14	0.14	0.14
Expenses entirely attributable to registration: SEC fee.....	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01
Total expenses (other than distributors' compensation).....	1.72	1.64	1.85	1.57	1.38	2.09	1.78	1.78	1.78

¹ The data in this table are limited to the effective statements for issues registered for cash sale for account of registrants reporting less than \$5,000,000 of assets with the exception of those in the investment trust and extractive classifications. The purpose of the table is to present costs of flotation typical of each type of equity security and for that reason only data from statements registering a single type of security have been included. Thus, there were excluded from the coverage statements in which one type of equity security was associated with another type or with an issue of bonds in the same financing operation. Because of the rounding of percentages, figures in the table may not add exactly to the totals shown.

Pt. 1 of the table is concerned with a comparison of distributors' compensation with other costs of flotation and it is therefore confined to those of the above-mentioned issues which were to be sold through investment bankers to the general public. It does not include issues sold without the aid of investment bankers and issues sold through investment bankers to restricted groups.

Because pt. 2 is concerned with the distribution of the total of expense component over the various expense items, it covers all of the issues described in the first paragraph above for which at least three-fourths of the expense total could be accurately allocated to any of the individual items listed in the table other than "miscellaneous."

TABLE 3.—New securities offered for cash sale in the United States ¹

PART 1.—TYPE OF OFFERING

[Estimated gross proceeds in thousands of dollars] ²

Year and month	All offerings	Public ³		Private ⁶			Intrastate
		Registered	Exempt ⁴	Registered	Exempt ⁴	Other ⁵	
July 1934 to June 1935	3,553,976	497,705	2,709,898	0	80,568	261,508	4,298
July 1935 to June 1936	11,060,996	3,205,549	7,430,781	67,161	19,499	325,493	11,514
July 1936 to June 1937	7,601,505	2,993,117	4,258,687	8,666	20,869	302,590	17,577
July 1937 to June 1938	3,454,156	891,614	2,196,440	2,953	7,219	350,838	5,092
July 1938 to June 1939	6,817,226	1,661,366	4,346,625	61,304	69,188	670,988	7,756
July 1939 to June 1940	5,511,591	1,298,026	3,415,341	14,712	45,659	731,322	6,532
July 1940 to June 1941	9,842,273	1,682,442	7,142,634	111,866	57,800	837,526	10,005
July 1941 to June 1942	15,781,637	1,280,345	13,965,808	5,375	7,886	520,098	2,125
July 1942 to June 1943	38,731,159	419,942	37,995,843	0	0	314,770	603
July 1943 to June 1944	43,362,039	1,051,755	41,795,854	0	56,829	456,890	713
<i>1943</i>							
July	1,029,042	45,215	945,998	0	650	37,179	0
August	939,951	89,373	835,783	0	0	14,794	0
September	10,392,181	49,177	10,326,153	0	0	16,851	0
October	3,496,905	101,587	3,369,572	0	13,329	12,418	0
November	1,034,256	69,424	853,382	0	7,850	103,294	306
December	987,036	79,511	877,645	0	0	29,880	0
<i>1944</i>							
January	1,911,149	134,613	1,764,955	0	0	11,174	407
February	8,540,685	78,325	8,453,360	0	0	9,000	0
March	937,164	103,930	736,554	0	0	96,680	0
April	916,294	155,173	759,121	0	0	2,000	0
May	1,068,746	89,640	914,691	0	0	64,415	0
June	12,108,629	55,787	11,958,637	0	35,000	59,206	0

TABLE 3.—New securities offered for cash sale in the United States—Continued

PART 2.—TYPE OF SECURITY

[Estimated gross proceeds in thousands of dollars] *

Year and month	All types of securities			Bonds, debentures, and notes			Preferred stock	Common stock
	All issuers	Noncorporate	Corporate	All issuers	Noncorporate	Corporate		
July 1934 to June 1935	3,553,976	2,658,791	895,184	3,534,933	2,658,791	876,142	12,161	6,881
July 1935 to June 1936	11,060,996	6,853,177	4,207,819	10,765,721	6,853,177	3,912,544	188,752	106,524
July 1936 to June 1937	7,601,506	3,896,145	3,705,361	6,772,299	3,896,145	2,876,154	410,020	419,188
July 1937 to June 1938	3,454,156	2,165,031	1,289,075	3,207,377	2,165,081	1,042,286	186,029	60,749
July 1938 to June 1939	6,817,226	4,371,626	2,445,601	6,636,892	4,371,626	2,265,206	108,650	73,745
July 1939 to June 1940	5,511,591	3,189,573	2,322,017	5,280,499	3,189,573	2,090,926	135,681	95,411
July 1940 to June 1941	9,842,273	6,811,670	3,030,603	9,704,238	6,811,670	2,792,568	172,313	65,721
July 1941 to June 1942	15,781,637	13,794,512	1,987,124	15,481,554	13,794,512	1,687,042	184,270	115,813
July 1942 to June 1943	38,731,159	37,988,753	742,406	38,668,705	37,988,753	679,952	33,311	29,144
July 1943 to June 1944	43,362,039	41,714,588	1,647,451	42,960,627	41,714,588	1,246,039	324,417	76,995
<i>1943</i>								
July	1,029,042	939,183	89,859	1,014,754	939,183	75,571	11,530	2,758
August	939,951	829,897	110,054	920,215	829,897	90,318	11,968	7,768
September	10,392,181	10,322,096	70,085	10,387,457	10,322,096	65,361	4,724	0
October	3,496,905	3,354,626	142,279	3,461,992	3,354,626	107,366	27,425	7,488
November	1,034,256	835,002	199,254	984,297	835,002	149,295	42,709	7,250
December	987,036	871,505	115,531	976,013	871,505	104,508	5,175	5,848
<i>1944</i>								
January	1,911,149	1,757,045	154,104	1,837,384	1,757,045	80,338	70,288	3,478
February	8,540,685	8,443,868	96,817	8,533,223	8,443,868	89,355	5,900	2,462
March	937,164	733,797	203,368	899,321	733,797	165,524	32,160	5,683
April	916,294	761,212	155,082	804,383	761,212	43,171	95,740	16,171
May	1,068,746	920,367	148,379	1,045,010	920,367	124,642	15,017	8,720
June	12,108,629	11,945,989	162,640	12,096,579	11,945,989	150,590	2,681	9,369

PART 3.—TYPE OF ISSUER

[Estimated gross proceeds in thousands of dollars] ².

Year and month	Corporate					Noncorporate					
	Total corporate	Industrial	Public utility	Rail	Real estate and financial	Total non-corporate	United States Government (including agency issues guaranteed)	Federal Agency (issues not guaranteed)	State and municipal ³	Foreign government	Eleemosynary and other non-profit
July 1934 to June 1935.....	895, 184	328, 948	377, 605	137, 404	51, 228	2, 658, 791	1, 572, 410	60, 109	1, 020, 326	4, 978	968
July 1935 to June 1936.....	4, 207, 819	1, 340, 552	2, 008, 143	659, 857	199, 268	6, 853, 177	5, 354, 660	94, 827	1, 248, 675	130, 538	24, 477
July 1936 to June 1937.....	3, 705, 361	1, 203, 865	1, 637, 526	501, 036	362, 934	3, 896, 145	2, 589, 372	25, 446	1, 060, 212	163, 239	57, 877
July 1937 to June 1938.....	1, 289, 075	659, 730	577, 281	41, 428	10, 636	2, 165, 081	1, 206, 754	81, 670	863, 794	3, 860	9, 613
July 1938 to June 1939.....	2, 445, 601	954, 950	1, 365, 540	106, 351	18, 759	4, 371, 626	2, 904, 127	63, 269	1, 322, 048	66, 797	15, 385
July 1939 to June 1940.....	2, 322, 017	691, 039	1, 108, 325	297, 935	224, 719	3, 189, 573	2, 140, 357	47, 258	952, 491	27, 939	21, 527
July 1940 to June 1941.....	3, 030, 603	1, 047, 929	1, 530, 509	375, 026	77, 139	6, 811, 670	5, 411, 505	73, 742	1, 295, 248	4, 120	27, 055
July 1941 to June 1942.....	1, 987, 124	779, 472	977, 422	174, 202	56, 029	13, 794, 512	13, 070, 155	35, 172	679, 850	0	9, 334
July 1942 to June 1943.....	742, 406	291, 823	331, 753	106, 265	12, 565	37, 988, 753	37, 434, 678	2, 912	457, 405	89, 700	4, 058
July 1943 to June 1944.....	1, 647, 451	777, 820	651, 071	167, 404	51, 156	41, 714, 588	41, 170, 667	0	522, 763	14, 498	6, 661
<i>1945.</i>											
July.....	89, 859	60, 923	22, 121	6, 815	0	939, 183	889, 691	0	49, 492	0	0
August.....	110, 054	40, 173	61, 000	5, 886	2, 994	829, 897	801, 730	0	28, 167	0	0
September.....	70, 085	16, 245	49, 782	4, 057	0	10, 322, 096	10, 301, 566	0	20, 530	0	0
October.....	142, 279	58, 497	54, 508	28, 075	1, 200	3, 354, 626	3, 334, 170	0	16, 590	0	3, 866
November.....	199, 254	133, 199	38, 200	26, 230	1, 625	835, 002	798, 148	0	36, 854	0	0
December.....	115, 531	30, 040	70, 350	3, 140	3, 000	871, 505	853, 017	0	17, 378	0	1, 110
<i>1944</i>											
January.....	154, 104	83, 495	62, 521	7, 910	177	1, 757, 045	1, 698, 408	0	58, 637	0	0
February.....	96, 817	56, 432	30, 893	9, 491	0	8, 443, 808	8, 381, 474	0	62, 394	0	0
March.....	203, 368	30, 119	141, 992	28, 757	2, 500	733, 797	709, 054	0	24, 743	0	0
April.....	155, 082	122, 249	28, 341	0	4, 492	761, 212	738, 545	0	16, 669	5, 466	533
May.....	148, 379	86, 560	58, 464	2, 146	1, 210	920, 367	750, 031	0	159, 855	9, 032	850
June.....	162, 640	59, 889	23, 899	44, 896	33, 958	11, 945, 989	11, 914, 234	0	31, 454	0	302

See footnotes at end of table.

TABLE 3.—New securities offered for cash sale in the United States—Con.

PART 4.—PRIVATE PLACEMENTS OF CORPORATE SECURITIES ¹[Estimated gross proceeds in thousands of dollars] ²

Year and month	All private placements	Type of security		Type of issuer			
		Bonds, debentures and notes	Stocks	Industrial	Public utility	Railroad	Real estate and financial
July 1934 to June 1935	261,508	259,459	2,050	158,469	77,700	0	25,340
July 1935 to June 1936	412,152	409,264	2,889	165,324	215,530	19,499	11,800
July 1936 to June 1937	327,625	324,061	3,564	121,638	151,905	13,386	40,695
July 1937 to June 1938	357,759	357,158	601	226,698	123,343	7,219	500
July 1938 to June 1939	749,128	748,729	399	360,771	364,232	23,432	693
July 1939 to June 1940	756,819	747,890	8,927	138,703	418,614	9,592	189,909
July 1940 to June 1941	996,392	994,094	2,298	361,090	563,160	24,142	48,000
July 1941 to June 1942	531,458	523,188	8,270	272,472	221,017	5,986	31,984
July 1942 to June 1943	314,770	312,720	2,050	144,537	152,233	18,000	0
July 1943 to June 1944	513,720	506,806	6,914	271,430	155,986	81,979	4,325
1943							
July	37,829	37,829	0	36,550	1,279	0	0
August	14,794	14,794	0	1,400	13,394	0	0
September	16,851	16,851	0	11,900	4,951	0	0
October	25,747	25,747	0	8,325	4,093	13,129	200
November	111,144	108,499	2,645	81,245	20,424	7,850	1,625
December	29,880	29,880	0	20,515	9,365	0	0
1944							
January	11,174	11,000	174	6,174	5,000	0	0
February	9,000	9,000	0	5,000	4,000	0	0
March	96,680	96,680	0	4,550	63,630	26,000	2,500
April	2,000	0	2,000	2,000	0	0	0
May	64,415	64,415	0	55,415	9,000	0	0
June	94,206	92,111	2,095	38,356	20,850	35,000	0

¹ These statistics cover substantially all such securities offered in amounts of more than \$100,000 and with terms to maturity of more than 1 year. Excluded are open-end investment company issues sold through continuous offering, intercorporate transactions, interagency sales of United States Government issues, and notes issued exclusively to commercial banks. Figures are rounded to thousands of dollars and therefore may not add exactly to the totals shown. All figures are subject to revision as new data are received.

² Gross proceeds are derived by multiplying principal amounts or numbers of units by offering prices, except for municipal issues where principal amount is used.

³ Issues sold by competitive bidding directly to ultimate investors are classified as publicly-offered issues.

⁴ Includes offerings of Federal, State, and local governments, banks, issuers subject to regulation by the Interstate Commerce Commission, and eleemosynary and other nonprofit institutions.

⁵ Securities for which registration under the Securities Act of 1933 would be required if they were publicly offered.

⁶ Excludes issues sold by competitive bidding directly to ultimate investors.

TABLE 4.—Proposed uses of net proceeds of new corporate securities offered for cash sale in the United States

PART 1.—ALL CORPORATE

[Amounts in thousands of dollars]

Year and month	Total gross proceeds ¹	Total net proceeds ¹	New money			Retirements				All other purposes
			Total new money	Plant and equipment	Working capital	Total retirements	Funded debt	Other debt	Perferred stock	
July 1934 to June 1935.....	895,184	872,204	112,067	55,796	56,272	728,959	628,633	99,661	665	31,178
July 1935 to June 1936.....	4,207,819	4,080,791	419,055	260,586	158,469	3,637,122	3,167,120	253,312	216,691	24,613
July 1936 to June 1937.....	3,705,361	3,589,334	1,195,768	561,909	633,859	2,332,519	1,986,784	91,786	253,949	61,047
July 1937 to June 1938.....	1,289,075	1,255,763	650,750	412,191	238,559	599,720	453,021	129,247	17,452	5,294
July 1938 to June 1939.....	2,445,601	2,391,738	587,503	379,369	208,133	1,790,275	1,489,212	174,461	126,602	13,961
July 1939 to June 1940.....	2,322,017	2,267,785	292,377	184,099	108,278	1,948,865	1,695,787	182,657	70,420	26,543
July 1940 to June 1941.....	3,030,603	2,970,499	782,268	616,578	165,691	2,167,477	1,923,831	99,685	143,961	20,753
July 1941 to June 1942.....	1,987,124	1,954,957	862,499	589,342	273,157	1,061,176	800,818	206,535	53,824	31,283
July 1942 to June 1943.....	742,406	728,304	242,444	123,906	118,538	459,101	397,737	26,832	34,532	26,759
July 1943 to June 1944.....	1,647,451	1,613,003	409,816	219,279	190,537	1,168,921	898,536	90,983	179,402	34,267
<i>1943</i>										
July.....	89,859	88,205	3,297	277	3,020	75,321	43,676	12,088	19,557	9,586
August.....	110,054	107,522	16,022	12,889	3,133	91,500	80,690	8,782	2,028	0
September.....	70,085	68,900	11,661	6,161	5,500	56,238	40,946	5,491	9,502	1,000
October.....	142,279	138,692	9,598	4,470	5,127	126,895	100,954	22,012	3,928	2,200
November.....	199,254	196,802	118,873	64,178	54,695	77,005	65,848	5,546	5,611	924
December.....	115,531	113,177	20,389	8,097	12,292	85,914	77,202	4,999	3,713	6,873
<i>1944</i>										
January.....	154,104	150,362	33,766	23,254	10,511	116,061	53,930	1,953	60,178	535
February.....	96,817	94,891	49,368	18,151	31,217	37,430	32,216	4,165	1,048	8,093
March.....	203,368	199,064	48,285	32,440	15,845	150,220	129,213	3,029	17,979	559
April.....	155,082	149,671	52,715	24,247	28,469	94,078	55,349	1,192	37,537	2,878
May.....	148,379	145,922	22,512	16,932	5,580	123,025	115,063	3,264	4,698	385
June.....	162,640	159,797	23,329	8,183	15,146	135,234	103,449	18,462	13,323	1,233

See footnote at end of table.

TABLE 4.—Proposed uses of net proceeds of new corporate securities offered for cash sale in the United States—Continued

PART 2.—INDUSTRIAL

Year and month	Total gross proceeds †	Total net proceeds †	New money			Retirements				All other purposes
			Total new money	Plant and equipment	Working capital	Total retirements	Funded debt	Other debt	Perferred stock	
July 1934 to June 1935.....	328,948	321,658	49,900	19,500	30,400	251,652	239,139	11,847	665	20,104
July 1935 to June 1936.....	1,340,552	1,295,398	191,242	96,764	94,478	1,092,997	809,426	151,178	132,392	11,159
July 1936 to June 1937.....	1,203,865	1,150,608	602,828	239,994	362,833	507,499	334,333	67,772	115,394	40,282
July 1937 to June 1938.....	659,730	642,079	461,009	263,473	193,136	177,228	114,241	45,993	16,993	3,243
July 1938 to June 1939.....	954,950	933,170	444,029	253,524	190,505	478,368	328,521	126,882	22,966	10,773
July 1939 to June 1940.....	691,039	666,063	118,932	50,408	68,524	532,202	455,255	44,203	32,745	14,929
July 1940 to June 1941.....	1,047,929	1,021,150	184,436	98,553	85,883	822,631	676,337	60,309	85,986	14,082
July 1941 to June 1942.....	779,472	762,093	401,354	157,220	244,135	337,521	130,170	164,111	43,210	23,217
July 1942 to June 1943.....	291,823	284,453	127,442	22,669	104,774	139,758	91,792	20,067	27,899	17,253
July 1943 to June 1944.....	777,820	756,975	315,911	147,795	168,115	417,660	208,337	77,708	131,616	23,405
<i>1943</i>										
July.....	60,923	59,773	3,287	267	3,020	46,900	16,123	11,219	19,557	9,596
August.....	40,173	38,710	8,553	5,913	2,640	30,156	20,536	620	0	0
September.....	16,245	15,856	3,623	237	3,386	12,233	5,259	1,996	4,978	0
October.....	58,497	56,616	6,919	3,988	2,931	48,797	24,558	21,453	2,787	900
November.....	133,199	131,475	114,865	60,922	53,942	16,549	5,714	5,546	5,289	61
December.....	30,040	29,374	13,240	4,998	8,242	14,761	8,710	4,807	1,245	1,373
<i>1944</i>										
January.....	83,495	80,945	25,755	15,419	10,337	54,655	6,597	1,953	46,104	535
February.....	56,432	55,127	39,967	8,750	31,217	7,563	2,350	4,165	1,048	7,596
March.....	30,119	28,066	13,720	3,785	9,935	13,846	3,802	3,029	7,015	500
April.....	122,249	117,582	49,374	24,247	25,127	66,346	35,144	1,192	30,009	1,862
May.....	86,560	85,040	19,168	14,786	4,382	65,487	60,655	3,264	1,568	385
June.....	59,889	58,411	17,438	4,483	12,955	40,367	9,888	18,462	12,016	607

PART 3.—PUBLIC UTILITY

July 1934 to June 1935	377,605	366,631	10,351	4,673	5,678	348,489	316,537	31,952	0	7,792
July 1935 to June 1936	2,008,143	1,955,387	63,863	43,300	20,563	1,888,828	1,786,965	33,169	68,694	2,697
July 1936 to June 1937	1,637,526	1,595,666	73,207	64,923	8,284	1,508,983	1,388,098	12,342	108,543	13,476
July 1937 to June 1938	577,281	563,894	151,898	114,885	37,013	410,704	327,027	83,219	458	1,292
July 1938 to June 1939	1,365,540	1,337,126	86,882	77,017	9,864	1,249,107	1,105,117	47,579	96,411	1,138
July 1939 to June 1940	1,108,325	1,086,454	65,275	54,556	10,719	1,012,482	939,338	35,738	37,407	8,697
July 1940 to June 1941	1,530,509	1,504,828	306,804	280,971	25,834	1,194,029	1,129,516	13,390	51,122	3,995
July 1941 to June 1942	977,422	966,212	307,830	305,421	2,408	655,354	609,805	34,966	34,966	3,028
July 1942 to June 1943	331,753	328,315	67,935	61,908	6,027	249,493	236,095	6,765	6,633	8,888
July 1943 to June 1944	651,071	640,156	13,856	3,342	10,514	617,617	559,961	10,862	46,794	8,683
<i>1943</i>										
July	22,121	21,721	10	10	0	21,711	20,842	869	0	0
August	61,000	60,056	1,128	1,128	0	58,929	51,153	5,747	2,028	0
September	49,782	49,041	4,036	1,922	2,114	44,006	35,687	3,494	4,824	1,000
October	54,508	53,242	1,692	283	1,409	50,450	48,749	560	1,142	1,100
November	38,200	37,769	0	0	0	37,769	37,447	0	322	0
December	79,350	77,734	1,081	0	1,081	71,153	68,492	192	2,468	5,501
<i>1944</i>										
January	62,521	61,406	0	0	0	61,406	47,333	0	14,074	0
February	30,893	30,364	0	0	0	29,866	29,866	0	0	497
March	141,992	139,868	5,910	0	5,910	133,900	122,936	0	10,964	59
April	28,341	27,733	0	0	0	27,732	20,205	0	7,527	0
May	58,464	57,537	0	0	0	57,537	54,408	0	3,130	0
June	23,899	23,684	0	0	0	23,158	22,843	0	315	527

See footnotes at end of table.

TABLE 4.—Proposed uses of net proceeds of new corporate securities offered for cash sale in the United States—Continued

PART 4.—RAILROAD

Year and month	Total gross proceeds †	Total net proceeds †	New money			Retirements				All other purposes
			Total new money	Plant and equipment	Working capital	Total retirements	Funded debt	Other debt	Perferred stock	
July 1934 to June 1935.....	137,404	133,871	31,540	31,323	217	101,186	63,429	37,758	0	1,145
July 1935 to June 1936.....	659,857	637,588	122,603	120,522	2,080	514,986	452,073	62,913	0	0
July 1936 to June 1937.....	501,036	489,861	265,753	256,654	9,099	224,108	203,891	16,480	3,738	0
July 1937 to June 1938.....	41,428	40,815	29,328	28,827	500	11,487	11,487	0	0	0
July 1938 to June 1939.....	106,351	104,352	48,778	48,778	0	55,574	55,574	0	0	0
July 1939 to June 1940.....	297,935	293,481	80,585	79,136	1,450	212,896	212,683	212	0	0
July 1940 to June 1941.....	375,026	368,981	236,711	236,711	0	131,981	110,942	18,039	3,000	289
July 1941 to June 1942.....	174,202	171,726	126,699	126,699	0	45,027	45,027	0	0	0
July 1942 to June 1943.....	106,265	105,187	39,330	39,330	0	65,858	65,858	0	0	0
July 1943 to June 1944.....	167,404	166,070	68,142	68,142	0	97,928	97,928	0	0	0
<i>1943</i>										
July.....	6,815	6,711	0	0	0	6,711	6,711	0	0	0
August.....	5,886	5,849	5,849	5,849	0	0	0	0	0	0
September.....	4,057	4,002	4,002	4,002	0	0	0	0	0	0
October.....	28,075	27,847	200	200	0	27,647	27,647	0	0	0
November.....	26,230	25,942	3,255	3,255	0	22,686	22,686	0	0	0
December.....	3,140	3,099	3,099	3,099	0	0	0	0	0	0
<i>1944</i>										
January.....	7,910	7,836	7,836	7,836	0	0	0	0	0	0
February.....	9,491	9,401	9,401	9,401	0	0	0	0	0	0
March.....	28,757	28,654	28,654	28,654	0	0	0	0	0	0
April.....	0	0	0	0	0	0	0	0	0	0
May.....	2,146	2,146	2,146	2,146	0	0	0	0	0	0
June.....	44,896	44,584	3,701	3,701	0	40,883	40,883	0	0	0

PART 5.—REAL ESTATE AND FINANCIAL

July 1934 to June 1935	51,228	50,046	20,276	300	19,976	27,632	9,528	18,104	0	12,137
July 1935 to June 1936	199,268	192,418	41,348	0	41,348	140,313	118,655	6,052	15,605	10,758
July 1936 to June 1937	362,934	353,199	253,981	338	253,643	91,928	60,462	5,191	26,275	7,290
July 1937 to June 1938	10,636	8,976	7,916	6	7,910	301	266	35	0	759
July 1938 to June 1939	18,759	17,090	7,813	50	7,763	7,226	0	0	7,226	2,051
July 1939 to June 1940	224,719	221,787	27,585	0	27,585	191,284	88,511	102,504	269	2,917
July 1940 to June 1941	77,139	75,540	54,317	343	53,974	18,837	7,036	7,948	3,853	2,386
July 1941 to June 1942	56,029	54,927	26,616	2	26,614	23,274	15,816	7,458	0	5,037
July 1942 to June 1943	12,565	12,349	7,737	0	7,737	3,992	3,992	0	0	619
July 1943 to June 1944	51,156	49,802	11,907	0	11,907	35,717	32,310	2,415	992	2,179
<i>1943</i>										
July	0	0	0	0	0	0	0	0	0	0
August	2,994	2,907	492	0	492	2,415	0	2,415	0	0
September	0	0	0	0	0	0	0	0	0	0
October	1,200	987	787	0	787	0	0	0	0	200
November	1,625	1,617	753	0	753	0	0	0	0	863
December	3,000	2,970	2,970	0	2,970	0	0	0	0	0
<i>1944</i>										
January	177	175	175	0	175	0	0	0	0	0
February	0	0	0	0	0	0	0	0	0	0
March	2,500	2,475	0	0	0	2,475	2,475	0	0	0
April	4,492	4,357	3,341	0	3,341	0	0	0	0	1,016
May	1,210	1,198	1,198	0	1,198	0	0	0	0	0
June	33,958	33,117	2,190	0	2,190	30,827	29,835	0	992	100

¹ Total estimated gross proceeds represent the amount paid for the securities by investors, while total estimated net proceeds represent the amount received by the issuer after payment of compensation to distributors and other costs of flotation.

TABLE 5.—Brokers and dealers registered under sec. 15 of the Securities Exchange Act of 1934¹—Effective registrations as of June 30, 1944, classified by type of organization and by location of principal office

Location of principal office	Number of registrants				Number of proprietors, partners, officers, etc. ²				Number of employees				Number of branch offices			
	Total	Sole proprietorships	Partnerships	Corporations ³	Total	Sole proprietorships	Partnerships	Corporations ³	Total	Sole proprietorships	Partnerships	Corporations ³	Total	Sole proprietorships	Partnerships	Corporations ³
Alabama.....	20	9	4	7	46	9	11	26	59	9	18	32	2	0	1	1
Arizona.....	5	2	3	0	10	2	8	0	10	1	9	0	0	0	0	0
Arkansas.....	17	8	3	6	37	8	7	22	28	6	6	16	0	0	0	0
California.....	201	73	69	59	684	73	259	352	2,583	135	1,430	1,018	152	4	78	70
Colorado.....	65	34	9	22	151	34	23	94	178	35	53	90	4	0	3	1
Connecticut.....	53	19	16	18	161	19	56	86	590	48	278	264	23	3	9	11
Delaware.....	7	3	2	2	38	3	23	12	260	1	251	8	7	0	6	1
District of Columbia.....	64	27	10	27	221	27	39	155	551	28	198	325	7	0	4	3
Florida.....	24	15	3	6	47	15	10	22	69	29	5	35	3	1	0	2
Georgia.....	23	9	5	9	58	9	15	34	205	6	118	81	15	0	10	5
Idaho.....	11	6	1	4	23	6	2	15	27	6	3	18	1	0	0	1
Illinois.....	251	76	82	93	853	76	283	494	3,697	176	1,852	1,669	156	7	101	48
Indiana.....	54	25	10	19	126	25	20	81	134	30	22	82	1	1	0	0
Iowa.....	29	8	4	17	88	8	9	71	147	20	15	112	6	0	0	6
Kansas.....	48	32	5	11	111	32	10	69	77	15	16	46	9	0	1	8
Kentucky.....	14	4	5	5	42	4	19	19	98	10	59	29	0	0	0	0
Louisiana.....	74	50	17	7	129	50	56	23	181	44	110	27	10	0	8	2
Maine.....	13	1	1	15	73	13	4	56	94	23	17	54	0	0	0	0
Maryland.....	51	27	18	6	137	27	83	27	553	13	494	46	13	0	12	1
Massachusetts.....	239	117	46	76	763	117	210	435	3,397	306	1,865	1,226	105	3	66	36
Michigan.....	54	11	17	26	194	11	62	121	514	25	229	260	12	1	7	4
Minnesota.....	49	14	10	25	181	14	31	136	1,750	47	124	1,579	20	1	6	13
Mississippi.....	5	2	1	2	10	2	2	6	8	0	3	3	3	3	0	0
Missouri.....	93	26	29	38	339	26	133	180	989	45	527	417	44	0	16	23
Montana.....	9	5	1	3	22	5	3	14	52	6	2	44	0	0	0	0
Nebraska.....	20	14	2	13	82	14	4	64	91	19	3	69	2	0	0	2
Nevada.....	4	3	1	0	5	3	2	0	2	2	0	0	0	0	0	0
New Hampshire.....	7	4	1	2	13	4	2	7	16	5	1	10	0	0	0	0
New Jersey.....	148	88	19	41	310	88	46	176	325	117	39	170	34	9	7	18
New Mexico.....	10	0	0	0	10	0	0	0	4	4	0	0	0	0	0	0
New York (excluding New York City).....	334	263	29	42	508	263	86	157	558	157	220	181	20	2	8	10
North Carolina.....	16	5	3	8	64	5	7	52	108	10	2	96	11	0	0	11
North Dakota.....	5	3	0	2	11	3	0	8	7	1	0	6	0	0	0	0
Ohio.....	140	33	50	57	468	33	173	262	1,091	65	544	482	42	0	21	21
Oklahoma.....	111	98	3	10	153	98	6	49	77	42	1	34	0	0	0	0
Oregon.....	23	8	5	10	73	8	12	53	95	29	17	49	3	0	0	3
Pennsylvania.....	225	83	89	53	692	83	350	259	2,772	155	1,948	669	90	2	68	20
Rhode Island.....	31	15	10	6	66	15	29	22	123	19	91	13	0	0	0	0

South Carolina.....	25	9	7	9	61	9	24	28	84	10	34	40	5	0	1	4
South Dakota.....	5	4	0	1	8	4	0	4	5	3	0	2	0	0	0	0
Tennessee.....	36	15	7	14	101	15	18	68	163	14	38	111	18	0	5	13
Texas.....	192	137	21	34	384	137	48	199	348	94	56	198	22	1	4	17
Utah.....	24	11	3	10	74	11	16	47	172	9	131	32	9	1	7	1
Vermont.....	2	0	0	2	12	0	0	12	12	0	0	12	0	0	0	0
Virginia.....	22	9	7	6	62	9	25	28	98	12	54	32	1	0	0	1
Washington.....	105	64	10	31	235	64	32	139	410	69	31	310	5	0	0	5
West Virginia.....	8	3	4	1	25	3	14	8	20	3	14	3	2	0	2	0
Wisconsin.....	57	17	5	35	207	17	12	178	377	22	16	339	9	1	0	8
Wyoming.....	6	6	0	0	6	6	0	0	2	2	0	0	0	0	0	0
Total (excluding New York City).....	3,054	1,517	647	890	8,172	1,517	2,284	4,371	23,212	1,932	10,941	10,339	866	40	451	375
New York City.....	1,269	515	512	182	4,079	515	2,657	907	25,115	508	21,945	2,662	726	11	576	139
Total (including New York City).....	4,323	2,032	1,219	1,072	12,251	2,032	4,941	5,278	48,327	2,440	32,886	13,001	1,592	51	1,027	514

¹ Domestic registrants only, excludes 41 foreign.

² Includes directors, officers, trustees, and all other persons occupying similar status or performing similar functions.

³ Includes all forms of organizations other than sole proprietorships and partnerships.

TABLE 6.—Special offerings on national securities exchanges

Exchanges by fiscal years ended June 30—	Number of offerings	Number of shares			Value of shares sold (thousands of dollars)	Aggregate special commission (thousands of dollars)	Number of offerings by duration		
		Originally offered	Subscribed	Sold			Terminated in 15 minutes	Others terminated same day	Not terminated same day
1942									
New York Stock Exchange: Total.....	19	71,266	61,343	61,343	1,850	46	3	8	8
Completed.....	14	52,747	52,747	52,747	1,633	41	3	8	4
Not Completed.....	5	18,519	8,596	8,596	217	5	0	0	4
1943									
New York Curb Exchange: Total.....	11	75,661	47,829	47,829	743	20	3	5	3
Completed.....	6	32,331	33,131	33,131	541	13	3	3	1
Not Completed.....	5	43,330	14,698	14,698	202	7	0	2	2
New York Stock Exchange: Total.....	93	1,402,612	1,834,333	1,376,418	38,342	717	49	33	11
Completed.....	83	1,220,066	1,694,682	1,236,767	33,244	620	49	32	2
Not Completed.....	10	182,546	139,651	139,651	5,098	97	0	1	9
San Francisco Stock Exchange: Total.....	2	6,172	6,872	6,172	59	2	2	0	0
Completed.....	2	6,172	6,872	6,172	59	2	2	0	0
Not Completed.....	0	0	0	0	0	0	0	0	0
1944									
Chicago Stock Exchange: Total.....	2	33,000	58,603	33,220	321	16	2	0	0
Completed.....	2	33,000	58,603	33,220	321	16	2	0	0
Not Completed.....	0	0	0	0	0	0	0	0	0
New York Curb Exchange: Total.....	5	28,800	29,736	28,236	641	15	1	3	1
Completed.....	4	23,800	25,300	23,800	338	11	1	3	0
Not Completed.....	1	5,000	4,436	4,436	303	4	0	0	1
New York Stock Exchange: Total.....	70	890,434	1,282,229	887,821	28,214	549	38	19	13
Completed.....	60	814,544	1,223,142	828,734	25,450	501	38	16	6
Not Completed.....	10	75,890	59,087	59,087	2,764	48	0	3	7
San Francisco Stock Exchange: Total.....	3	25,796	27,385	25,796	255	13	2	1	0
Completed.....	3	25,796	27,385	25,796	255	13	2	1	0
Not Completed.....	0	0	0	0	0	0	0	0	0

NOTE.—The exchanges shown above are those on which special offering plans were effective and on which special offerings were made during the fiscal year shown. For effective dates and information concerning special offering plans see text, pp. 42-44.

TABLE 7, PART 1.—Market value and volume of sales on all registered securities exchanges

OCTOBER 1934-JUNE 1944

[In thousands]

Exchange	Total market value (dollars)	Stocks		Bonds		Rights and warrants	
		Market value (dollars)	Number of shares	Market value (dollars)	Principal amount (dollars)	Market value ¹¹ (dollars)	Number of units
All Registered Exchanges.....	140,171,454	118,588,393	5,075,109	21,478,630	31,686,353	104,431	97,549
Baltimore Stock Exchange.....	96,653	87,036	5,404	9,582	24,078	35	6
Boston Stock Exchange.....	1,703,762	1,697,868	50,409	5,400	7,904	494	572
Buffalo Stock Exchange ¹	2,087	2,046	232	41	80	(¹²)	1
Chicago Board of Trade.....	7,191	7,102	1,185	72	120	17	67
Chicago Curb Exchange ²	5,866	5,783	2,220	83	84	---	---
Chicago Stock Exchange.....	1,623,350	1,618,595	95,398	3,337	3,578	1,418	5,336
Cincinnati Stock Exchange.....	64,641	63,229	2,697	1,199	1,282	213	73
Cleveland Stock Exchange.....	121,210	119,855	5,202	61	59	1,294	182
Denver Stock Exchange ³	1,512	1,512	25,902	---	---	---	---
Detroit Stock Exchange.....	386,981	386,964	38,802	---	---	17	13
Los Angeles Stock Exchange ⁴	595,248	594,987	63,926	45	43	210	402
New Orleans Stock Exchange.....	12,787	7,821	1,281	4,966	4,949	---	---
New York Curb Exchange.....	12,814,132	9,030,507	700,375	3,757,662	4,674,254	25,963	20,469
New York Produce Exchange ⁵	3,971	3,841	1,702	130	324	---	---
New York Real Estate Sec. Exch. ⁶	228	---	(¹⁰)	226	500	---	---
New York Stock Exchange.....	120,572,451	102,819,944	3,814,197	17,679,149	26,941,615	73,358	67,994
Philadelphia Stock Exchange.....	774,872	772,739	36,661	1,941	7,013	192	776
Pittsburgh Stock Exchange.....	226,844	226,277	15,240	185	174	382	838
St. Louis Stock Exchange.....	56,500	52,080	2,722	4,374	8,810	46	54
Salt Lake Stock Exchange.....	23,432	23,432	88,537	---	---	---	---
San Francisco Curb Exchange ⁷	92,504	91,966	17,183	538	608	(¹¹)	5
San Francisco Mining Exchange ⁸	2,144	2,144	27,435	---	---	---	---
San Francisco Stock Exchange.....	963,614	957,755	59,125	5,077	6,318	782	758
Standard Stock Exch. of Spokane ⁹	5,184	5,184	19,064	---	---	---	---
Washington Stock Exchange.....	14,290	9,721	210	4,562	4,560	4	3

BREAK-DOWN OF TOTALS BY FISCAL YEARS ENDED JUNE 30

1935 ¹³	10,079,688	7,283,099	299,590	2,796,335	3,397,169	254	---
1936.....	23,704,241	21,980,746	947,255	3,709,569	4,778,761	13,926	15,203
1937.....	28,047,009	24,531,403	899,487	3,470,160	4,307,195	45,446	34,851
1938.....	14,759,624	13,028,092	552,456	1,721,772	2,409,552	9,760	11,225
1939.....	14,213,134	12,530,148	516,179	1,674,220	2,386,877	8,766	11,409
1940.....	13,469,399	11,661,433	493,716	1,801,052	2,540,368	6,914	4,478
1941.....	7,204,495	5,897,410	260,457	1,303,550	2,312,275	3,526	3,865
1942.....	6,872,298	5,583,946	281,833	1,282,679	2,483,925	5,673	6,062
1943.....	9,074,522	7,299,424	413,196	1,772,988	3,730,679	3,110	3,866
1944.....	10,746,044	8,792,692	410,940	1,946,296	3,339,552	7,056	6,590

¹ Suspended trading Mar. 1, 1936.² Registered Nov. 1, 1935. Suspended trading May 1, 1938.³ Suspended trading Apr. 3, 1936.⁴ The Los Angeles Curb Exchange merged with the Los Angeles Stock Exchange Nov. 1, 1934. October 1934 data for the Curb are included.⁵ Suspended trading Feb. 25, 1935.⁶ Suspended trading May 14, 1941.⁷ Merged with the San Francisco Stock Exchange May 1, 1938.⁸ Registered June 1, 1936.⁹ Registered Oct. 1, 1935.¹⁰ 500 shares or less.¹¹ Includes \$26 thousand unclassified trading on the Baltimore Stock Exchange in 1934; \$1,078 thousand pass-book trading on the Cleveland Stock Exchange through October 1939, after which date such trading was discontinued.¹² \$500 or less.¹³ 9 months totals.

NOTE.—Right and warrant sales were included with stock sales through December 1935.

TABLE 7, PART 2.—Market value and volume of sales on all registered securities exchanges

FOR FISCAL YEAR ENDED JUNE 30, 1944

[In thousands]

Exchange	Total market value (dollars)	Stocks †		Bonds ‡		Rights and warrants	
		Market value (dollars)	Number of shares	Market value (dollars)	Principal amount (dollars)	Market value (dollars)	Number of units
All Registered Exchanges...	10,746,044	8,792,692	410,940	1,946,296	3,339,553	7,056	6,590
Baltimore Stock Exchange.....	6,638	4,817	222	1,821	3,467	-----	-----
Boston Stock Exchange.....	117,182	116,965	3,611	217	297	-----	-----
Chicago Board of Trade.....	23	23	9	0	0	-----	-----
Chicago Stock Exchange.....	166,000	165,976	8,274	0	0	24	22
Cincinnati Stock Exchange.....	7,170	7,147	286	23	23	-----	-----
Cleveland Stock Exchange.....	9,796	9,753	434	24	22	19	28
Detroit Stock Exchange.....	27,914	27,914	2,871	-----	-----	-----	-----
Los Angeles Stock Exchange.....	56,571	56,567	4,120	0	0	4	4
New Orleans Stock Exchange.....	1,050	1,041	143	9	9	-----	-----
New York Curb Exchange.....	960,308	791,488	64,911	164,404	221,894	4,416	2,358
New York Stock Exchange.....	9,225,128	7,444,192	306,683	1,778,346	3,112,060	2,590	4,172
Philadelphia Stock Exchange.....	61,154	61,139	3,287	15	21	-----	-----
Pittsburgh Stock Exchange.....	13,400	13,399	1,082	1	1	-----	-----
St. Louis Stock Exchange.....	4,585	4,435	218	150	186	-----	-----
Salt Lake Stock Exchange.....	871	871	5,754	-----	-----	-----	-----
San Francisco Mining Exchange.....	120	120	2,064	-----	-----	-----	-----
San Francisco Stock Exchange.....	86,377	85,167	5,300	1,207	1,500	3	6
Standard Stock Exchange of Spokane.....	544	544	1,646	-----	-----	-----	-----
Washington Stock Exchange.....	1,213	1,134	25	79	73	-----	-----

BREAK-DOWN OF FISCAL YEAR TOTALS BY MONTHS

<i>1943</i>							
July.....	1,104,198	930,392	43,471	173,474	319,102	332	210
August.....	713,682	597,684	27,782	115,776	200,797	222	182
September.....	684,685	558,690	26,189	125,866	229,324	129	131
October.....	683,101	545,041	24,542	137,656	253,466	404	700
November.....	821,639	687,619	32,239	133,756	234,626	264	843
December.....	886,893	747,340	33,844	138,736	260,815	817	562
<i>1944</i>							
January.....	884,877	672,353	32,537	211,667	352,987	857	1,124
February.....	897,771	668,369	30,988	228,798	428,754	604	421
March.....	1,165,680	979,583	46,586	185,281	307,972	816	331
April.....	707,697	561,595	25,032	144,882	221,137	1,220	1,338
May.....	852,283	685,590	28,913	166,046	234,544	647	496
June.....	1,343,538	1,158,436	58,817	184,358	206,029	744	252

† "Stocks" includes voting trust certificates, American depositary receipts, and certificates of deposit for stocks.

‡ "Bonds" includes mortgage certificates and certificates of deposit for bonds.

NOTE.—Value and volume of sales on registered securities exchanges are reported in connection with fees paid under sec. 31 of the Securities Exchange Act of 1934. For most exchanges the figures represent transactions cleared during the calendar month. These data may differ from comparable figures in the Statistical Bulletin due to revision by exchanges. For earlier data see the Ninth Annual Report of the Commission, p. A-16; the Eighth Annual Report, p. A-9; the Seventh Annual Report, pp. 288-295; the Sixth Annual Report, pp. 276-283; the Fifth Annual Report, pp. 222-227; the Fourth Annual Report, pp. 166-171; the Third Annual Report, insert facing p. 156; the Second Annual Report, insert facing p. 116; and the First Annual Report, pp. 87-91.

TABLE 8.—Basic forms used by issuers in registering securities on national securities exchanges and, for each form, the number of securities registered and issuers involved as of June 30, 1943 and June 30, 1944

Form	Description	As of June 30, 1943		As of June 30, 1944	
		Securities registered	Issuers involved	Securities registered	Issuers involved
7	Provisional registration form	8	4	6	4
10	General Corporations	2,476	1,666	2,400	1,637
11	Unincorporated issuers	22	13	20	12
12	Issuers making annual reports under sec. 20 of the Interstate Commerce Act, as amended, or under sec. 219 of the Communications Act of 1934	621	178	592	173
12-A	Issuers in receivership or bankruptcy and making annual reports under sec. 20 of the Interstate Commerce Act, as amended, or under sec. 219 of the Communications Act of 1934	89	21	86	19
13	Insurance companies other than life and title insurance companies	15	15	10	10
14	Certificates of deposit issued by a committee	35	23	32	21
15	Incorporated investment companies	86	53	83	52
16	Voting trust certificates and underlying securities	22	20	20	18
17	Unincorporated issuers engaged primarily in the business of investing or trading in securities	8	5	8	5
18	Foreign governments and political subdivisions thereof	205	82	201	82
19	American certificates issued against foreign securities and for the underlying securities	8	7	8	7
20	Securities other than bonds of foreign private issuers	2	1	1	1
21	Bonds of foreign private issuers	79	47	79	47
22	Securities of issuers reorganized in insolvency proceedings or their successors	98	54	98	54
23	Securities of successor issuers other than those succeeding insolvent issuers	88	57	87	55
24	Bank holding companies	4	4	4	4
	Total	3,866	12,250	3,735	22,201

¹ Includes 4 issuers having securities registered on 2 basic forms and 1 issuer having securities registered on 3 basic forms. Unduplicated count is therefore 2,244 issuers.

² Includes 3 issuers having securities registered on 2 basic forms and 1 issuer having securities registered on 3 basic forms. Unduplicated count is therefore 2,196 issuers.

TABLE 9.—Classification, by industries, of issuers having securities registered on national securities exchanges as of June 30, 1943 and June 30, 1944

Industry	Number of issuers	
	As of June 30, 1943	As of June 30, 1944
Agriculture	7	7
Beverages (breweries, distilleries, etc.)	48	46
Building and related companies (including lumber, building materials, and construction)	81	81
Chemicals and allied products	82	82
Financial and investment companies (investment trusts, fire insurance, etc.)	141	132
Food and related products	107	104
Foreign governments and political subdivisions	80	80
Foreign private issuers, other than Canadian and Cuban	54	54
Iron and steel (excluding machinery)	69	68
Machinery and tools (excluding transportation equipment)	167	168
Merchandising (chain stores, department stores, etc.)	160	154
Mining, coal	26	24
Mining other than coal	226	219
Miscellaneous manufacturing	59	60
Oil and gas wells	59	54
Oil refining and distributing	37	38
Paper and paper products	38	38
Printing, publishing, and allied industries	21	20
Real estate	23	23
Rubber and leather products (tires, shoes, etc.)	32	32
Services (including advertising, amusements, hotels, restaurants, etc.)	44	43
Textiles and related products	59	59
Tobacco products	19	18
Transportation and communication (railroads, telephone, radio, etc.)	291	283
Transportation equipment (automobiles, aircraft, parts, accessories, etc.)	171	170
Utility holding (electric, gas, and water)	41	41
Utility holding-operating (electric, gas, and water)	17	16
Utility operating (electric, gas, and water)	85	82
Totals	2,244	2,196

TABLE 10.—Number and amount of securities, separately for stocks and bonds, classified according to basis for admission to dealing on all exchanges as of June 30, 1944

STOCKS				
Basis for admission to dealing	Column I ¹		Column II ²	
	Issues	Number of shares	Issues	Number of shares
Registered.....	2, 550	2, 285, 763, 088	2, 550	2, 285, 763, 088
Temporarily exempted from registration.....	³ 37	9, 422, 906	³ 37	9, 422, 906
Admitted to unlisted trading privileges on registered exchanges.....	1, 001	1, 667, 333, 405	458	383, 632, 380
Listed on exempted exchanges.....	137	92, 354, 968	88	27, 564, 504
Admitted to unlisted trading privileges on exempted exchanges.....	53	10, 652, 256	46	4, 897, 117
Total stock issues and number of shares admitted to dealing on all exchanges.....			3, 179	2, 711, 279, 989

BONDS				
	Column I ¹		Column II ²	
	Issues	Principal amount	Issues	Principal amount
Registered.....	⁴ 1, 185	\$21, 358, 063, 564	⁴ 1, 185	\$21, 358, 063, 564
Temporarily exempted from registration.....	³ 23	350, 254, 447	³ 23	350, 254, 447
Admitted to unlisted trading privileges on registered exchanges.....	201	2, 400, 957, 546	178	1, 987, 016, 946
Listed on exempted exchanges.....	7	14, 443, 000	7	14, 443, 000
Admitted to unlisted trading privileges on exempted exchanges.....	3	656, 000	3	656, 000
Total bond issues and principal amount admitted to dealing on all exchanges.....			⁴ 1, 396	\$23, 700, 644, 957

¹ The purpose of column I is to show the number of securities admitted to dealing under the various bases for admission of securities to dealing on exchanges under the act. Each security is counted once under each basis for its admission to dealing. For example, if a security is registered on 1 or more exchanges and also unlisted on 1 or more other registered exchanges, such security is counted once under "Registered" and once under "Admitted to unlisted trading privileges on registered exchanges." This column is not totaled because of such duplications.

² The purpose of column II is to show the unduplicated total of all securities admitted to dealing on all exchanges. Each security is counted once, and only once, and the elimination of duplications contained in column I is made in column II in the order in which the various bases for trading is given. For example, of the 1,001 stock issues shown in column I as admitted to unlisted trading privileges on registered exchanges 541 are also registered and 2 are also temporarily exempted from registration, leaving the 458 shown under column II; of the 137 stock issues shown in column I as listed on exempted exchanges 39 are also registered and 10 are also admitted to unlisted trading privileges on registered exchanges, leaving the 88 shown in column II; and of the 53 stock issues shown in column I as unlisted on exempted exchanges 6 are also registered and 1 is also admitted to unlisted trading privileges on a registered exchange, leaving the 46 shown in column II. Of the 201 bond issues shown in column I as admitted to unlisted trading privileges on registered exchanges 23 are also registered, leaving the 178 shown under column II.

³ Includes certain securities resulting from modifications of previously listed securities, securities of certain banks, and securities of certain issuers in bankruptcy or receivership or in the process of reorganization under the Bankruptcy Act. These securities have been temporarily exempted from the operation of sec. 12 (a) of the Securities Exchange Act of 1934, as amended, upon specified terms and conditions and for stated periods pursuant to rules and regulations of the Commission.

⁴ Includes 8 bond issues in pounds sterling and 2 bond issues in French francs in the amounts of £29,643,600 and 34,471,680 French francs, respectively. These amounts have been excluded from the principal amount in dollars shown above.

TABLE 11.—Number of securities, separately for stocks and bonds, registered and admitted to unlisted trading privileges on one, or more than one, national securities exchange as of June 30, 1944

STOCKS

Classification	(See footnote for explanation of column headings)								
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	
Total stock issues registered.....	2,550	1,654	0	355	0	247	146	65	83
Total stock issues admitted to unlisted trading privileges on national exchanges.....	1,001	0	444	0	16	247	146	65	83

BONDS

Total bond issues registered.....	1,185	1,048	0	114	0	23	0	0	0
Total bond issues admitted to unlisted trading privileges on national exchanges.....	201	0	178	0	0	23	0	0	0

Unduplicated total of stock issues registered and admitted to unlisted trading privileges on national exchanges.....									3,010
Unduplicated total of stock issues registered and admitted to unlisted trading privileges on national exchanges which were admitted to dealing on more than 1 such exchange (30.3 percent of unduplicated total).....									912
Unduplicated total of bond issues registered and admitted to unlisted trading privileges on national exchanges.....									1,363
Unduplicated total of bond issues registered and admitted to unlisted trading privileges on national exchanges which were admitted to dealings on more than 1 such exchange (10.1 percent of unduplicated total).....									137

- (1) Registered on 1 exchange only.
- (2) Admitted to unlisted trading privileges on 1 exchange only.
- (3) Registered on more than 1 exchange.
- (4) Admitted to unlisted trading privileges on more than 1 exchange.
- (5) Registered on 1 exchange and admitted to unlisted trading privileges on 1 exchange.
- (6) Registered on 1 exchange and admitted to unlisted trading privileges on more than 1 exchange.
- (7) Registered on more than 1 exchange and admitted to unlisted trading privileges on 1 exchange.
- (8) Registered on more than 1 exchange and admitted to unlisted trading privileges on more than 1 exchange.

TABLE 12.—Number of issuers having securities admitted to dealings on all exchanges as of June 30, 1944, classified according to basis for admission of their securities to dealings

Basis of admission of securities to dealing	Column I ¹ number of issuers	Column II ² number of issuers
Issuers having securities registered.....	2,196	2,196
Issuers having securities temporarily exempted from registration.....	42	33
Issuers having securities admitted to unlisted trading privileges on registered exchanges.....	950	401
Issuers having securities listed on exempted exchanges.....	120	78
Issuers having securities admitted to unlisted trading privileges on exempted exchanges.....	45	38
Total issuers having securities admitted to dealings on all exchanges.....		2,746

(1) The purpose of column I is to show the number of issuers having securities admitted to dealings under the various bases for admission of securities to dealings on exchanges under the act. Each issuer is counted once under each basis for admission of its securities to dealings. For example, an issuer with securities registered and also securities admitted to unlisted trading privileges on one or more registered exchanges is counted once under "registered" and once under "unlisted on registered exchanges." This column is not totaled because of such duplications.

(2) The purpose of column II is to show the unduplicated total number of issuers having securities admitted to dealings on all exchanges. Each issuer is counted once, and only once, and the elimination of the duplications contained in column I is made in the order in which the various bases for trading is given. For example, of the 42 issuers shown in column I as having securities temporarily exempted from registration 9 also have securities registered, leaving the 33 shown in column II; of the 950 issuers shown in column I as having securities admitted to unlisted trading privileges on registered exchanges 547 also have securities registered and 2 have securities temporarily exempted from registration, leaving the 401 shown in column II; of the 120 issuers shown in column I as having securities listed on exempted exchanges 32 also have securities registered and 10 have securities admitted to unlisted trading privileges on registered exchanges, leaving the 78 shown in column II; and of the 45 issuers shown in column II as having securities admitted to unlisted trading privileges on exempted exchanges 5 also have securities registered, 1 has securities admitted to unlisted trading privileges on a registered exchange and 1 has securities listed on an exempted exchange, leaving the 38 shown in column II.

TABLE 13.—Number of issuers having stocks only, bonds only, and both stocks and bonds, admitted to dealings on all exchanges as of June 30, 1944

Classification	Number of issuers	Percent of total issuers
1. Issuers having only stocks admitted to trading on exchanges.....	2,066	75.23
2. Issuers having only bonds admitted to trading on exchanges.....	377	13.73
3. Issuers having both stocks and bonds admitted to trading on exchanges.....	303	11.04
Total Issuers.....	2,746	100.00
4. Issuers having stocks admitted to trading on exchanges (classification 1 plus 3).....	2,363	86.05
5. Issuers having bonds admitted to trading on exchanges (classification 2 plus 3).....	680	24.76

TABLE 14.—Number of issuers and securities, basis for admission to dealings, and the percentage of stocks and bonds, for each exchange, admitted to dealings on 1 or more other exchanges as of June 30, 1944

[R, registered; X, temporarily exempted from registration; U, admitted to unlisted trading privileges on a national securities exchange; XL, listed on an exempted exchange; and XU, admitted to unlisted trading privileges on an exempted exchange]

Name of exchange	STOCKS							Percent traded on 1 or more other exchanges	BONDS					Percent traded on 1 or more other exchanges		
	Total issuers	Total issues	R	X	U	XL	XU		Total	R	X	U	XL		XU	
Baltimore.....	67	98	42	3	23			68	54.41	21		9			30	50.00
Boston.....	326	403	140	1	205			346	81.21	57					57	70.18
Chicago Board of Trade.....	33	37	31		5			36	55.55	1					1	
Chicago Stock Exchange.....	262	342	285	13	19			317	62.77	14	11				25	40.00
Cincinnati.....	61	91	81	1	6			88	27.27	2	1				3	100.00
Cleveland.....	80	94	74		19			93	59.14	1					1	
Colorado Springs ¹	14	15				15		15	26.67							
Detroit.....	151	161	104		57			161	77.63							
Honolulu ¹	92	113				57	47	104	23.08				6	3	9	
Los Angeles.....	187	215	120	1	84			205	84.39	10					10	100.00
Minneapolis-St. Paul ¹	14	18				16	2	18	66.67							
New Orleans.....	14	27	1		16			17	17.65	7		3			10	40.00
New York Curb.....	852	1,142	437	1	490			928	25.32	26		188			214	8.41
New York Stock.....	1,190	2,349	1,269	1				1,270	51.34	1,065	14				1,079	11.30
Philadelphia.....	420	518	68	1	386			455	96.48	62	1				63	66.67
Pittsburgh.....	105	121	59	2	58			119	73.95	2					2	
Richmond ¹	21	28				27		27	14.81			1			1	
St. Louis.....	47	79	67	1				68	26.47	11					11	72.73
Salt Lake.....	94	96	89		7			96	10.42							
San Francisco Mining.....	39	39	39					39	15.38							
San Francisco Stock.....	275	340	160	5	153			318	71.07	21		1			22	86.36
Spokane.....	30	32	21		11			32	31.25							
Washington, D. C.....	33	51	28	11				39	10.25	12					12	33.33
Wheeling ¹	23	25				21	4	25	44.00							

¹ Exempted from registration as a national securities exchange.

TABLE 15.—Disposition of applications filed by national securities exchanges for the extension of unlisted trading privileges pursuant to sec. 12 (f), clauses 2 and 3, of the Securities Exchange Act of 1934, as amended, for the period from May 27, 1936 (the date on which the section was amended), to June 30, 1944.

Exchange	Stocks							Bonds				
	Number filed	Granted			Denied	Withdrawn	Pending	Number filed	Granted	Denied	Withdrawn	Pending
		Odd lots and round lots	Odd lots only	Round lots only								
Clause 2:												
Baltimore Stock.....	1	0	0	0	1	0	0	0	0	0	0	0
Boston Stock.....	60	21	15	(2)6	13	4	1	0	0	0	0	0
Chicago Stock.....	20	² 20	0	0	0	0	0	0	0	0	0	0
Cincinnati Stock.....	7	6	0	0	1	0	0	0	0	0	0	0
Cleveland Stock.....	20	19	0	0	0	0	1	0	0	0	0	0
Detroit Stock.....	47	³ 43	0	0	4	0	0	0	0	0	0	0
Los Angeles Stock.....	54	³ 40	0	0	11	3	0	0	0	0	0	0
New York Curb.....	7	5	0	0	2	0	0	5	³ 3	2	0	0
Philadelphia Stock.....	73	47	⁶ 4	² 3	11	5	3	0	0	0	0	0
Pittsburgh Stock.....	78	³ 37	7	8	0	32	1	0	6	0	4	2
Salt Lake Stock.....	1	1	0	0	0	0	0	0	0	0	0	0
San Francisco Stock ²	41	24	0	0	15	0	2	0	0	0	0	0
Total clause 2.....	409	263	27	9	90	13	7	11	3	6	2	0
Clause 3:												
New York Curb.....	12	5	0	0	0	1	6	56	⁴ 41	7	5	3
Cleveland Stock.....	1	0	0	0	0	0	1	0	0	0	0	0
Total clause 3.....	13	5	0	0	0	1	7	56	41	7	5	3

¹ 2 of these issues were subsequently removed. 6 of the remaining 13 issues were granted round-lot trading privileges on July 17, 1939.

² Odd-lot trading privileges were previously granted to these issues.

³ 1 of these issues was removed during the past fiscal year.

⁴ Unlisted trading privileges were subsequently granted in this issue.

⁵ 2 of these issues were subsequently removed.

⁶ 3 of these issues were granted round-lot trading privileges on Sept. 7, 1939.

⁷ 4 of these issues were subsequently removed.

⁸ San Francisco Curb Exchange merged with San Francisco Stock Exchange on Apr. 30, 1938. 7 applications filed by the San Francisco Curb Exchange prior to that date are included herein.

⁹ 14 of these issues were subsequently removed.

TABLE 16, PART 1.—*Reorganization cases instituted under ch. X and sec. 77B in which the Commission filed a notice of appearance and in which the Commission was actively interested in the proceedings as of June 30, 1944—Distribution of debtors by type of industry*

Industry	Number of debtors		Total assets		Total indebtedness	
	Principal	Subsidiary	Amount (thousands of dollars)	Percent of grand total	Amount (thousands of dollars)	Percent of grand total
Agriculture.....	1		1,100	0.1	100	(¹)
Mining and other extractive.....	10	6	130,864	7.5	95,708	8.7
Manufacturing.....	11		80,150	4.6	57,005	5.2
Financial and investment.....	11	1	95,994	5.5	59,236	5.4
Merchandising.....	1		2,106	0.2	1,309	0.1
Real estate.....	50	3	251,207	14.5	262,696	23.9
Construction and allied.....	1		9,108	0.5	4,485	0.4
Transportation and communication.....	6	8	104,591	6.1	91,246	8.3
Service.....	5		18,758	1.1	11,754	1.1
Utilities: Light, power, and gas.....	10	7	² 1,035,439	59.9	² 515,375	46.9
Grand total.....	106	25	1,729,317	100.0	1,098,914	100.0

¹ Less than 0.05 percent.

² Approximately \$800,000,000 of assets and \$400,000,000 of liabilities were accounted for by Associated Gas & Electric Co. and its subsidiary, Associated Gas & Electric Corp.

TABLE 16, PART 2.—*Reorganization cases instituted under ch. X and sec. 77B in which the Commission filed a notice of appearance and in which the Commission was actively interested as of June 30, 1944—Distribution of debtors by amount of indebtedness*

Range of indebtedness	Number of debtors		Total indebtedness	
	Principal	Subsidiary	Amount (thousands of dollars)	Percent of grand total
Less than \$100,000.....	5	2	271	(¹)
\$100,000 to \$249,999.....	8	4	2,064	0.2
\$250,000 to \$499,999.....	9	4	4,906	.4
\$500,000 to \$999,999.....	13	7	14,475	1.3
\$1,000,000 to \$1,999,999.....	18	3	29,474	2.7
\$2,000,000 to \$2,999,999.....	10	2	30,560	2.8
\$3,000,000 to \$4,999,999.....	18		72,406	6.6
\$5,000,000 to \$9,999,999.....	9		77,217	7.0
\$10,000,000 to \$24,999,999.....	10	1	173,900	15.8
\$25,000,000 to \$49,999,999.....	3	1	134,534	12.3
Over \$50,000,000.....	3	1	² 559,107	50.9
Grand total.....	106	25	1,098,914	100.0

¹ Less than 0.05 percent.

² Approximately \$800,000,000 of assets and \$400,000,000 of liabilities were accounted for by Associated Gas & Electric Co. and its subsidiary, Associated Gas & Electric Corp.

TABLE 17, PART 1.—Electric utility properties divested by registered holding companies, Dec. 1, 1935 to June 30, 1944

72024-45-17

System and company	Total assets of divested subsidiary*	Details of divestment	Consideration if sold	Date	Comments	Source of information
American Power & Light Co.: Florida Power & Light Co.		Sale of electric properties at Tavernier, Fla., to Florida Keys Electric Cooperative Association, Inc.	\$6,230	1942	Property sold no longer subject to the act.	File No. 30-144-2
		Sale of distribution facilities in Putnam, Columbia, Union, Alachua, Bradford, and Clay Counties to Clay Electric Cooperative, Inc.	32,832	1943	do.	Do.
Northwestern Electric Co.		Sale of distribution system serving North Bonneville, Wash., to Skamania County P. U. D. No. 1.	68,000	1942	do.	Do.
Pacific Power & Light Co.		Sale of distribution system in Skamania County, Wash., to Skamania County P. U. D. No. 1.	32,000	1942	do.	Do.
Texas Electric Service Co.		Sale of distribution system in Grand Falls, Tex., to Red Bluff Water Power Control District.	15,887	1942	do.	Do.
		Sale of electric utility property at Eagle Pass, Tex., to Central Power & Light Co.	350,000	October 1943	Property sold continues subject to the act.	Release No. 4621.
Texas Power & Light Co.		Sale of electric properties in 16 counties to Lower Colorado River Authority.	5,000,000	September 1939	Property sold no longer subject to the act.	File No. 30-144-2
		Sale of extension line in Miami Springs, Fla.	1,657	1943	do.	Do.
American States Utilities Corp.: Dearborn-Ripley Light & Power Co.	\$137,944	Sale of all physical assets to Public Service Co. of Indiana.	65,000	December 1938	Property sold continues subject to the act.	Release No. 1367.
Grimes Pass Power Co.		Sale of physical assets to Long Valley Power Cooperative, Inc.	42,500	1943	Property sold no longer subject to the act.	File No. 30-136-2.
Hermiston Light & Power Co.	168,466	Sale of investment to International Utilities Corp. and Ralph Elsmann, liquidating trustee.	110,000	July 1939	Property resold in 1940 to Pacific Power & Light Co.	Release No. 1632.
Plains Light & Water Co.	N. A.	Sale of physical assets and franchises.	31,000	August 1937	Property sold prior to parent's registration under the act.	File No. 30-136-1.
Rathdrum Electric Company, Ltd.	62,044	Sale of physical assets to Washington Water Power Co.	N. A.	March 1938	Property sold continues subject to the act.	Do.
American Utilities Service Corp.: Louisiana Public Service Corp.	815,904	Sale of electric utility assets in Oak Grove, La., to E. J. Haugh.	56,000	February 1940	Property sold no longer subject to the act.	File No. 30-71-2.
		Sale of stand-by generating plant in Montegut, La., to Maringouin Ice Factory.	N. A.	1940	do.	Do.
		Sale of remaining assets to Louisiana Power & Light Co.	437,156	July 1942	Property sold continues subject to the act.	Release No. 3653.

See footnotes at end of table.

TABLE 17, PART 1.—*Electric utility properties divested by registered holding companies, Dec. 1, 1935 to June 30, 1944*—Continued

System and company	Total assets of divested subsidiary	Details of divestment	Consideration if sold	Date	Comments	Source of information
American Utilities Service Corp—Continued.						
Minnesota Utilities Co.....		Sale of electric utility assets in Twin Valley and Wheaton, Minn., to Otter Tail Power Co.	\$520,000	October 1941.....	Property sold no longer subject to the act.	Release No. 3055.
		Sale of electric utility assets in Grey Eagle District to Minnesota Power & Light Co.	88,469	July 1942.....	Property sold continues subject to the act.	File No. 54-57.
		Sale of electric utility assets in Roof River Division to Tri-County Electric Cooperative & Dairyland Power Cooperative.	378,000	November 1942.....	Property sold no longer subject to the act.	Release No. 3916.
		Sale of electric plant and distribution system in Pine River, Minnesota, District to Minnesota Power & Light Co.	200,000	February 1943.....	Property sold continues subject to the act.	Release No. 4087.
Northwestern Illinois Utilities.	1,277,244	Sale of electric utility assets in Augusta and Osseo, Wis., to Northern States Power Co.	80,711	August 1941.....	do.....	File No. 54-57.
		Sale of assets in LaFarge and Viola, Wis., to the respective villages.	87,157	March 1942.....	Property sold no longer subject to the act.	Do.
		Sale of investment to Fred D. Ellis and Edmund J. Haugh.	84,000	1944.....	No longer subject to the act.	Release No. 4948.
Northwestern Wisconsin Electric Co.	776,068	Sale of all stock.....	284,365	April 1943.....	do.....	Release No. 4265.
Ripley Utilities Co.....	250,094	Sale of electric transmission and distribution system to Tippah County Electric Power Association.	70,000	April 1938.....	Property sold no longer subject to the act.	File No. 54-57.
Roberts County Power Co....	82,431	Sale of electric distribution system to Otter Tail Power Co.	35,000	April 1940.....	do.....	Do.
Southern Public Service Co.....		Sale of electric utility assets to Kentucky & West Virginia Power Co., Inc.	70,000	November 1939.....	Property sold continues subject to the act.	Do.
Southern Utilities Co.....	221,122	Sale of electric utility assets to Appalachian Electric Power Co.	80,000	November 1939.....	do.....	Do.
Wisconsin Central Utilities Co.	471,269	Sale of electric utility assets in Galesville, Wis. to Mississippi Valley Public Service Co.	67,767	June 1939.....	Property sold no longer subject to the act.	Do.
American Water Works & Electric Co., Inc.:						
Potomac Edison Co.....		Sale of physical assets to the Chesapeake & Potomac Telephone Co. of Baltimore, Md.	2,883	1943.....	do.....	File No. 30-75-2.
		Sale of distribution facilities to U. S. Government at Camp Detrick, Frederick, Md.	1,065	1943.....	do.....	Do.
Potomac Light & Power Co.....		Sale of transformer installations to standard Lime & Stone Co.	2,840	1943.....	do.....	Do.
West Penn Power Co.....		Sale of distribution plant to borough of Tarentum, Pa.	2,070	1942.....	do.....	Do.
		Sale of distribution plant to Western Penitentiary, Bellefonte, Pa.	6,902	1942.....	do.....	Do.

Associated Gas & Electric Corp. Arkansas General Utilities Co.	1,003,864	Sale of all outstanding common stock and certain indebtedness to Walton Sullivan & Co.	325,000	December 1941.	No longer subject to the act.	Release No. 3219.
Associated Maryland Electric Power Co.		Sale of all facilities except one transmission line to Potomac Edison Co.	85,000	August 1941.	Property sold continues subject to the act.	Trustees' report.
Brookville Electric Co.	254,220	Included in sale of Northeastern Water & Electric Corp. to Penn-Jersey Water Co. and John H. Ware.		November 1942.	do.	Release No. 3898.
Caribou Water, Light & Power Co.	831,767			August 1943.	Companies exchanged continue subject to the act.	Release No. 4505.
Eastern Shore Public Service Co. (Del.) and subsidiaries.	17,788,943	All common stock plus \$6,071,000 in cash given to the United Gas Improvement Co. in exchange for stock of Erie County Electric Co.				
Florida Power Corp.		Sale of certain facilities in Gadsden and Leon Counties, Fla., to Talquin Electric Cooperative, Inc.	128,559	May 1942.	Property sold no longer subject to the act.	Release No. 3569.
General Utilities Co.	1,139,517	Sale of all assets of the three companies to City of Lodi, Ohio, and 8 rural electric cooperatives.		December 1942.	do.	Release No. 4006.
New London Power Co.	120,193					
Western Reserve Power & Light Co.	698,894	Sale of Southwestern Kentucky properties to T. V. A.	3,535,000	May 1942.	do.	Release No. 3569.
Kentucky-Tennessee Light & Power Co.		Sale of electric utility facilities to Bowling Green Municipal System.	3,000	1943.	do.	File No. 30-122-2.
K-T Electric & Water Co.		Sale of Franklin electric distribution system to city of Franklin-Warren Cooperative and Tennessee Valley Authority.	200,001	1943.	do.	Do.
Litchfield Electric Light & Power Co., The.	1,208,716	Sale of common stock to Connecticut Light & Power Co.	485,000	September 1943.	No longer subject to the act.	Release No. 4573.
Louisiana Public Utilities Co., Inc.	6,621,448	Sale of certain electric facilities to Claiborne Electric Cooperative, Inc.	90,000	November 1942.	Property sold no longer subject to the act.	Trustees' Report.
		Sale of all securities and claims against the company.	3,000,000	December 1942.	No longer subject to the act.	Release No. 4031.
Maryland Public Service Co.		Sale of 10 miles of distribution facilities.	14,675	May 1940.	Property sold no longer subject to the act.	Trustees' Report.
New York State Electric & Gas Corp.		Sale of distribution facilities in Plattsburg to city of Plattsburg, N. Y.	180,000	April 1941.	do.	Do.
		Sale of facilities in Sullivan and Orange Counties, N. Y., to Rockland Light & Power Co.	25,984	do.	do.	Do.
Ohio Northern Public Service Co.	587,588	Sale of investment to city of Bowling Green, Ky.	549,000	November 1942.	No longer subject to the act.	Do.
Ohio River Power Co.	1,018,541	Sale of all assets to Tell City and Cannelton, Ind.	600,000	December 1941.	Property sold no longer subject to the act.	Do.
Panhandle Public Service Co.	329,828	Sale of electric and ice properties to Northwestern Electric Cooperative, Inc.	175,000	July 1943.	do.	Release No. 4422.
Texas General Utilities Co.		Sale of all facilities except certain transmission lines to Universal Electric Construction Co.	44,630	August 1941.	do.	Trustees' Report.

TABLE 17, PART 1.—Electric utility properties divested by registered holding companies, Dec. 1, 1935 to June 30, 1944—Continued

System and company	Total assets of divested subsidiary	Details of divestment	Consideration if sold	Date	Comments	Source of information
Associated Gas & Electric Corp.—Continued.						
Tri-City Utilities Co.-----		Sale of certain properties to Kentucky Utilities Co. and exchange of other properties.	\$175,870	August 1942.....	Property disposed of continues to be subject to the act.	Release No. 3744.
		Sale of Ohio River electric distribution system to Green River Electric Cooperative Corp. and Meade County Electric Cooperative Corp. of Kentucky.	198,922	December 1942.....	Property sold no longer subject to the act.	Release No. 3951.
		Sale of Frankfort electric and water system to city.	1,200,000	August 1943.....	do.....	Trustees' Report.
		Sale of electric properties in Jellico, Tenn., to the city.	60,000	do.....	do.....	Do.
Tucumcari Light & Power Co.	445,889	Sale of all facilities to city of Tucumcari, N. Mex.	N. A.	July 1939.....	do.....	File No. 30-126-2.
Union Gas & Electric Co.....	2,414,334	Sale of investment to Wm. E. Vogelback.....	750,000	May 1944.....	No longer subject to the act.....	Release No. 4904.
Virginia Public Service Co. and subsidiaries.	64,087,658	Sale of investment to Virginia Electric & Power Co.	2,500,000	June 1944.....	Continues subject to the act.....	Release No. 5021.
Central New Hampshire Power Co.	1,888,171	All assets transferred to bondholders and noteholders and holding company dissolved.		August 1937.....	No longer subject to the act.....	File No. 30-31-1.
Central Public Utility Corp.:						
Central Illinois Electric & Gas Co.	30,742,204	Sale of investment to public.....	7,052,000	February 1944.....	do.....	Release No. 4874.
Hoosier Public Utility Co.....	1,332,091	Sale of investment to Public Service Co. of Indiana, Inc.	1,100,000	April 1942.....	Continues subject to the act.....	Release No. 3426.
Central States Edison, Inc.:						
Blue Valley Electric Co.-----		Sale of electric distribution system at Steele City, Nebr., to city of Fairburg.	7,705	June 1940.....	Property sold no longer subject to the act.	File No. 30-28-2.
Gasconade Power Co.-----		Sale of electric distribution system at Owensville, Mo., to city.	36,000	July 1939.....	do.....	Do.
North Kansas Power & Light Co.	50,451	Sale of physical properties to city of Alma, Kans.	24,000	January 1939.....	do.....	Do.
Cities Service Co.:						
Citizens Electric Co.-----	2,147,085	Sale of investment to Gus. B. Walton.....	1,533,000	July 1943.....	No longer subject to the act.....	Release No. 4425.
Citizens Light & Power Co., The.	4,163,942	Sale of all facilities to Consumers Power Co..	3,200,000	December 1938.....	Property sold continues subject to the act.	Release No. 1373.
Durham Public Service Co.	4,453,032	Sale of investment to Duke Power Co.....	2,952,000	December 1943.....	No longer subject to the act.....	Release No. 4721.
Grays Harbor Railway & Light Co.	5,130,989	Sale of electric facilities to Public Utility District No. 1 of Grays Harbor County, Wash.	2,842,000	January 1940.....	Property sold no longer subject to the act.	File No. 30-109-2.
Lake Shore Power Co. (Indiana).	72,309	Sale of all facilities to Indiana & Michigan Electric Co.	N. A.	August 1938.....	Property sold continues subject to the act.	File No. 30-108-2.

Ohio Public Service Co.		Sale of physical assets to Brush Beryllium Co.	36,521	1943	Property sold no longer subject to the act.	Do.
Public Service Co. of Colorado and subsidiaries.	104,764,752	Sale of all common stock to the public.	20,453,125	November 1943.	No longer subject to the act.	Release No. 4699.
Rawlins Electric Co.	644,250	Sale of investment to Edmund Steinauer.	350,000	January 1944	do.	Release No. 4820.
Willapa Electric Co.	768,234	Sale of electric facilities to P. U. D. No. 2 of Pacific County, Wash.	189,000	January 1940	Property sold no longer subject to the act.	File No. 30-109-2.
		Sale of transmission facilities to Booneville Dam.	156,000	do.	do.	Do.
Citizens Utilities Co.: Central America Power Corp.	769,995	Sale of all assets of the company to Ferrocarril del Pacifico de Nicaragua.	319,385	1941	do.	File No. 30-59-2.
Citizens Utilities Co.		Sale of electric distribution system in Goodland, Kans. to the city.	54,379	1938	do.	Do.
		Sale of electric transmission and distribution system in Brewster, Edson, and Levant, Kans. to Inland Utilities Co.	26,500	1939	do.	Do.
Newport Electric Corp.		Sale of electric utility assets in Abercorn and St. Armand, Quebec to 2 Canadian companies.	3,501	1938	do.	Do.
Columbia Gas & Electric Corp: Manufacturers Light & Heat Co., The.		Sale of physical assets to Equitable Gas Co.	44,995	1943	do.	File No. 30-98-2.
Commonwealth & Southern Corp., The:						
Alabama Power Co.		Sale of properties in 11 Alabama Counties to T. V. A. and other public groups.	4,268,848	1940	do.	File No. 30-115-2.
Gulf Power Co.		Sale of distribution facilities at Tyndall Field, Fla., to U. S. A.	13,595	June 1943.	do.	Do.
Mississippi Power Co.		Sale of properties in northern Mississippi to T. V. A.	2,022,000	1939	do.	Do.
Southern Tennessee Power Co.	511,781	Transfer of electric properties to Tennessee Utilities Corp. for sale to T. V. A. and others.	78,521,000	1939	do.	Do.
Tennessee Electric Power Co. and subsidiaries.	110,081,418					
Crescent Public Service Co.:						
Caney Electric Co.	157,589	Sale of investment to G. M. Dunne and D. E. Dunne.	80,500	May 1942	No longer subject to the act.	Release No. 3467.
Empire Southern Service Co.		Sale of electric properties to the city of Bridgeport, Tex.	65,000	1941	Property sold no longer subject to the act.	File No. 30-56-2.
Oklahoma Utilities Co.		Sale of electric properties to Indian Electric Cooperative, Inc.	226,536	1943	do.	Release No. 4613.
East Coast Public Service Co.:						
Northwest Carolina Utilities, Inc.	1,503,923	Sale of certain properties to Blue Ridge Electric Membership Corp.	170,000	June 1941	do.	Release No. 2840.
		Sale of remaining properties to French Bread Electric Membership Corp.	340,000	November 1942	do.	Release No. 3920.
Electric Power & Light Corp.:						
Idaho Power Co.	50,123,896	Sale of all common stock to the public.	10,361,000	August 1943.	No longer subject to the act.	Release No. 4527.

TABLE 17, PART 1.—Electric utility properties divested by registered holding companies, Dec. 1, 1935 to June 30, 1944—Continued

System and company	Total assets of divested subsidiary	Details of divestment	Consideration if sold	Date	Comments	Source of information
Engineers Public Service Co.: Key West Electric Co..... Northern Kansas Power Co.	\$1,255,592	Sale of all stock to City of Key West, Fla... Sale of Woodruff, Kans. properties to an electric cooperative corporation.	\$660,000 2,500	April 1943..... August 1943.....	No longer subject to the act..... Property sold no longer subject to the act.	Moody's, File No. 54-4.
Puget Sound Power & Light Co. and subsidiaries.	130,217,950	Old common and preferred stock of Puget exchanged for new common leaving Engineers with less than a controlling interest in the company, which was later sold.		April 1943.....	No longer subject to the act.....	Release No. 4255.
Western Public Service Co. (Md.)		Electric distribution system in Cozad, Nebr., sold to the city.	60,000	1938.....	Property sold no longer subject to the act.	File No. 30-105-2.
		Electric utility assets in Auburn, Nebr., sold to the city.	342,000	1939.....	do.....	Do.
		Electric distribution system in Bayard, Nebr., sold to the city.	78,102	1940.....	do.....	Do.
		Electric utility assets in Las Animus, Colo., sold to the city.	275,000	1941.....	do.....	Do.
		Sale of Nebraska and South Dakota properties to Consumers Public Power District of Nebraska.	6,587,500	January 1942.....	do.....	Release No. 3245.
Western Public Service Co. (Del.)		Sale of Burus, Hawk Springs, Huntley, and LaGrange, Wyo. properties to town of Burus and an electric cooperative corporation.	55,044	1942-43.....	do.....	File No. 59-4.
International Hydro-Electric System (trustees): Oconto River Power Co.....	68,703	Sale of all properties to Wisconsin-Michigan Power Co.	90,000	November 1939.....	Property sold continues subject to the act.	File No. 30-166-2.
International Utilities Corp.: Oklahoma Electric & Water Co.	938,648	Sale of investment to Southwestern Public Service Co.	516,933	January 1944.....	No longer subject to the act.....	Release No. 4868.
Middle West Corporation, The: Central Power & Light Co.....		Sale of property located in Sealy, Tex. to Houston Lighting & Power Co.	57,605	1941.....	Property sold no longer subject to the act.	File No. 30-48-2.
		Sale of property located in Colorado River Valley to Lower Colorado River Authority.	1,388,534	1941.....	do.....	Do.
		Sale of certain Texas properties to Bandera County Cooperative.	125,067	do.....	do.....	Do.
		Sale of property located in Harper, Tex., to Federnales Electric Cooperative.	25,053	do.....	do.....	Do.
Central Power Co.....	8,894,640	Sale of electric utility properties in Nebraska to Consumers Public Power District.	6,000,000	do.....	do.....	Release No. 2471..
Kansas Electric Power Co..	14,305,384	Sale of all common stock to the Kansas Power & Light Co.	2,500,000	August 1943.....	Continues subject to the act.....	Release No. 4532.

Kentucky Utilities Co.		Sale of distribution facilities in Booneville, Ky., to Jackson County Rural Electric Cooperative.	7,500	1941	Property sold no longer subject to the act.	File No. 30-48-2.
		Exchange of certain properties and cash for properties of Tri-City Utilities Co.		Dec. 1942	do	Release No. 3744.
Kansas Power Co.	11,568,511	Sale of investment to Western Light & Telephone Co.	1,300,000	May 1944	Continues subject to the act	Release No. 4998.
Missouri Gas & Electric Service Co.	3,284,749	Sale of investment to Ralph J. Green	352,400	December 1943	No longer subject to the act	Release No. 4782.
Missouri Public Service Corp.	9,429,328	Sale of the common stock to Ralph J. Green	279,352	June 1940	do	Release No. 2138.
Mount Horeb Electric Co.	111,033	Sale of all property and assets located in Mount Horeb, Wis., to city.		1939	Property sold no longer subject to the act.	File No. 30-48-2.
Public Service Co. of Oklahoma.		Sale of certain Texas properties to Northwestern Electric Cooperative.	175,000	September 1943	do	Moody's.
Wisconsin Power & Light Co.		Sale of transmission line to Wisconsin-Michigan Power Co.	45,206	1941	Property sold continues subject to the act.	File No. 30-48-2.
Midland United Co.: Public Service Co. of Indiana, Inc.		Sale of distribution system in Lebanon, Ind., to the city.	254,798	October 1943	Property sold no longer subject to the act.	File No. 2-4893.
Montana-Dakota Utilities Co.	34,074,865	Merged with 2 of its operating subsidiaries, Montana-Dakota Power Co. and Montana Cities Gas Co.		1936	Operating company no longer subject to the act.	Release No. 124.
National Power & Light Co.: Holston River Electric Co.	280,147	Sale of all electric properties to T. V. A.	87,500	September 1938	Property sold no longer subject to the act.	File No. 30-146-2.
Houston Lighting & Power Co.	67,116,400	Common stock partially exchanged for National's preferred stock and the balance sold to the public	12,582,128	May 1943	No longer subject to the act.	Release No. 4297.
Memphis Power & Light Co.		Sale of electric and gas properties in Memphis, and Shelby County, Tenn., to T. V. A. and the city of Memphis.	17,360,000	June 1939	Property sold no longer subject to the act.	Release No. 1584.
Pennsylvania Power & Light Co.		Sale of physical assets to Piper Aircraft Corp.	2,500	April 1943	do	File No. 30-146-2.
Tennessee Public Service Co.	20,548,076	Sale of certain transmission lines to the Appalachian Electric Power Co.	1,298,013	June 1938	Property sold continues subject to the act.	Do.
		Sale of remaining electric properties to Knoxville.	8,035,000	June 1938	Property sold no longer subject to the act.	Do.
West Tennessee Power & Light Co.	5,905,470	Sale of substantially all electric, gas, water, and railway properties to the cities of Jackson, Ripley, Brownsville, and Humboldt, Tenn., and T. V. A.	1,774,965	November 1938	do	Do.
Nevada-California Electric Corp., The	55,126,787	Merged with its electric utility subsidiaries		December 1936	Operating company no longer subject to the act.	Release No. 472.
New England Gas & Electric Association: Middlesex County Electric Co.	499,976	Sale of all assets to Massachusetts Utilities Associates for cash and other considerations.		1939	Property sold continues to be subject to the act.	Release No. 1585.

TABLE 17, PART 1.—*Electric utility properties divested by registered holding companies, Dec. 1, 1935 to June 30, 1944—Continued*

System and company	Total assets of divested subsidiary	Details of divestment	Consideration if sold	Date	Comments	Source of information
New England Public Service Co. The Twin State Gas & Electric Co.		Sale of assets in town of Hoosick and Village of Hoosick Falls, N. Y., to the New York Power & Light Corp.	\$207,899	April 1943.....	Property sold continues to be subject to the act.	Release No. 4285.
North American Co., The: Detroit Edison Co. and subsidiaries.	\$380,351,771	Common stock distributed as dividends on the North American Co. common stock.		1941-43.....	No longer subject to the act.....	Release No. 4148.
Des Moines Electric Light Co.	40,766,489	Sale of investment to Continental Gas and Electric Corp.	15,220,000	August 1943.....	{Continuous to be subject to the act.	}Release No. 4497.
Iowa Power and Light Co.						
North American Gas and Electric Co.: Dominion Electric Power, Ltd.	3,151,728	Sale of investment to Tenenbaum, Inc., St. Louis, Mo.	476,436	December 1943..	No longer subject to the act.....	File No. 30-201-2.
Southern Utah Power Co.		Sale of electric utility assets at St. George, Utah to city.	13,089	June 1942.....	Property sold no longer subject to the act.	File No. 30-37-2.
Washington Gas & Electric Co.		Sale of Longview and Ryderwood. Washington properties to Cowlitz Public Utility District.	5,900,844	November 1940.....	do.....	Do.
		Sale of utility assets at Everett, Wash., to Wm. Shenker Co	7,500	July 1943.....	do.....	File No. 30-38-2.
		Sale of electric utility assets at Morton, Wash., to Public Utility District No. 1, Lewis Co., Wash.	72,500	November 1942..	do.....	File No. 30-37-2.
North Continent Utilities Corp.: Elk River Power & Light Co.		Sale of distribution system in Princeton, Minn., to city.	25,000	March 1939.....	do.....	File No. 30-154-2.
Highland Utilities Co.	1,342,743	Sale of generating plant and distributing system in Springfield and Eads, Colo., and Ulysses, Kans., to Southeast Colorado Power Association.	278,000	1944.....	do.....	Release No. 5103.
		Sale of electric transmission and distribution system in Montezuma County, Colo. to Empire Electric Association.	150,000	February 1944..	do.....	Release No. 4734.
New Mexico Public Service Co.		Sale of generating plant and distributing system in Taos County, N. Mex., to Kit Carson Electric Cooperative, Inc.	150,000	1941.....	do.....	Release No. 5103.
Southern Arizona Public Service Co.	298,319	Sale of distribution system at Boyil, Ariz., to Sulphur Springs Valley Electric Cooperative, Inc.	16,000	1941.....	do.....	File No. 30-154-2.
		Sale of electric utility assets and ice and water plants in Cochise, Ariz., at Sulphur	155,000	January 1944....	do.....	Release No. 4734.

		Springs Valley Electric Cooperative, Inc.					
Northern States Power Co. (Del.)							
Northern States Power Co. (N. J.)	293,512	Sale of electric properties to South Dakota Public Service Co.	45,000	September 1941	Property sold continues subject to the act.		Release No. 3004.
Ogden Corporation (Successor to Utilities Power & Light Corporation):							
Canada Electric Co., Ltd.	2,837,977	Sale of investment to F. B. McCurdy.	3,158,438	September 1939	No longer subject to the act.		Release No. 1713
Eastern Electric & Development Co., Ltd.	280,697						
Monston Electric & Gas Co., Ltd.	2,239,644						
Central Light & Power Co.	1,188,304	Sale of investment to Otter Tail Power Co.	656,106	May 1941	do		Release No. 2731.
Central States Power & Light Corp.		Sale of distribution system at Benton, Ky., to City of Benton.	90,600	March 1941	Property sold no longer subject to the act.		File No. 30-67-2.
		Sale of distribution system at Bardwell, Ky., to city of Bardwell.	55,166	September 1941	do		Do.
		Sale of distribution systems at Arlington and Milburn, Ky., to West Kentucky Electric Cooperative, Association.	10,000	September 1941	do		Do.
		Sale of distribution system at Osage, Iowa, to city of Osage, Iowa.	48,662	December 1941	do		Do.
		Sale of distribution system at Stonewall, Okla., to Oklahoma Gas & Electric Co.	29,500	October 1941	Property sold continues subject to the act.		Do.
		Sale of distribution systems at Allen, Atwood, and Calvin, Okla., to Public Service Co. of Okla.	95,238	December 1941	do		Do.
Derby Gas & Electric Corp. and Subsidiaries.	9,264,015	Sale of investment to the public.	1,417,894	January 1944	Continues subject to the act.		Release No. 4813.
Indianapolis Power & Light Co. and subsidiaries.	\$5,263,652	Sale of all common stock to the public.	14,211,560	April 1940	No longer subject to the act.		Release No. 2901.
Interstate Power Co. of Nebraska.	4,539,163	Sale of all electric properties in Nebraska to Consumers Public Power District.	2,625,957	November 1940	Property sold no longer subject to the act.		Release No. 2393.
Interstate Power Co. of North Dakota.	169,745	Sale of investment to Otter Tail Power Co.	125,000	July 1943	No longer subject to the act.		Release No. 4440.
Missouri Electric Power Co	5,385,850	Sale of all physical property to Sho-Me Power Cooperative, Inc.	2,443,728	December 1943	Property sold no longer subject to the act.		Release No. 3947.
Newport Electric Corp.	3,978,917	Sale of all common stock to the public.	1,607,850	May 1939	No longer subject to the act.		Release No. 1545.
Quincy Electric Light & Power Co.		Sale of electrical equipment to the U. S. Naval Air Station at Squantum, Mass.	1,959	1943	Property sold no longer subject to the act.		File No. 30-33-2.
Peoples Light & Power Co.		Sale of electric and water properties in Smithville, Tex., to the city.	210,000	1939	do		File No. 30-88-2.
Texas Public Service Co.		Sale of electric properties in Weimar, Tex., to the city.	50,000	1939	do		Do.

TABLE 17, PART 1.—*Electric utility properties divested by registered holding companies, Dec. 1, 1935 to June 30, 1944*—Continued

System and company	Total assets of divested subsidiary	Details of divestment	Consideration if sold	Date	Comments	Source of information
Peoples Light & Power Co.—Con. West Coast Power Co.		Sale of property in Casnade Locks, Oreg., to the city.	\$14,000	1939.....	Property sold no longer subject to the act.	File No. 30-88-2.
		Sale of Stevenson electric properties to P. U. D. No. 1 of Skamania County, Wash.	40,000	1940.....	do.....	Do
		Sale of Lower Columbia River properties in Washington to two Pacific Utility Districts and Bonneville Dam Authority.	575,000	1940.....	do.....	Do.
		Sale of electric property in Shelton, Wash., to Public Utility District.	275,000	1941.....	do.....	Do.
		Sale of property in Clatskanie District to Clatskanie Public Utility District.	150,000	1943.....	do.....	File No. 54-67.
		Sale of Oregon Coast properties to Central Lincoln Public Utility District.	735,000	1943.....	do.....	Do.
Western States Utilities Co.	\$938,392	Sale of Utah property to Utah Power & Light Co.	5,000	1941.....	do.....	File No. 30-88-2.
		Sale of all common stock to Gerald L. Schlessman.	142,500	August 1943.....	No longer subject to the act.....	Release No. 4506.
Sioux City Gas & Electric Co.: Iowa Public Service Co.		Sale of distribution system in Manning, Iowa, to city.	109,916	1937.....	Property sold no longer subject to the act.	File No. 30-97-2.
		Sale of distribution system in Graettinger, Iowa, to city.	N. A.	1941.....	do.....	Do.
Nebraska Public Service Co.		Sale of electric system to Consumers Public Power District.	318,000	1941.....	do.....	Do.
Southwestern Public Service Co (Successor to Community Power & Light Co.):						
Arizona Electric Power Co.	603,814	} Sale of investment to James C. Tucker.....	775,000	March 1943.....	No longer subject to the act.....	Release No. 4129.
Flagstaff Electric Light Co.	480,866					
Arkansas Utilities Co.	2,601,419					
Black Hills Power & Light Co.	14,839,187	Sale of investment to Gus B. Walton.....	1,725,000	September 1943.....	do.....	Release No. 4529.
		Sale of investment to the public.....	4,345,000	October 1941.....	do.....	Release No. 3096.
Gothenburg Light and Power Co.	805,080	} Sale of investment to the Nebraska Power Authority.	N. A.	1941.....	do.....	File No. 70-651.
Nebraska Light and Power Co.	564,604					
Holbrook Light & Power Co., The.	151,514	Sale of investment to the town of Holbrook, Ariz.	86,938	November 1942.....	do.....	Release No. 3676.
Kansas Utilities Co.	2,639,193	Sale of investment to Eastern Kansas Utilities.	2,300,000	September 1942.....	Continues subject to the act.....	Release No. 3066.
Missouri Utilities Co.	7,594,218	Sale of investment to the public.....	6,095,875	October 1941.....	No longer subject to the act.....	Release No. 3041.
Standard Power and Light Corp.:						
Mountain States Power Co.		Sale of utility system at Yoder, Wyo. to Wyrules Co.	18,500	1943.....	Property sold no longer subject to the act.	File No. 30-140-2.

San Diego Gas & Electric Co.	49,220,187	Common stock partially distributed to note and debenture holders and balance sold to the public.	7,920,006	1941.....	No longer subject to the act.....	Release No. 2840.
United Gas Improvement Co., The:						
Connecticut Light & Power Co. and subsidiaries.	122,708,469	Sale of common stock to the public.....	27,698,783	April 1941.....	do.....	Release No. 2687.
Connecticut Railway & Lighting Co.	35,428,565	Sale of investment to Charles U. Bay.....	1,815,000	March 1943.....	do.....	Release No. 4288.
Delaware Power & Light Co. and subsidiaries.	48,403,794	Distribution of common stock to stockholders of United Gas Improvement Co.		March 1944.....	Continues subject to the act.....	Release No. 4784.
Erie County Electric Co....	7,222,286	All stock exchanged for securities of Eastern Shore Public Service Co. (Del.) plus cash.		August 1943.....	Companies exchanged continue subject to the act.	Release No. 4505.
Philadelphia Electric Co. and subsidiaries.	473,914,107	Common stock distributed to stockholders of U. G. I. as a partial liquidating dividend.		March 1943.....	Both Philadelphia and Public Service continue to be subject to the act as subsidiaries of United Corp.	Release No. 4173.
Public Service Corp. of N. J. and subsidiaries.	741,962,221					
United Illuminating Trust, The: United Illuminating Co., The.	43,898,924	Exchange of United Illuminating Co. common stock for stock of The Illuminating Shares Co.		1941.....	No longer subject to the act.....	Release No. 2582.
United Light & Power Co., The: Cimarron Utilities Co.	1,396,538	Sale of investment to Community Power & Light Co.	7,500,000	1942.....	do.....	Release No. 3667.
Panhandle Power & Light Co.	7,835,362					
Iowa Nebraska Light and Power Co.		Sale of electric, heat, and ice properties located in Nebraska to Consumers Public Power District.	19,539,922	1941.....	Property sold no longer subject to the act.	File No. 30-102-2.
Kansas Power Transmission Co., Inc.	312,955	Sale of electric properties to Western Light & Telephone Co.	99,900	1941.....	do.....	Do.
Kansas City Power & Light Co.		Sale of electric and water properties in Morton, Kans.	62,500	June 1944.....	Property continues subject to the act.	Release No. 4937.
Point Pleasant Water and Light Co.	639,585	Sale of electric properties to Appalachian Electric Power Co.	400,000	1942.....	Property sold continues subject to the act.	Release No. 3688.
San Antonio Public Service Co.	39,723,591	Sale of common stock to the city of San Antonio, Tex.	10,000,000	October 1942.....	No longer subject to the act.....	Release No. 3870.
United Utilities, Inc.: Southern Nebraska Power Co.	1,979,819	Sale of electric system to Consumers Public Power District.	898,000	1940.....	Property sold no longer subject to the act.	File No. 30-183-2.
Manufacturers Trust Company of N. Y. (Successor to Utility Service Co.): Marlon-Reserve Power Co..	17,532,924	Sale of investment to Ohio Public Service Co.	2,550,000	January 1944.....	Continues subject to the act.....	Release No. 4738.
Utilities Stock & Bond Corp.: Louisiana Ice & Electric Co., Inc.	3,137,532	Common stock distributed to stockholders of parent.		December 1943..	No longer subject to the act.....	Release No. 3863.
Walnut Electric & Gas Corp.: New Mexico Public Utilities Corp.	500,921	Sale of investment to city of Gallup, New Mex.	500,000	1939.....	do.....	File No. 30-84-2.
South Carolina Utilities Co.	1,009,436	Sale of all physical assets to South Carolina Public Service Authority and city of Myrtle Beach.	N. A.	May 1941.....	Property sold no longer subject to the act.	Do.

See footnotes at end of table.

TABLE 17, PART 2.—Gas utility properties divested by registered holding companies December 1, 1935 to June 30, 1944

System and company	Total assets of divested subsidiary	Details of divestment	Consideration if sold	Date	Comments	Source of information		
American Utilities Service Corp.:								
Gas Utilities Co.....	\$254,017	Sale of investment to J. V. Reynolds	\$77,500	September 1940.....	No longer subject to the act.....	File No. 54-57.		
Iowa Central Utilities Co.,	465,106	Sale of gas distribution system in Perry, Iowa to Charles Donovan.	60,000	October 1939.....	Property sold no longer subject to the act.	Do.		
		Sale of gas properties in Charles City, Iowa to Iowa Public Service Co.	65,000	December 1939.....	do.....	Release No. 1853.		
Peninsular Utilities Co.....	374,137	Sale of investment to Edwin H. Hansen of Calumet, Mich.	27,977	September 1939.....	No longer subject to the act.....	File No. 54-57.		
Petoskey Gas Co.....	243,601	Sale of investment to V. W. Packard, C. F. Curtis, and T. C. Curtis.	50,000	July 1940.....	do.....	Release No. 2143.		
Southern Public Service Co.	488,695	Sale of gas properties in Paintsville, Pikesville, and Prestonsburg, Ky. to respective cities.	130,000	1940.....	Property sold no longer subject to the act.	File No. 54-57.		
Vicksburg Gas Corp.....	700,744	Sale of gas properties in Vicksburg, Miss. to the city.	210,000	May 1911.....	do.....	Do.		
Yankton Gas Co.....	150,713	Sale of investment to Sioux City Gas & Electric Co.	11,169	January 1938.....	Continues subject to the act.....	File No. 30-71-2.		
Associated Gas and Electric Corp.:								
Dover Gas Light Co.....	650,274	Sale of investment to Harrison & Co., Philadelphia.	80,000	December 1912.....	No longer subject to the act.....	Trustees' Report.		
Indiana Gas Utilities Co.....	6,059,061	Sale of Richmond Division to Richmond Gas Corp.	530,000	March 1941.....	Property sold no longer subject to the act.	Do.		
		Sale of remaining properties of company to Terre Haute Gas Corp.	1,157,000	December 1942.....	do.....	Do.		
Lake Shore Gas Co., The.....		Sale of properties in Van Wert, Ohio, and environ to the Central States Gas Co., Inc.	43,075	May 1942.....	do.....	File No. 30-122-2.		
Sioux Falls Gas Co.....	2,580,810	Sale of all assets to Central Electric & Telephone Co.	1,560,000	March 1940.....	do.....	Trustees' Report.		
Brokaw, Dixon & McKee:								
Spencer Gas Co. (W. Va.).....	N. A.	Sale of stock.....	N. A.	1937.....	No longer subject to the act.....	File No. 30-63-1.		
Texas Gas Distributing Co.....	N. A.	Transferred stock ownership to a voting trust which issued voting trust certificates to holders of the bonds of the Texas Gas Utilities Co.		1936-37.....	do.....	Do.		
Central Public Utility Corp.:								
Alabama Gas Co.....	5,616,462	} Sale of investment to Southern Natural Gas Co.	} 2,717,658	May 1937.....	Continues subject to the act.....	File No. 30-133-1.		
Huntsville Gas Co.....	355,993			} Sale of all physical assets to C. B. Zeigler and associates.	} \$5,279	1943.....	Property sold no longer subject to the act.	File No. 54-78.
Asheville Gas Co.....	906,103							
Athens and Sayre Gas Co.....	536,389	} Sale of all property to H. Emerson Thomas and Mark Anton.	} 200,255	June 1941.....	do.....	Release No. 4059.		
Gas Light Co. of Waverly.....	201,325			} Sale of all physical assets.....	} 34,900	do.....	do.....	Do.
Bluefield Gas Co.....	709,273					October 1943.....	do.....	Release No. 4642.
Citizens Gas Co. (Md.).....	544,146	} Sale of investment to J. C. M. Lucas Co.....	} 250,000			September 1939.....	No longer subject to the act.....	Release No. 1755.
Sussex Gas Co.....	187,106							

Concord & Kannapolis Gas Co.	255,470	Sale of investment to C. B. Zeigler and associates.	N. A.	June 1937	do	File No. 30-133-1.
Commonwealth Public Service Corp.	11,097	Sale of investment	N. A.	1943	do	File No. 54-78.
Durham Gas Co.	1,085,891	Sale of all assets to C. B. Zeigler and associates.	99,969	1943	Property sold no longer subject to the act.	Do.
Gastonia & Suburban Gas Co.	203,471	Sale of investment to C. B. Zeigler and associates.	N. A.	June 1937	No longer subject to the act	File No. 30-133-1.
Hagerstown Gas Co.	849,565	Sale of physical property to Harrison & Co.	406,000	June 1944	Property sold no longer subject to the act.	Release No. 4932.
Jersey Shore Gas Co.	120,051	Sale of property and assets to Jersey Shore Gas and Heating Co.	22,100	December 1943	do	File No. 30-133-2.
Lynchburg Gas Co.	1,195,151	Sale of investment to Scott, Horner & Mason, Inc.	347,000	1943	No longer subject to the act	Release No. 4514.
Martinsburg Gas Co.	388,736	Sale of property and assets to Martinsburg Gas and Heating Co. at Martinsburg, W. Va.	57,000	November 1943	Property sold no longer subject to the act.	File No. 30-133-2.
Peoples Gas Co.	1,714,212	Sale of all common stock to Texas Public Service Co.	1,245,000	do	Continues subject to the act	Release No. 4639.
Raleigh Gas Co.	1,475,327	Sale of investment to Chas. B. Zeigler	217,870	December 1943	No longer subject to the act	Release No. 4739.
Roanoke Gas Co.	3,347,745	Sale of investment to Scott, Horner and Mason, Inc.	976,711	June 1944	do	Release No. 4995.
Salem Gas Light Co. (N. J.)	209,148	Sale of all physical assets to J. H. Ware and W. M. Ware.	100	October 1943	Property sold no longer subject to the act.	Release No. 4642.
Suffolk Gas Co.	309,349	Sale of property and assets to Edwin B. Horner, Lynchburg, Va.	102,535	December 1943	do	File No. 30-133-2.
Washington County Gas Co. Cities Service Co.:	504,951	Sale of all physical assets	45,000	October 1943	do	Release No. 4642.
Citizens Gas Fuel Co.	662,450	Sale of investment	49,250	August 1943	No longer subject to the act	File No. 30-108-2.
Consumers Gas Co.	883,512	Sale of investment to Louisiana Arkansas Gas Co.	800,000	September 1943	do	Release No. 4425.
Citizens Utilities Co.: Princeton Gas Co.	214,974	Sale of all assets to Princeton Gas Service Co.	31,017	November 1940	Property sold no longer subject to the act.	File No. 30-59-2.
Columbia Gas & Electric Corp.: Panhandle Eastern Pipe Line Co.	102,304,222	Sale of common stock held by Columbia Oil & Gasoline Corp. to Phillips Petroleum Co.	10,500,474	March 1943	No longer subject to the act	Release No. 3885.
Community Gas and Power Co.: American Utilities Associates and subsidiary.	5,341,540	Sale of investment to Alpha Associates	900,000	June 1944	do	Release No. 4915.
Jacksonville Gas Co.	7,023,015	Common stock equity eliminated in reorganization.		February 1943	do	Release No. 3959.
St. Augustine Gas Co.	542,396	Sale of investment to H. Hansell Hillyer	100,000	June 1944	do	Release No. 5101.
Engineers Public Service Co.: El Paso Natural Gas Co.	34,223,915	Sale of common stock to the public	1,523,249	March 1944	No longer subject to the act	Release No. 4559. Moody's.
Federal Water & Gas Corp.: Georgia Natural Gas Corporation.	N. A.	Sale of investment to Safety Engineering & Management Company.	475,000	May 1937	do	Release No. 682.
Great Lake Utilities Co.: Gas Corporation of Michigan	1,166,256	Sale of investment to Michigan Consolidated Gas Company.	750,000	Dec. 1942	Continues subject to the act	Release No. 3456.

TABLE 17, PART 2.—Gas utility properties divested by registered holding companies December 1, 1935 to June 30, 1944—Continued

System and company	Total assets of divested subsidiary	Details of divestment	Consideration if sold	Date	Comments	Source of information
Great Lake Utilities Co.—Con. Independence Gas Company Le Mars Gas Company Martinsville Gas Company Virginia Gas & Utilities Company Peoples Gas & Power Company Watertown Gas Company	\$200,870 283,941 79,507 143,454 174,374 326,117	Sale of assets to Iowa Public Service Company. Sale of stock to Bioren & Co., Inc. Sale of investment to Central States Electric Company. Sale of all assets to City of Watertown, South Dakota. Formed an operating company to acquire the utility assets of its subsidiaries.	\$125,000 90,000 9,291 30,000	1942 April 1942 February 1940 December 1942	Property sold continues subject to the act. No longer subject to the act. do. Property sold no longer subject to the act. No longer subject to the act.	Release No. 3207. File No. 30-76-2. File No. 30-76-2. File No. 30-76-2. Release No. 2418.
Houston Natural Gas Corporation and subsidiaries. Indiana Southwestern Gas & Utilities Corp.: Wabash Public Service Corp. Lone Star Gas Corp.: Council Bluffs Gas Co. Northern Natural Gas Co. Lone Star Gas Corp. and subsidiaries.	7,690,840 N. A. 2,928,400 (?) 127,971,091	Sale of investment to Richard A. Bauer Common stock distributed as a dividend on the common stock of Lone Star. Plan of merger with certain of its operating subsidiaries.	N. A. 1,325,000	1936 December 1942 do do	do do Continues subject to the act as a registered holding company. No longer subject to the act.	Release No. 502. Release No. 4010. Release No. 3865. Release No. 3865.
Middle West Corp., The: Southwestern Gas & Electric Co. Midland United Co.: Public Service Co. of Indiana, Inc. National Gas & Electric Corp.: The Greely Gas & Fuel Co. National Power & Light Co.: West Tennessee Gas Co.	----- ----- ----- 375,005 1,032,751	Sale of all gas utility assets in Mississippi to the United Gas Corp. Sale of Greenfield, Indiana gas properties to Greenfield Gas Company, Inc. Sale of investment to Keith Kindred Sale of investment to Equitable Securities Co.	812,500 25,304 200,000 712,500	September 1942 August 1941 August 1942 April 1943	Property sold continues subject to the act. Property sold no longer subject to the act. No longer subject to the act. do	Release No. 4585. File No. 2-4893. Release No. 3721. Release No. 4200.
North American Company, The: Nebraska Natural Gas Co. Ogden Corporation (successor to Utilities Power & Light Corp.): Central States Power & Light Corp. (Del.). Central States Power & Light Corp. of Okla. Central States Production Co.	1,832,428 ----- ----- 3,001,504 865,469	Sale of investment to Kansas Pipe Line and Gas Co. Sale of all properties located in Oklahoma to Oklahoma Natural Gas Co. Sale of all gas properties located in Texas to Texas Gas & Power Corp. Sale of physical assets to Oklahoma Natural Gas Co. Sale of all gas properties to Oklahoma Natural Gas Co.	1,700,000 1,900,000 600,652 1,500,000 300,000	April 1941 May 1941 June 1941 May 1941 February 1941	do Property sold no longer subject to the act. do do do	Release No. 2688. Release No. 2771. Release No. 2843. Release No. 2771. Do.

Missouri Natural Gas Co.	681,187	Sale of investment to Edward W. Lake	530,000	February 1944	No longer subject to the act	Release No. 4847.
Northern Berkshire Gas Co.		Sale of substation at Adams, Mass.	5,454	1943	Property sold no longer subject to the act.	File No. 30-33-2.
Utilities Production Corp.	8,394,951	Sale of investment to Oklahoma Natural Gas Co.	1,000,000	February 1941	No longer subject to the act	Release No. 2771.
Peoples Light & Power Co.:						
Kansas Public Service Co.	922,578	Sale of investment to D. N. Dunne, Jr.	410,000	August 1939	do	Release No. 1652.
Mississippi Public Service Co.	1,516,481	Sale of common stock to Federal Water & Gas Corp.	420,000	December 1942	Continues subject to the act	Release No. 3937.
Republic Electric Power Corp.:						
Apache Gas Co.	397,722	Sale of Perry, Oklahoma system to Northern Oklahoma Gas Co.	103,350	1939	Property sold no longer subject to the act.	File No. 47-19.
		Sale of Marshall and Lovett, Oklahoma properties to Oklahoma Natural Gas Co.	6,000	1939	do	Do.
		Sale of Apache, Oklahoma properties to Consolidated Gas Utilities Corp.	16,000	1939	do	Do.
Southern Union Gas Co.:						
Arkansas Western Gas Co.	2,206,444	Sale of gas properties in Central Texas to Lone Star Gas Co.	36,500	1944	Property sold no longer subject to the act.	Release No. 4787.
		Investment distributed to the stockholders of the Southern Union Gas Co.		October 1943	No longer subject to the act	Release No. 4627.
Standard Oil Co. of New Jersey:						
Consolidated Natural Gas Co. and subsidiaries.	262,381,572	Distribution of stock to stockholders of Standard Oil Co. of New Jersey.		1944	Continues subject to the act	Release No. 4864.
United Gas Improvement Co., The:						
Concord Gas Co.	983,017	Sale of common stock	N. A.	1943	No longer subject to the act	30-129-2.
Manchester Gas Co.	2,811,892	Sale of capital stock to Manchester Gas Co.	33,000	June 1944	do	Release No. 5130.
United Light and Power Co., The:						
Chattanooga Gas Co.	3,070,043	Sale of investment to Federal Water Service Corp.	\$10,000	January 1940	do	Release No. 1891.
Cleveland Gas Co.	98,735	Sale of all common stock to A. J. Goss	17,000	do	do	Do.
Fayetteville Natural Gas Co.	63,780	Sale of investment to A. J. Goss	3,000	do	do	Do.
Guymon Gas Co.	37,708	Sale of investment to Community Power & Light Co.	(?)	September 1942	do	Release No. 3667.
Northern Natural Gas Co.	(?)	Sale of common stock to the public	10,533,612	September 1941	Continues subject to the act as a registered holding company.	Release No. 2991.
Utilities Stock & Bond Corp.:						
Empire Southern Gas Co.	2,539,036	Common stock distributed to stockholders of parent.		December 1943	No longer subject to the act	Release No. 3863.
Walnut Electric & Gas Corp.:						
Peoples Gas Co. (Wis.)	98,239	Sale of common stock to C. A. Davis	5,000	January 1939	do	Release No. 1362.
St. Johnsbury Gas Co.	154,218	Sale of common stock to Joseph M. Nelson	24,000	December 1939	do	Release No. 1835.
Vermont Lighting Corp.	901,930	do	6,000	do	do	Do.
Wanont Associates and subsidiaries.	369,555	Sale of investment to J. Leroy Underhill	135,000	May 1940	do	Release No. 2049.
Washington & Suburban Co.:						
Washington Gas Light Co.	39,552,620	Partial distribution to stockholders of Washington & Suburban.			do	File No. 1-183.
		Balance sold to public	\$,202,000	August 1939	do	Do.

See footnotes at end of table.

TABLE 17, PART 3.—Nonutility properties divested by registered holding companies, Dec. 1, 1935 to June 30, 1944

System and company	Total assets of divested subsidiary*	Details of divestment	Consideration if sold	Date	Comments	Source of information
American Power & Light Co.: Texas Public Utilities Corp.		Sale of ice and water properties at Eagle Pass, Tex., to Central Power & Light Co.	\$330,000	October 1943	Property sold continues subject to the act.	Release No. 4621.
American States Utilities Corp.: Kellogg Power & Water Co.	\$267,063	Sale of note and common stock to General Water, Gas & Electric Co.	165,000	1939	Continues subject to the act.	Release No. 1632.
American Utilities Service Corp.: Federal Ice Co.	264,050	Sale of investment to T. W. Hodge, Ashland, Ky.	40,000	August 1939	No longer subject to the act.	File No. 54-57.
Jefferson County Telephone Co.	291,290	Sale of investment to Central Electric & Telephone Co.	190,000	May 1941	do.	Do.
Lexington Water Co. (Mo.)	473,998	Sale of investment to John M. Lancaster, Chicago, Ill.	177,250	September 1942	do.	Do.
Northwestern Illinois Utilities Co.		Sale of telephone properties at Lanark, Ill., to Lanark Mutual Telephone Co.	12,197	May 1942	Property sold no longer subject to the act.	Do.
Peoria Service Co.	1,104,408	Sale of investment to E. J. Haugh	5,500	February 1941	No longer subject to the act.	Do.
Southeastern Telephone Corp.		Sale of telephone properties at Glenville, Ga., to Dewey Adamson.	6,500	July 1937	Property sold no longer subject to the act.	Do.
		Sale of 4 parcels of telephone property in Georgia.	1,320	1939	do.	Do.
		Sale of 5 parcels of telephone property in South Carolina to 5 individuals, and 1 parcel in Alabama to Standard Telephone & Telegraph Co.	50,634	1940	do.	Do.
		Sale of 7 parcels in Georgia.	33,340	1940	do.	Do.
Southern Public Service Co.		Water plant and distribution system at Paintsville, Ky., sold to the city.	105,000	June 1940	do.	Do.
		Sale of ice property at W. Liberty, Ky.	700	1939	do.	Do.
Southern Utilities Co.		Sale of water property in Hamlin, W. Va., to West Virginia Water Service Co.	20,000	August 1939	do.	Do.
Wisconsin Central Utilities Co.		Sale of telephone property at Augusta, Wis., to Commonwealth Telephone Co.	2,500	May 1942	do.	Do.
American Water Works & Electric Co., Inc.: Glendale Water Co.	70,808	Sale of all property to town of Glen Dale, W. Va.	N. A.	August 1943	do.	Release No. 4817.
Monongahela West Penn Public Service Co.		Sale of physical assets to Cooperative Transit Co.	1,800	1943	do.	File No. 30-75-2.
Stenbenville Bridge Co.	817,350	Sale of investment in common stock.	N. A.	1941	No longer subject to the act.	Do.
Wheeling Bridge Co.	713,121	Sale of physical properties to City of Wheeling, W. Va.	N. A.	1941	Property sold no longer subject to the act.	Do.

Associated Gas and Electric Corp.:							
Associated Utilities Corp.		Sale of tracts of miscellaneous real estate	169,604	1941-42	do	Trustees' Report.	
Florida Public Service Co.		Sale of water properties to Leddy, Wheeler & Co.	800,000	October 1943	do	Do.	
		Sale of water properties in Eustis, Fla. to the city.	120,000	1942	do	File No. 30-124-2.	
Georgia Power and Light Co		Sale of cold storage buildings at Donaldsonville and Colquit, Georgia to Atlantic Ice & Cold Storage Co	100,000	December 1943	do	Trustees' Report.	
Harpers Ferry Paper Co.	444,339	Sale of all property to Potomac Light & Power Co.	150,000	June 1944	do	Release No. 4951.	
Hopkinsville Water Co.	1,000,962	Sale of physical assets to City of Hopkinsville.	550,000	June 1940	do	Release No. 2131.	
Newport News Distilled Ice Co.		Sale of ice properties to H. H. Holt, Jr. and others.	210,000	June 1942	do	Trustees' Report.	
Northeastern Water and Electric Corp. and subsidiaries.	419,217,070	Sale of investment to John H. Ware and Penn-Jersey Water Co.	3,224,666	November 1942	No longer subject to the act.	Release No. 3898.	
Reading and Southwestern Street Railway Co.	425,000	Sale of investment to Beneficial Loan Society, Wilmington, Del.	750,000	December 1943	do	Trustees' Report.	
Reading Street Railway Co.	4,828,295						
Reading Traction Co.	1,914,287						
Rochester Transit Corp. and subsidiaries.	7,918,019	Sale of investment	803,580	1943	do	Do.	
Staten Island Coach Co.	979,506	Sale of investment to Stone & Webster, Inc.	100,000	January 1942	do	Do.	
Syracuse Transit Corp. and subsidiary.	4,379,177	Sale of investment	271,025	1943	do	Do.	
Tri-City Utilities Co.		Sale of water system to City of Murray, Ky.	175,000	September 1942	Property sold no longer subject to the act.	File No. 30-122-2.	
		Sale of water system to City of Mayfield, Ky.	400,000	June 1942	do	Do.	
Triple Cities Traction Co.	1,106,245	Sale of all stock to George E. Schreiber.	276,000	January 1942	No longer subject to the Act.	Trustees' Report.	
Virginia Northern Ice Corp.		Sale of ice plant and properties.	35,000	1942	Property sold no longer subject to the act.	Do.	
York Railways Co.		Sale of garage property to George A. Stevens.	20,000	December 1941	do	Do.	
York Bus Co.	329,391	Sale of investment to George A. Stevens.	200,000	do	No longer subject to the act.	Do.	
Central Public Utility Corp.:							
Portsmouth Public Service Co.	529,136	Sale of all physical property to National City Lines, Inc.	20,000	December 1939	Property sold no longer subject to the act.	File No. 30-133-2.	
Princeton Water and Lighting Co.	355,763	Sale of all physical property to City of Princeton, Ind.	299,596	September 1940	do	Do.	
Wheeling Public Service Co.	215,855	Sale of investment to Fred J. McCoy	150,000	1941	No longer subject to the act.	Do.	
Cities Service Co.:							
Hot Springs Water Co.	1,504,809						
Hot Springs Street Railway Co.	1,089,825	Sale of investment to Gus B. Walton	2,213,672	July 1943	do	Release No. 4425.	
Lake Shore Coach Co.	431,629	Sale of investment	321,713	September 1943	do	File No. 30-108-2.	
Commonwealth & Southern Corp., The:							
Akron Transportation Co.	4,920,936	Sale of all stock to A. C. Allyn & Co. and	3,500,000	do	do	File No. 70-676.	
Youngstown Municipal Railway Co.	2,808,980	Equitable Securities Corp.					

See footnotes at end of table.

TABLE 17, PART 3.—Nonutility properties divested by registered holding companies, Dec. 1, 1935, to June 30, 1944—Continued

System and company	Total assets of divested subsidiary*	Details of divestment	Consideration if sold	Date	Comments	Source of information
Commonwealth & Southern Corp., The—Continued.						
Columbus Transportation Co.	\$423,707	Sale of investment to Clement A. Evans & Co., Inc.	\$171,320	1943.....	No longer subject to the act.....	File No. 70-676.
Gulfport & Mississippi Coast Traction Co.	394,244	Sale of investment to Equitable Securities Corp. of Nashville, Tenn.	7,500	1943.....	do.....	Do.
Penn-Ohio Coach Lines Co.	2,007,723	Sale of investment to Greyhound Corp. of New York.	1,350,000	July 1943.....	do.....	Do.
Shenango Valley Transportation Co.	292,559	Sale of investment to Harry Warshowsky and Bernard Shatskin.	279,534	.....do.....	do.....	Do.
South Georgia Ice Co.....	224,744	Sale of investment.....	145,000	September 1943.....	do.....	File No. 30-115-2.
Springfield Transportation Co.	1,618,660	Sale of common stock to A. C. Allyn & Co. and Equitable Securities Corp.	950,000	1943.....	do.....	File No. 70-676.
East Coast Public Service Co.: East Coast Water Co.....	55,318	Sale of common stock to Garland S. Snyder and T. Austin Snyder.	6,966	1941.....	do.....	File No. 30-57-2.
Hermitage Ice & Storage, Inc.	827,683	Sale of investment.....	86,816	1942.....	do.....	Do.
Federal Water and Gas Corp.: Alabama Water Service Co.....		Sale of Decatur, Ala., plant to city of Decatur.	\$25,146	1939.....	Property sold no longer subject to the act.	File No. 30-94-2.
		Sale of Bridgeport, Ala., plant to municipality.	70,029	1939.....	do.....	Do.
		Sale of Jasper, Ala., properties to the city of Jasper.	350,035	December 1942.....	do.....	Do.
		Sale of water works in Albertville, Ala., to the city.	170,000	October 1943.....	do.....	Release No. 4587.
		Sale of water distribution system in town of Boaz, Ala., to town of Boaz, Ala.	65,000	.....do.....	do.....	Do.
		Sale of waterworks system in town of York, Ala., to town of York, Ala.	60,000	.....do.....	do.....	Do.
California Water Service Co.	19,238,273	Sale of common stock to General Water, Gas & Electric Co.	3,202,000	June 1939.....	Continues subject to the act.....	File No. 30-94-2.
Chester Water Service Co.....	6,396,858	Sale of common stock to city of Chester, Pa.	800,000	December 1939.....	No longer subject to the act.....	Do.
Clear Springs Water Service Co.	1,279,781	Sale of investment to a water authority of Northampton, Pa.	200,000	March 1940.....	do.....	Do.
Illinois Water Service Co.....	5,199,071	Sale of investment to Northern Illinois Water Corp.	635,000	1938.....	do.....	Do.
Peoples Water & Gas Co.....		Sale of Hillsboro, Oregon, property to the city.	160,000	February 1940.....	Property sold no longer subject to the act.	Do.
		Sale of Washington property to a public-utility district.	300,000	November 1939.....	do.....	Do.
Pittsburgh Suburban Water Service Co.	3,865,756	Sale of all common stock to Borough of West View, Pa.	475,000	November 1942.....	No longer subject to the act.....	Do.
Union Water Service Co.....	5,198,850	Sale of all preferred and common stock.....	1,200,000	February 1943.....	do.....	Release No. 4113.

Engineers Public Service Co.:						
Baton Rouge Bus Co	558,047	Sale of stock to Inter-City Transit Co.	355,000	July 1943	do	File No. 59-4.
El Paso & Juarez Traction Co.	642,258	Sale of investment to American City Lines, Inc.	372,000	December 1943	do	File No. 30-105-2.
El Paso Electric Co.		Sale of railway and bus properties and toll bridges in El Paso, Tex., to American City Lines, Inc.	830,960	do	Property sold no longer subject to the act.	Do.
International Utilities Corp.:						
Capital City Water Co.	1,105,070	Sale of investment	351,385	do	No longer subject to the act.	File No. 30-165-2.
Pinellas Water Co.	3,011,883	Sale of physical property to city of St. Petersburg, Fla.	1,832,187	December 1910	Property sold no longer subject to the act.	Do.
Southern Water Co.	117,921	Sale of investment to Cecil P. Stewart	125,788	January 1942	No longer subject to the act.	Release No. 4089.
Securities Corp. General	1,161,970	Sale of investment	169,000	August 1943	do	File No. 70-666.
Sedalia Water Co.	1,761,115					
Middle West Corp., The:						
City Ice Co. of Kansas City	2,344,757	Sale of investment to Atlantic Co. of Atlanta.	670,000	November 1942	do	File No. 30-48-2.
Western Ice Service Co.	2,685,857	do	91,000	do	do	Release No. 3943.
Southern United Ice Co.	3,033,031					
National Power & Light Co.:						
East Penn Transportation Co.	186,503	Sale of common stock to Eckley B. Markle	90,300	May 1939	do	File No. 30-146-2.
Hummelstown Water Supply Co.	379,315	Sale of investment	71,481	1942	do	Do.
South Texas Utilities Co.	346,842	Sale of all physical property		1941-42	Property sold no longer subject to the act.	Do.
Tennessee Public Service Co.		Sale of transportation property to Knoxville Transit Lines.	250,000	1938	do	Do.
Valley Transportation Co.	199,589	Sale of common stock to Alvin R. Bush and John G. Snowden.	122,300	1939	No longer subject to the act.	Do.
Wrightsville Water Supply Co.	119,963	Sale of investment	18,579	1942	do	Do.
North American Co., The:						
Western Illinois Ice Co.	630,031	Sale of investment to Union Service Corp.	93,000	August 1943	do	Release No. 4516.
North American Gas & Electric Co.:						
Colonial Ice Co.	2,467,409	Distribution of common stock to debenture holders.		January 1944	do	Release No. 3727.
Ogden Corporation (successor to Utilities Power & Light Corp.):						
Bemidji Woods Product Co	220,650	Sale of investment to D. J. Jordan	145,500	October 1940	do	File No. 30-188-2.
Electric Building Corp.	888,516	Sale of investment to Renee Realty Corp.	265,500	January 1940	do	Do.
Illinois and Missouri Pipe Line Co.	434,363	Sale of properties	251,522	1940	Property sold no longer subject to the act.	Do.
Newport Water Corp.		Sale of properties of Newport Division to city.	3,100,000	June 1936	do	File No. 30-64-2.
		Sale of properties of Jamestown to E. H. Davenport.	95,000	May 1940	do	File No. 30-188-2.
Universal Gear Corp.	75,000	Sale of investment to an unknown purchaser.	53,400	May 1941	No longer subject to the act.	Do.
United Fuels Corp.	949,266	Sale of investment to United Collieries (Ohio).	79,995	February 1943	do	Moody's.

See footnotes at end of table.

TABLE 17, PART 3.—Nonutility properties divested by registered holding companies, Dec. 1, 1935 to June 30, 1944—Continued

System and company	Total assets of divested subsidiary*	Details of divestment	Consideration if sold	Date	Comments	Source of information
Peoples Light & Power Co.: Iowa Water Service Co.	\$1,107,475	Sale of common stock..... Sale of certain water and sewer properties to city of McCamey, Tex.	\$110,000 178,000	November 1942..... October 1941.....	No longer subject to the act..... Property sold no longer subject to the act.	File No. 30-88-2. Do.
Texas Public Service Co.		Sale of Austin ice and cold-storage properties to city of McCamey, Tex. Sale of Beaumont irrigation and water properties to the Lower Neches Valley Authority.	50,000 3,055,000	June 1941..... 1943.....	do..... do.....	Do. Do.
Southern Union Gas Co.: Quanah Water Co.	399,472	Sale of investment to F. A. O'Neill and E. J. Haugh.	32,000	December 1943..	No longer subject to the act.....	Moody's.
Southwestern Public Service Co. (Successor to Community Power & Light Co.): Royal Palm Ice Co.	1,046,370	Sale of all physical properties to a subsidiary of Southeastern Gas & Water Co.	556,667	October 1943....	Properties sold no longer subject to the act.	Release No. 4605.
Southwestern Ice Co.	20,912	Sale of physical property to town of Holbrook, Ariz.	N. A.	1942.....	do.....	File No. 30-29-2.
Standard Power & Light Corp.: Kentucky Pipe Line Co.	189,954	Sale of all physical property.....	N. A.	December 1943..	Property sold no longer subject to the act.	File No. 30-141-2.
United Gas Improvement Co., The:						
Arctic Ice Co.	5,000	Sale of investment to City Ice & Fuel Co.	1,667,000	December 1941..	No longer subject to the act.....	File No. 30-129-2. Moody's.
Arizona Ice & Cold Storage Co.	644,836					
Crystal Ice & Cold Storage Co.	2,069,591					
Galveston Ice & Cold Storage Co.	756,709					
Home Ice Co.	170,103					
National Ice & Service Co.	340,743					
New State Ice Co.	997,396					
Springfield Ice & Refrigerating Co.	888,727					
Crystal Ice Co.	174,167					
Merchants Ice & Cold Storage Co.	2,079,692					
St. Louis County Water Co.	12,093,395	Sale of all common stock to Charles S. Mott of Flint, Mich.	3,260,000	April 1942.....	do.....	Release No. 3433.

United Light & Power ¹ Co., The						
Mason City Brick & Tile Co.	1,049,004	Sale of investment.....	335,000	July 1943.....	do.....	File No. 30-102-2.
South Texas Ice Co.....	390,846	do.....	N. A.	April 1943.....	do.....	Moody's.
The Lincoln Traction Co.....	884,934	Sale of investment to John L. Wilson.....	375,000	September 1942.....	do.....	File No. 30-102-2.
United Public Utilities Corp.:						
Alabama United Ice Co.....	232,335	Sale of investment to Thomas E. Wright and Jos. J. Kirby, Jr.	160,010	December 1943.....	do.....	Release No. 4730.
Cap. F. Bourland Ice Co.....	166,787	Sale of all common stock to Walter Moor- man and Ross Tankersley.	50,000	October 1943.....	do.....	Release No. 4625.
Louisiana Ice Service, Inc..	1,090,721	Sale of investment to W. J. Small.....	136,949	December 1943.....	do.....	Release No. 4778.
Texas Ice & Refrigerating Co.	1,377,663	Sale of notes and common stock to John W. Harding.	125,000	October 1943.....	do.....	Release No. 4625.

¹ Pro forma assets as of June 30, 1941.

² The common stock of Northern Natural Gas Co. formerly was owned as follows: Lone Star Gas Corp., 30 percent; North American Light & Power Co., 35 percent; United Light & Power Co., 35 percent.

³ Included in consideration of \$7,500,000 paid for Cimarron Utilities Co. and Panhandle Power & Light Co.

⁴ Consolidated assets excluding Brookville Electric Co. and Caribou Water, Light & Power Co., which are included under electric-utility divestments.

⁵ Assets as of Dec. 31, 1941.

⁶ Assets as of Dec. 31, 1942.

^{*} Total assets of each divested subsidiary are the assets as of Dec. 31 of the year preceding such divestment. Where divestment was effected by a piecemeal sale of properties, the assets of the year end prior to the first major sale were used.

TABLE 18.—Utility and other properties subject to divestment under sec. 11 (b) (1) orders outstanding as of June 30, 1944

System and company	Total assets as of Dec. 31, 1943, of companies ordered divested		Nature of business	State of operation	Holding Company Act release No.	Date of order
	Individual companies	System totals				
American Utilities Service Corp.....		\$1,974,406			5114	June 22, 1944
Minnesota Utilities Co.....	\$947,669		Electric.....	Minnesota.....		
Wisconsin Southern Gas Co.....	1,026,737		Gas.....	Wisconsin.....	3720	Aug. 13, 1942
Associated Gas and Electric Corp., trustees		207,958,079				
Associated Electric Co.:						
Arizona General Utilities Co.....	554,913		Electric.....	Arizona.....		
Eastern Land Corp.....	254,901		Real estate.....	Delaware-Maryland.....		
Escondido Electric Service Co.....	N. A.		Electric.....	Philippines.....		
Lake Shore Gas Co., The.....	2,290,011		Gas.....	Ohio.....		
Manila Electric Co.....	N. A.		Electric, railway, bus, ice.....	Philippines.....		
Missouri General Utilities Co.....	2,068,644		Electric, water.....	Missouri.....		
Missouri Southern Public Service Co.....	219,350		Electric.....	do.....		
New Matamoros Electric Co., The.....	55,906		do.....	Ohio.....		
Ohio-Midland Light & Power Co.....	3,424,679		Electric, railway.....	do.....		
Owensboro Gas Co.....	1,019,773		Gas.....	Kentucky.....		
Portsmouth Gas Co.....	971,479		do.....	Ohio.....		
West Virginia Light, Heat & Power Co.....	712,781		Electric.....	West Virginia.....		
General Gas & Electric Corp.:						
South Carolina Electric & Gas Co.....	57,159,053		Electric, gas, bus.....	South Carolina.....		
Tide Water Power Co.....	14,340,154		Electric, gas, bus, water.....	North Carolina.....		
NY PA NJ Utilities Co.:						
Canadea Power Corp.....	2,849,288		Hydro facilities.....	New York.....		
Granville Electric Co.....	222,588		Electric.....	Vermont.....		
Jersey Central Power & Light Co. and subsidiaries.....	91,041,170		Electric, gas.....	New Jersey.....		
Long Island Water Corp.....	8,718,246		Water.....	New York.....		
Patchogue Electric Light Co.....	1,653,925		Electric.....	do.....		
Staten Island Edison Corp.....	19,776,412		do.....	do.....		
York Rys Co.....	14,451,688		Holding company.....	Pennsylvania.....		
Other subsidiaries:						
Associated Real Properties, Inc.....	174,959		Real estate.....	Delaware.....		
Gas and Electric Associates.....	N. A.		Holding company.....			
Massachusetts Northeastern Transportation Co.....	418,938		Bus.....	Massachusetts.....		
New Jersey and Staten Island Ferry Co.....	N. A.		Ferry, owns and leases.....	New Jersey-New York.....		
Paul Smith's Electric Light & Power & Railroad Co.....	N. A.		Electric.....	New York.....		
Paul Smith's Hotel Co.....	N. A.		Hotel.....	do.....		
Railway & Bus Associates.....	N. A.		Holding company.....			
Schenectady Rapid Transit, Inc.....	N. A.		Bus.....	New York.....		
Utilities Investing Trust.....	N. A.		Investing company.....	Massachusetts.....		
Valley Public Service Co.....	N. A.		Bus.....	Ohio.....		

Cities Service Co. ¹		233,055,816	Gas	Arkansas, Louisiana, Texas	5028	May 5, 1944
Arkansas Louisiana Gas Co.	44,480,935		Holding company			
Cities Service Power & Light Co.	133,909,572		Mutual service			
Gas Advisers, Inc.	53,645		Gas	Kansas, Oklahoma, Nebraska, Missouri.		
Gas Service Co., The	25,536,817		do	Missouri		
Kansas City Gas Co.	15,875,268		do	New York		
Republic Light, Heat, and Power Co., Inc.	8,831,760		do	Kansas		
Tri-City Gas Co., The	82,972		do	do		
Wyandotte County Gas Co., The	4,284,847	91,185,659			4489	Aug. 17, 1943
Cities Service Power & Light Co. ³			Electric, water	Arkansas		
Benton County Utilities Corp	284,988		Electric, gas, ice	Missouri		
City Light & Traction Co.	4,108,485		Electric, gas	Connecticut		
Danbury & Bethel Gas and Electric Light Co., The	3,895,193		Electric	Kansas		
Doniphan County Light & Power Co., The	25,003		Electric, gas	Virginia		
East Tennessee Light & Power Co.	12,266,662		Mutual service			
Electric Advisers, Inc.	220,527		Electric, water	Kansas		
Empire District Electric Co., The	30,198,724		Holding company			
Federal Light & Traction Co.	14,746,016		Gas	Tennessee		
Knoxville Gas Co., The	1,866,545		Electric, water, ice	Missouri		
Lawrence County Water, Light, & Cold Storage Co.	1,161,548		Electric, ice	do		
Ozark Utilities Co.	1,697,683		Gas	Colorado		
Pueblo Gas & Fuel Co., The	1,515,260		Electric, transportation, steam	Missouri		
St. Joseph Railway, Light, Heat & Power Co.	15,840,999		Gas	Washington		
Spokane Gas & Fuel Co.	3,144,175		Transit	Ohio		
Stark Transit, Inc.	213,851					
Federal Light & Traction Co.		19,024,528	Realty	Washington	4489	Do
Electric Land Co., The	85,817		Service company		4960	Mar. 31, 1944
Federal Advisers, Inc.	35,078		Realty	Arizona		
Federal Realty Co.	111,067		Electric	Wyoming		
Sheridan County Electric Co.	1,766,280		Electric, gas, steam, transportation	Missouri		
Springfield Gas & Electric Co.	7,990,838		Electric, gas	Colorado		
Tucson Gas, Electric Light & Power Co., The ⁴	9,506,267		Transit	Arizona		
Tucson Rapid Transit Co. ⁴	429,181					
Community Gas & Power Co.		17,398,173	Gas	Maine	4395	July 2, 1943
American Gas & Power Co.:			do	Alabama		
Bangor Gas Co.	1,032,971		do	Georgia		
Birmingham Gas Co.	12,686,397					
Savannah Gas Co.	3,678,805					
Engineers Public Service Co.		132,180,220	Holding company		3230	Dec. 29, 1941
El Paso Electric Co. (Delaware)	15,070,989		Electric, railway, bus	Texas, New Mexico	3796	Sept 16, 1942
El Paso Electric Co (Texas)	16,966,598		Electric, gas, steam, ice, water	Texas, Louisiana		
Gulf States Utilities Co.	69,505,251		Electric, ice, water	Missouri		
Missouri Service Co.	1,375,834		Electric	Kansas		
Northern Kansas Power Co., The	19,481		Electric, railway, bus	Georgia		
Savannah Electric & Power Co.	18,180,887					

See footnotes at end of table.

TABLE 18.—Utility and other properties subject to divestment under sec. 11 (b) (1) orders outstanding as of June 30, 1944—Continued

System and company	Total assets as of Dec. 31, 1943, of companies ordered divested		Nature of business	State of operation	Holding Company Act release No.	Date of order
	Individual companies	System totals				
Engineers Public Service Co.—Continued.						
Virginia Electric & Power Co., (gas and transportation properties only)	\$24,405,949		Electric, gas, railway, bus.	Virginia, North Carolina.		
Western Public Service Co., The	1,726,220		Electric.	Wyoming	4113	Feb. 10, 1943
Federal Water and Gas Corp.		\$119,639,221				
Alabama Water Service Co.	8,038,757		Electric, water	Alabama		
New York Water Service Corp.	29,425,850		Water, holding company	New York		
Ohio Water Service Co.	8,458,701		Water	Ohio		
Seranton-Spring Brook Water Service Co.	61,375,460		Water, gas, holding company	Pennsylvania		
West Virginia Water Service Co.	12,340,453		Water, holding company	West Virginia	4846	Jan. 25, 1944
Middle West Corp., The		362,218,649				
Albion Gas Light Co., The	676,645		Gas	Michigan		
American Public Service Co.	16,735,146		Holding company			
Arkansas-Missouri Power Corp.	6,464,024		Electric, ice, holding company.	Arkansas, Missouri		
Beloit Water Power Co.	81,254		Inactive			
Bureau of Safety	33,319		Service company			
Central Power & Light Co.	62,922,923		Electric, water, ice	Texas		
Central & Southwest Utilities Co.	130,097,582		Holding company			
Compania Electrica de Matamoros, S. A.	500,992		Electric	Mexico		
Compania Electrica de Ojinaga, S. A.	40,863		do	do		
Consumers Ice Co.	156,529		Ice	Oklahoma		
Copper District Power Co.	4,762,426		Electric	Michigan		
East Missouri Power Co.	1,308,984		do	Missouri		
Fitzgerald Laboratories of Canada, Ltd.	N. A.		Research laboratory leased	Canada		
Great Lakes Power Co., Ltd.	14,337,570		Electric	Ontario (Canada)		
Illinois Stock Transfer Co.	17,106		Service company			
Insurance Trust Fund	989,330		do			
International Transit Co., The	268,073		Ferry, railway	Ontario (Canada), Michigan		
Lake Superior District Power Co.	15,840,093		Electric, gas	Wisconsin, Michigan		
Lawton Corp., The	103,189		Gas and oil production	Oklahoma		
McAlester Canning Co.	7,232		Cannery	do		
Michigan Gas & Electric Co.	8,856,191		Electric, gas	Michigan		
Middle West Service Co.	187,089		Service company			
Middle West Utilities Co., of Canada, Ltd.	15,575,330		Holding company			
Middle West Utilities Co.	11,739,044		do			
Northern Public Service Corp., Ltd.	2,049,107		Heat	Manitoba (Canada)		
Northwestern Public Service Co.	14,247,400		Electric, gas, heat	South Dakota, Nebraska		

Oklahoma Power & Water Co.....	9,244,974	Electric, gas, water.....	Illinois.....
Peoples Ice Co.....	2,689,570	Ice.....	Oklahoma.....
Pittsburg County Ry. Co.....	753,174	Railway.....	do.....
Port Isabel Corp.....	N. A.	Real estate.....	Delaware.....
Public Service Co of Oklahoma.....	50,869,308	Electric, gas, water.....	Oklahoma.....
Roby & Northern R. R. Co.....	4,782	Railway.....	Texas.....
South Beloit Water Gas & Electric Co.....	1,080,085	Electric, gas, water.....	Illinois.....
Southern-Henke Ice & Storage Co.....	489,514	Ice.....	Texas.....
Southern Nebraska Power Co.....	N. A.	Electric.....	Nebraska.....
Southwestern Gas & Electric Co.....	43,597,710	Electric, gas, water, ice.....	Delaware.....
United Public Service Corp.....	197,939	Holding, company.....	
West Texas Utilities Co.....	46,848,192	Electric, water, ice.....	Texas.....
West Vernon Sewer Co.....	41,563	Sewerage.....	do.....
Winnipeg Heating Co., Ltd.....	1,037,067	Heat.....	Manitoba (Canada).....
Wisconsin Power & Light Co.....	672,254,226	Electric, gas, water, bus, heat.....	Wisconsin.....
North American Co., The.....			
Badger Auto Service Co.....	105,341	1,882,937,553	
Blue River Power Co.....	255,024	Parking and gas stations.....	Wisconsin.....
Braddock Light & Power Co., Inc.....	1,029,361	Electric.....	Kansas.....
Cabokin Manufacturers Gas Co.....	82,210	do.....	Virginia.....
Capital Transit Co.....	73,224,316	Gas (leased).....	Illinois.....
		Transportation.....	District of Columbia, Maryland.....
Ceico Co.....	61,085	Metering.....	Ohio.....
Central Terminal Co.....	7,313,328	Warehouse.....	Missouri.....
Champaign and Urbana Gas Light & Coke Co.....		Inactive.....	
Cleveland Electric Illuminating Co.....	6187,773,940	Electric, heat.....	Ohio.....
Glen Echo Park Co., The.....	227,947	Amusement park.....	Maryland.....
Great Falls Power Co.....	511,069	Land Company.....	Virginia.....
Hevi-Duty Electric Co.....	1,131,356	Electric furnace construction.....	Wisconsin.....
Illinois Power Co.....	6115,324,863	Electric, gas, heat, water, ice, transportation—holding com- pany.....	Illinois.....
		Railroad.....	Missouri, Illinois.....
Illinois Terminal R.R. Co.....	57,047,871	Holding company.....	
Illinois Traction Co.....	123,445,477	Electric, gas, ice, transportation.....	Kansas.....
Kansas Electric Power Co., The.....	14,446,925	Electric, gas, heat, weight, ice, transportation.....	do.....
Kansas Power & Light Co., The.....	667,111,305	Electric, gas.....	Illinois.....
		Transportation.....	Wisconsin.....
Kewanee Public Service Co.....	2,443,745	Electric, gas, heat, water, ice.....	Missouri.....
Milwaukee Electric Ry & Transport Co.....	49,843,293	Transportation.....	Maryland.....
Missouri Power & Light Co.....	21,677,354	Holding Company.....	
Montgomery Bus Lines, Inc.....	59,574	Investment.....	
North American Light & Power Co.....	150,378,929	Holding company, pipeline.....	Iowa, Nebraska, South Da- kota, Minnesota.....
North American Utility Securities Corp.....	5,060,108		California.....
Northern Natural Gas Co. and subsidiaries.....	65,311,976	Electric, gas, heating, water, transportation.....	District of Columbia, Maryland.....
		Electric.....	
Pacific Gas & Electric Co. and subsidiaries.....	875,373,693		
Potomac Electric Power Co.....	113,670,731		

See footnotes at end of table.

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TABLE 18.—Utility and other properties subject to divestment under sec. 11 (b) (1) orders outstanding as of June 30, 1944—Continued

System and company	Total assets as of Dec. 31, 1943, of companies ordered divested		Nature of business	State of operation	Holding Company Act release No.	Date of order
	Individual companies	System totals				
North American Co., The—Continued.						
St. Bernard Coal Co.....	N. A.		Coal Sales.....			
Union Electric Land and Development Co.....	\$1,579,871		Land Company.....	Missouri.....		
Washington & Rockville Ry. of Montgomery County.....	1,213,811		Holding company.....			
Washington Railway & Electric Co.....	1,377,888,229		do.....			
West Kentucky Coal Co. (Delaware).....	111,038		Coal sales.....			
West Kentucky Coal Co. (New Jersey).....	\$18,128,074		Coal.....	Kentucky.....		
Wisconsin Electric Power Co.....	\$149,134,262		Electric, heat, holding company.....	Wisconsin.....		
Wisconsin Gas & Electric Co.....	32,449,869		Electric, gas, heat.....	do.....		
Wisconsin Michigan Power Co.....	31,438,024		Electric, gas.....	Wisconsin, Michigan.....	4307	May 20, 1943
Ogden Corp.....		\$143,553,210				
Central States Power & Light Corp.....	\$9,009,447		Electric, holding company.....	Iowa, Minnesota.....		
Central States Utilities Corp.....	126,836		Holding company.....			
East Dubuque Electric Co.....	183,984		Electric, bus.....	Illinois.....		
Interstate Power Co.....	\$55,730,460		Electric, gas, heat, water, bus, holding company.....	Iowa, Minnesota, South Dakota.....		
Interstate Power Co. of Wisconsin.....	2,192,547		Electric.....	Wisconsin.....		
Laclede Gas Light Co., The.....	64,757,787		Gas.....	Missouri.....		
Laclede Power & Light Co.....	11,679,015		Electric.....	do.....	4128	Feb. 19, 1943
Republic Service Corp.....		3,648,636				
Holston River Power Co.....	960,531		Electric.....	Virginia.....		
Madison Power Co.....	323,522		do.....	do.....		
Massachusetts Power Corp.....	363,090		do.....	do.....		
Massachusetts Water Corp.....	87,382		Water.....	do.....		
Pine Power Co.....	1,913,911		Electric.....	do.....		
Southwestern Public Service Co.....		7,062,619			3676	July 8, 1912
Gulf Public Service Co.....	7,062,619		Electric, gas, water, ice.....	Louisiana.....	2929	Aug. 8, 1941
Standard Gas & Electric Co.....		374,848,953				
California Oregon Power Company, The.....	41,250,891		Electric, water.....	California, Oregon.....		
Empresa de Servicios Publicos de los Estados Mexicanos, S. A.....	3,198,801		Electric, ice, water.....	Mexico.....		
Horseshoe Lake Oil & Gas Co.....	11,959		Oil and gas leases.....	Oklahoma.....		
Louisville Gas & Electric Co. (Delaware).....	124,245,215		Holding company.....			
Louisville Gas & Electric Co. (Kentucky) and subsidiaries.....	93,964,612		Electric, gas, holding company.....	Kentucky.....		
Market Street Railway Co.....	43,646,431		Railway, bus.....	California.....		
Mountain States Power Co.....	22,918,025		Electric, gas, heat, water, telephone.....	Washington, Oregon, Idaho, Montana, Wyoming, South Dakota.....		

Oklahoma Gas and Electric Co.....	83,955,614	Electric.....	Oklahoma, Arkansas.....	}	2913 3511	July 30, 1941 May 7, 1942			
Southern Colorado Power Co.....	19,694,531	Electric, railway, bus.....	Colorado.....						
Wisconsin Public Service Corp.....	66,199,086	Electric, gas, bus.....	Wisconsin, Michigan.....						
United Gas Improvement Co., The.....	34,319,136								
Arizona Power Corp., The.....	6,261,147	Electric, gas.....	Arizona.....	}	2923 3189 3242	Aug. 5, 1941 Dec. 15, 1941 Dec. 31, 1941			
Commonwealth Utilities Corp.....	1,407,435	Holding company.....	Connecticut.....						
Hartford Gas Co.....	9,418,994	Gas.....	New Hampshire.....						
Manchester Gas Co.....	2,811,892	do.....	Tennessee.....						
Nashville Gas & Heating Co.....	5,038,531	do.....	Connecticut.....						
New Haven Gas Light Co.....	10,788,572	do.....							
United Light & Power Co., The.....	253,007,137								
American Coal Co.....	99,101	Owns coal lands.....	Texas.....	}	3368	Oct. 20, 1942			
Columbus & Southern Ohio Electric Co.....	478,301,572	Electric, heat, transportation.....	Ohio.....						
Consolidated Building Co.....	78,558	Real estate.....	Wisconsin.....						
Hillsboro Ice & Coal Co., The.....	32,372	Ice.....	Ohio.....						
La Porte Gas & Electric Co.....	4,028,607	Electric, gas, heat.....	Indiana.....						
Madison Gas & Electric Co.....	13,407,785	Electric, gas.....	Wisconsin.....						
Mason City & Clear Lake Railroad Co.....	892,280	Railway, bus.....	Iowa.....						
Michigan Consolidated Gas Co.....	107,737,033	Gas.....	Michigan.....						
Milwaukee Gas Light Co.....	35,090,853	do.....	Wisconsin.....						
Milwaukee Solvay Coke Co.....	13,428,976	Coke.....	do.....						
United Public Utilities Corp.....	1,883,581								
Port Smith Gas Co.....	1,846,736	Gas.....	Arkansas.....						
Southern Gas Producing Co.....	36,845	Gas production.....	do.....						
Total properties subject to divestment orders.....	73,880,885,606								

¹ Corporate assets only. Since these assets are largely investments in subsidiary companies, they are excluded from the aggregate amounts ordered divested.

² Cities Service Co. has elected to divest itself of all its utility holdings under an alternative granted it.

³ Under the Commission's order, Cities Service Power & Light may retain:

The Ohio Public Service Co., assets.....	\$66,780,259
The Toledo Edison Co., assets.....	87,017,110

⁴ Under an alternative provided in the Commission's order, Federal Light & Traction Co. may elect to retain its interest in The Tucson Gas, Electric Light and Power Co., in which event it may also retain its interest in:

Deming Ice & Electric Co., assets.....	\$924,430
Stonewall Electric Co., assets.....	465,710
Tucson Rapid Transit Co., assets.....	429,181

If it disposes of its other interests listed in the table in addition to its interests in:

Albuquerque Gas & Electric Co., assets.....	\$7,335,811
The Las Vegas Light & Power Co., assets.....	618,279
New Mexico Power Co., assets.....	4,418,653
The Trinidad Electric Transmission, Railway and Gas Co., assets.....	924,430

⁵ Amounts in Mexican pesos.
⁶ Corporate assets less investment in subsidiary companies whose assets are listed separately.

⁷ There is a duplication in this figure of approximately \$100,000,000 resulting from 11 (b) (1) orders outstanding with respect to Cities Service Co., Cities Service Power & Light Co., and Federal Light & Traction Co.

Inactive companies with little or no assets are excluded.

TABLE 19.—Public utility holding companies subject to dissolution or liquidation and subsidiaries subject to divestment under sec. 11 (b) (2) orders outstanding as of June 30, 1944¹

System and company	Total assets as of Dec. 31, 1943		Nature of business	State of operation	Holding Company Act release No. ²	Date of order
	Individual companies	System totals				
American Power & Light Co.....	\$273,857,965	\$851,475,546	Holding company.....		3750	Aug. 22, 1942
Big Bend Transit Co.....	88,941		Inactive.....			
Central Arizona Light & Power Co.....	18,794,499		Electric, gas.....	Arizona.....		
Florida Power & Light Co.....	110,851,337		do.....	Florida.....		
Consumers Water Co.....	1,275,469		Water.....	do.....		
Utilities Land Co.....	1,337,033		Real estate.....	do.....		
Kansas Gas & Electric Co.....	44,920,092		Electric.....	Kansas.....		
Minnesota Power & Light Co.....	86,944,911		Electric, heat.....	Minnesota, Wisconsin.....		
Montana Power Co., The.....	154,782,937		Electric, gas, heat, water.....	Montana.....		
Glacier Production Co.....	11,668,232		Gas (wholesale), oil.....	do.....		
Inland Empire Refineries, Inc.....	2,210,716		Oil refining.....	do.....		
Moen-Leick Industries, Inc.....	206,968		Petroleum.....	do.....		
Chief Petroleum Co., Inc.....	83,246		do.....	do.....		
Great Falls Townsite Co.....	523,966		Real estate.....	do.....		
Nebraska Power Co.....	44,654,021		Electric.....	Nebraska, Iowa.....		
New Mexico Electric Service Co.....	1,856,785		do.....	New Mexico.....		
Northwestern Electric Co.....	24,302,257		Electric, heat.....	Oregon, Washington.....		
Pacific Power & Light Co.....	49,304,337		Electric, water, heat, holding company.....	Washington, Oregon.....		
R. S. & C. Irrigation Co., Inc.....	N. A.		Irrigation.....	Washington.....		
Pike Rapids Power Co., The.....	52,054		Inactive.....			
Portland Gas & Coke Co.....	26,773,029		Gas.....	Oregon, Washington.....		
Superior Water, Light & Power Co.....	7,649,674		Electric, gas, water.....	Wisconsin.....		
Texas Electric Service Co.....	86,270,091		Electric.....	Texas.....		
Texas Power & Light Co.....	92,454,077		do.....	do.....		
Texas Public Utilities Corp.....	3,387,335		Electric, ice, water.....	do.....		
Topeka Land Co.....	323,914		Inactive.....			
Washington Irrigation & Development Co.....	347,501		do.....			
Columbia Highlands Co.....	123,525		do.....			
Limestone Co., The.....	122,999		do.....			
Washington Water Power Co., The.....	478,021,808		Electric, water, heat.....	Washington, Idaho.....		
Spokane United Ry.....	2,144,692		Transportation.....	Washington.....		
American States Utilities Corp.....	3,876,702	13,772,577	Holding company.....		4230	Apr. 9, 1943
Edison Sault Electric Co.....	3,157,783		Electric.....	Michigan.....		
Southern California Water Co.....	10,614,794		Electric, water.....	California.....		
Electric Power & Light Corp.....	194,017,717	736,011,733	Holding company.....		3750	Aug. 22, 1942
Arkansas Power & Light Co.....	471,520,949		Electric, gas, heat.....	Arkansas.....		
Capital Transportation Co.....	805,576		Transportation.....	do.....		
Dallas Power & Light Co.....	40,745,109		Electric.....	Texas.....		
Dallas Railway & Terminal Co.....	14,661,189		Transportation.....	do.....		

Gentilly Development Co., Inc.	1,438,076		Real estate	Louisiana		
Louisiana Power & Light Co.	40,821,505		Electric, gas, transportation	do		
Mississippi Power & Light Co.	38,028,415		Electric, gas, water	Mississippi		
New Orleans Public Service, Inc.	78,534,375		Electric, gas, transportation	Louisiana		
United Gas Corp.	4 338,938,204		Gas, holding company	Louisiana, Mississippi, Texas		
Compania Mexicana de Gas, S. A.	3,147,423		Gas (wholesale)	Mexico		
Duval Texas Sulphur Co.	3,914,106		Sulfur	Texas		
Union Producing Co.	118,620,655		Gas (wholesale), oil	Texas Louisiana, Mississippi		
United Gas Pipe Line Co.	155,070,581		Gas (wholesale), gasoline	Texas, Louisiana, Mississippi, Alabama, Florida		
United Oil Pipe Line Co.	1,672,480		Oil transmission	Louisiana, Texas, Mississippi		
Utah Power & Light Co.	4 104,144,334		Electric, heat, holding company	Utah, Idaho, Wyoming		
Utah Light and Traction Co.	23,048,441		Transportation, electric facilities (leased)	Utah		
Western Colorado Power Co., The	5,000,315		Electric	Colorado		
Great Lakes Utilities Co. ¹	3 795,459	1,915,302	Holding company		3419	Mar. 31, 1942
Ohio Gas, Light & Coke Co., The	1,341,889		Gas	Ohio		
Paxton Gas Co.	283,165		do	Illinois		
Rochelle Gas Co.	290,218		do	do		
International Hydro-Electric System	3 86,040,288	658,321,178	Holding company		3679	July 21, 1942
Corinth Electric Light & Power Co.	125,281		Electric	New York		
Gatineau Power Co.	4 144,021,741		Electric, holding company	Canada		
Gatineau Bus Co., Ltd.	253,477		Transportation	do		
Gatineau Electric Light Co., Ltd.	1,326,261		Electric	do		
Gatineau Transmission Co.	1,234,641		Electric transmission	do		
Ottawa River Development Co.	39,556		Inactive	do		
Saint John Realty Co.	441,151		do	do		
Saint John River Power Co.	1,400		do	do		
Saint John River Storage Co.	892,976		Water storage	Canada		
Hudson River Power Corp.	29,960,161		Electric, real estate	New York, New Hampshire, Maine		
System Properties, Inc.	4 4,900,656		do	New York, Maine		
Indian River Co., The	140,087		Water storage	New York		
Winnepesaukee Lake Cotton & Woollen Manufacturing Co.	195,938		do	New Hampshire		
New England Power Association and subsidiaries	432,719,815		Holding company		4168	Mar. 17, 1943
Massachusetts Power & Light Associates and subsidiaries	6 95,992,473		do		4168	Do.
North Boston Lighting Properties and subsidiaries	6 58,209,974		do		4168	Do.
Rhode Island Public Service Co., The, and subsidiaries	6 100,619,311		do		4168	Do.
Massachusetts Utilities Associates (voting trust)			do		4168	Do.
Massachusetts Utilities Associates and subsidiaries	46,987,526		do		4168	Do.

See footnotes at end of table.

TABLE 19.—Public utility holding companies subject to dissolution or liquidation and subsidiaries subject to divestment under sec. 11 (b) (2) orders outstanding as of June 30, 1944.—Continued

System and company	Total assets as of Dec. 31, 1943		Nature of business	State of operation	Holding Company Act release No.†	Date of order
	Individual companies	System totals				
National Power & Light Co.....	\$120,147,812	\$445,396,625	Holding company.....		2962	Aug. 23, 1941
Birmingham Electric Co.....	36,688,552		Electric, transportation, heat.....	Alabama.....		
Carolina Power & Light Co.....	96,233,572		Electric, transportation.....	North Carolina.....		
Capitan Corp.....	67,725		Real estate.....	Tennessee.....		
Roanoke River Power Co.....	1,638,676		Transmission line.....	Virginia.....		
Edison Illuminating Co. of Easton, The.....	468,748		Leases electric property.....	Pennsylvania.....		
Lehigh Valley Transit Co.....	420,987,667		Electric, transportation.....	do.....		
Allentown Bridge Co.....	539,918		Toll bridge.....	do.....		
Easton Transit Co.....	653,522		Leases transportation property.....	do.....		
Easton & South Bethlehem Transportation Co.....	65,141		Transportation.....	do.....		
Fremansburg Land Co., The.....	8,016		Real estate.....	do.....		
Lehigh Valley Realty Co.....	493,144		do.....	do.....		
Lehigh Valley Transportation Co.....	1,016,804		Transportation.....	do.....		
Norristown Transit Co.....	208,310		Leases transportation property.....	do.....		
Memphis Generating Co.....	5,235,224		Electric (wholesale).....	Tennessee.....		
Memphis Street Ry. Co., The.....	11,774,435		Transportation.....	do.....		
Pennsylvania Power & Light Co.....	4266,544,852		Electric, gas, heat.....	Pennsylvania.....		
Hazle Township Water Co.....	40,627		Water.....	do.....		
Pennsylvania Realty & Investment Co.....	4752,798		Real estate and investments.....	do.....		
West Pittston-Exeter RR Co.....	788,536		Railroad.....	do.....		
Susquehanna Gas Co.....	1,312,360		Gas.....	do.....		
New England Public Service Co.? ⁷	\$42,207,677	252,804,701	Holding company.....		2737	May 2, 1941
Bucksport Water Co.....	180,785		Water.....	Maine.....		
Central Maine Power Co.....	4112,901,047		Electric, gas.....	do.....		
Cumberland Securities Corp.....	92,258		Real estate, securities.....	do.....		
Kennebec Water Power Co.....	N. A.		Water storage.....	do.....		
New England Pole & Treating Co.....	136,178		Pole treating, sales.....	do.....		
Portland Railroad Co.....	5,765,348		Transportation.....	do.....		
Seboga Improvement Co.....	N. A.		Stream flow control.....	do.....		
Skowhegan Water Power Co.....	271,520		Water rights, real estate.....	do.....		
Central Vermont Public Service Corp.....	23,492,341		Electric, gas.....	Vermont.....		
Missisquoi Syndicate.....	N. A.		Real estate management.....	N. A.....		
Nepco Appliance Finance Corp.....	7,550		Mutual service company.....			
Nepco Services, Inc.....	58,817		Subsidiary service company.....			
New England Industries, Inc.....	319,945,841		Holding company.....			
Androscoggin Mills.....	4,415,455		Rayon fabrics.....	Maine.....		
Bates Manufacturing Co.....	9,031,448		Cotton and rayon fabrics.....	do.....		
Bates Fabrics, Inc.....	834,950		Selling agent.....			
Edwards Manufacturing Co., The.....	5,169,437		Cotton fabrics.....	Maine.....		

Hill Manufacturing Co.....	6,319,440		do.....	do.....		
Keyes Fibre Co.....	5,571,790		Molded pulpwood products.....	do.....		
Maine Seaboard Paper Co.....	16,198,169		Newsprint.....	do.....		
Machias Log Driving Co.....	N. A.		Log driving.....	do.....		
Mitchell Lumber Co., Ltd.....	201,269		Timberlands.....	Canada.....		
Mopang Dam & Improvement Co.....	N. A.		Log driving.....	Maine.....		
Wright Co., The.....	653,591		Selling agent.....	do.....		
Union Water Power Co., The.....	4,734,469		Water storage.....	Maine.....		
Androscoggin Reservoir Co.....	1,318,716		do.....	do.....		
York Manufacturing Co.....	5,581,976		Cotton fabrics.....	do.....		
Public Service Co. of New Hampshire.....	53,532,025		Electric, gas, transportation.....	New Hampshire.....		
Amoskeag Industries, Inc.....	N. A.		Real estate.....	do.....		
Merrimack Power Co.....	N. A.		Undeveloped water power sites.....	Maine.....		
do.....			do.....	New Hampshire.....		
Penacook Electric Light Co.....	N. A.		do.....	Maine.....		
Profile Falls Power Co.....	N. A.		Real estate.....	New Hampshire.....		
Properties, Inc.....	43,796		do.....	do.....		
Keene Development Co.....	N. A.		Water storage.....	do.....		
Sunapee Dam Corp.....	N. A.		Electric generation.....	Maine.....		
Swaus Falls Co.....	201,306		Water storage.....	New Hampshire.....		
Wears Improvement & Reservoir Association.....	N. A.		Water.....	do.....		
Salmon Falls Water Co.....	91,320		Holding company.....			
North American Light & Power Co. (The North American Co. System).....	350,378,929	285,702,625	do.....			3233 Dec. 30, 1941
Illinois Traction Co.....	323,445,477		Gas (leased).....	Illinois.....		
Cahokia Manufacturers Gas Co.....	82,210		Electric, gas, heat, water, ice, transportation, holding company.....	do.....		
Illinois Power Co.....	4115,324,863		Warehouse.....	Missouri.....		
Central Terminal Co.....	7,313,328		Railroad.....	Illinois.....		
Illinois Terminal R. R. Co.....	57,047,871		Electric, gas.....	do.....		
Kewanee Public Service Co.....	2,443,745		Electric, gas, heat, water, ice, transportation.....	Kansas.....		
Kansas Power & Light Co., The.....	467,111,305		Electric.....	Delaware.....		
Blue River Power Co., The.....	255,024		Electric, gas, ice, transportation.....	Kansas.....		
Kansas Electric Power Co., The.....	14,416,925		Electric, gas, heat, water, ice.....	Missouri.....		
Missouri Power & Light Co.....	21,677,354		Holding company.....			
North Continent Utilities Corp.....	8,770,038	21,449,164	Ice, coal.....	Colorado.....		4686 Nov. 18, 1943
Denver Ice Cold Storage Co., The.....	41,745,848		do.....	do.....		
Fort Morgan Ice Cold Storage Co.....	51,719		do.....	New Mexico.....		
Raton Distributing Co.....	98,408		Ice.....	Colorado.....		
Western Rys. Ice Co.....	600,540		Electric.....	Minnesota.....		
Elk River Power & Light Co.....	266,132		Gas, natural.....	Montana.....		
Great Falls Gas Co.....	1,259,243		Gas.....	Ontario.....		
Great Northern Gas Co., Ltd.....	652,060		Electric, natural gas.....	Montana.....		
Great Northern Utilities Co.....	1,930,283		Electric, ice, water.....	Colorado.....		
Highland Utilities Company.....	1,342,743		Electric, telephone.....	New Mexico.....		
New Mexico Public Service Co.....	1,554,727		Mining.....	Wyoming.....		
North Continent Mines, Inc.....	418,083		Gas.....	Illinois.....		
North Shore Gas Co.....	11,149,704					

See footnotes at end of table.

TABLE 19.—Public utility holding companies subject to dissolution or liquidation and subsidiaries subject to divestment under sec. 11 (b) (2) orders outstanding as of June 30, 1944¹—Continued

System and company	Total assets as of Dec. 31, 1943		Nature of business	State of operation	Holding Company Act release No. ²	Date of order
	Individual companies	System totals				
North Continent Utilities Corp.—Continued.						
Southern Utilities Co., Ltd.	\$29,251		Electric	Alberta (Canada)		
S. W. Shattuck Chemical Co., The	326,880		Refining ores	Colorado		
William A. Baehr Organization, Inc.	23,543		Service company			
North West Utilities Co. (Middle West Corporation system)	\$11,739,044	\$103,503,058	Holding company		4552	Sept. 10, 1943
Lake Superior District Power Co.	15,840,093		Electric, gas	Wisconsin, Michigan		
Northwestern Public Service Co.	14,247,400		Electric, gas, heat	South Dakota, Nebraska		
Wisconsin Power & Light Co.	\$72,254,226		Electric, gas, water, bus, heat.	Wisconsin, Iowa		
Beloit Water Power Co.	81,254		Inactive			
South Beloit Water, Gas, & Electric Co.	1,080,085		Electric, gas, water	Wisconsin, Illinois	2636	Mar. 20, 1941
United Light & Power Co., The	\$76,699,113	575,778,514	Holding company		4215	Apr. 5, 1943
LaPorte Gas & Electric Co.	4,028,606		Electric, gas, heat	Indiana		
Mason City & Clear Lake Railroad Co.	892,280		Railway, bus	Delaware		
United Light and Railways Co., The, and subsidiaries.	570,857,628		Holding company			
Total assets of subsidiary companies ³		3,946,131,023				

¹ The following additional holding companies have been ordered to liquidate:

Holding company	Corporate assets Dec. 31, 1943	Holding Co. Act Release No.	Date of order
Community Gas & Power Co.	\$74,398	4395	July 2, 1943
Standard Power & Light Corp.	138,074,521	3607	June 10, 1942
United Corp., The	158,715,007	4478	Aug. 14, 1943

The United Corp. was ordered to recapitalize on a 1-stock basis and cease to be a holding company. The status of its present subholding companies are subject to separate determination.

² Holding Company Act release number is given for each holding company subject to dissolution or liquidation under outstanding sec. 11 (b) (2) orders.

³ Corporate assets only. Since these assets are largely investments in subsidiary companies, they are excluded from the system totals.

⁴ Corporate assets less investments in subsidiary and affiliated companies whose assets are listed separately.

⁵ The order in this case took the form of approval of a sec. 11 (c) plan to liquidate. It was filed while there were pending proceedings pursuant to secs. 11 (b) (1) and 11 (b) (2).

⁶ Consolidated assets. Since these assets are included in the consolidated assets of New England Power Association they are excluded from the system total.

⁷ The Commission order required New England Public Service Co. to recapitalize on a 1-stock basis, or at its election, to liquidate. The company has filed a plan whereby it would distribute its utility assets and become an industrial holding company.

⁸ In tables 18 and 19 there is a duplication of subsidiary companies of 3 holding company systems which are affected by both secs. 11 (b) (1) and 11 (b) (2) orders. The aggregate amount of the duplication of assets is approximately \$500,000,000.

TABLE 20.—Number of applications and declarations received and disposed of during the fiscal year ended June 30, 1944, under the Public Utility Holding Company Act of 1935

72024-45-19

Section and description	Period	Number filed	Number approved	Number withdrawn or dismissed	Number denied	Number pending at close of fiscal year
Secs. 2 and 3. Exemptions from provisions of the act.	To June 30, 1943.....	1 558	159	315	50	34
	July 1, 1943 to June 30, 1944.....	1 7	5	2	2	32
	Total.....	1 565	164	317	52	
Secs 6 and 7. Issuance and sale of securities, alterations of rights, assumptions of liability.	To June 30, 1943.....	1,052	849	112	13	78
	July 1, 1943 to June 30, 1944.....	93	115	12	1	43
	Total.....	1,145	964	124	14	
Sec. 10. Acquisition of securities or other assets.	To June 30, 1943.....	834	2 617	102	12	103
	July 1, 1943 to June 30, 1944.....	111	2 144	27	0	43
	Total.....	945	2 761	129	12	
Sec. 11 (e). Plans for the simplification of registered holding companies or subsidiaries thereof.	To June 30, 1943.....	93	32	14	2	45
	July 1, 1943 to June 30, 1944.....	22	16	5	1	45
	Total.....	115	48	19	3	
Sec. 11 (g) and 12 (e). Reorganization and simplification.	To June 30, 1943.....	105	54	28	6	17
	July 1, 1943 to June 30, 1944.....	24	25	2	0	14
	Total.....	129	79	30	6	
Sec. 12 (b) and rule U-45. Loans, extensions of credit, donations and capital contributions to associate companies.	To June 30, 1943.....	118	89	7	2	20
	July 1, 1943 to June 30, 1944.....	46	49	2	1	14
	Total.....	164	138	9	3	
Sec 12 (c) and rule U-46. Payment of dividends out of capital or unearned surplus.	To June 30, 1943.....	126	99	6	5	16
	July 1, 1943 to June 30, 1944.....	31	38	3	0	6
	Total.....	157	137	9	5	
Sec. 12 (c) and rule U-42. Acquisition, retirement and redemption of securities by issuer.	To June 30, 1943.....	488	2 372	42	7	67
	July 1, 1943 to June 30, 1944.....	106	2 117	13	2	41
	Total.....	594	2 489	55	9	
Secs. 12 (d), 12 (f) and rules U-43, U-44. Sale of securities and utility assets.	To June 30, 1943.....	839	610	71	11	147
	July 1, 1943 to June 30, 1944.....	202	241	30	1	77
	Total.....	1,041	851	101	12	
Sec. 13. Service company regulation.	To June 30, 1943.....	73	42	8	1	22
	July 1, 1943 to June 30, 1944.....	0	6	0	0	16
	Total.....	73	48	8	1	

¹ Number filed or reopened.

² Number approved or exempted by rule.

TABLE 21.—Cases instituted by the Commission under the Securities Act of 1933, the Securities Exchange Act of 1934, the Public Utility Holding Company Act of 1935, the Investment Company Act of 1940 and the Investment Advisers Act of 1940

Types of cases	Total cases instituted prior to July 1, 1943	Total cases pending as of June 30, 1943	Total cases instituted during fiscal year ended June 30, 1944	Total cases pending during fiscal year ended June 30, 1944	Total cases instituted prior to July 1, 1944	Total cases closed prior to July 1, 1943	Total cases closed during fiscal year ended June 30, 1944	Total cases closed prior to July 1, 1944	Total cases pending as of June 30, 1944
Actions by Commission to enjoin violations of Securities Act, Securities Exchange Act, Public Utility Holding Company Act, Investment Company Act of 1940 and the Investment Advisers Act of 1940	425	15	17	32	442	410	17	427	15
Actions by Commission involving the enforcement of subpoenas pursuant to Securities Act and the Securities Exchange Act	38	2	3	5	41	36	1	37	4
Miscellaneous proceedings brought by Commission	9	2	1	3	10	7	1	8	2
Actions to carry out voluntary plans to comply with sec. 11 (b) of the Holding Company Act	5	3	10	13	15	2	4	6	9
Total	477	22	31	53	508	455	23	478	30

TABLE 22.—Cases instituted against the Commission and cases in which the Commission was permitted to intervene

Types of cases	Total cases instituted prior to July 1, 1943	Total cases pending as of June 30, 1943	Total cases instituted during fiscal year ended June 30, 1944	Total cases pending during fiscal year ended June 30, 1944	Total cases instituted prior to July 1, 1944	Total cases closed prior to July 1, 1943	Total cases closed during fiscal year ended June 30, 1944	Total cases closed prior to July 1, 1944	Total cases pending as of June 30, 1944
Actions to enjoin enforcement of Securities Act, Securities Exchange Act, and Public Utility Holding Company Act, with the exception of subpoenas issued by the Commission	67	0	0	0	67	67	0	67	0
Actions to enjoin enforcement of or compliance with subpoenas issued by the Commission	7	0	0	0	7	7	7	7	0
Petitions for review of Commission's orders by Circuit Court of Appeals (or Court of Appeals for District of Columbia) under the various acts administered by the Commission	89	14	11	25	100	75	12	87	13
Miscellaneous actions against Commission or officers of Commission	11	3	3	6	14	8	0	8	6
Total	174	17	14	31	188	157	12	169	19

TABLE 23.—*Injunctive proceedings brought by Commission, under the Securities Act of 1933, the Securities Exchange Act of 1934, the Public Utility Holding Company Act of 1935, Investment Company Act of 1940 and the Investment Advisers Act of 1940, which were pending the fiscal year ended June 30, 1944*

Principal defendants	Number of defendants	United States district court	Initiating papers filed	Alleged violations	Status of case
Aldred Investment Trust, et al	8	Massachusetts.....	May 19, 1944	Sec. 36 of the Investment Company Act of 1940.	Following motions on June 6, 1944, for preliminary injunction and appointment of receiver, motions were made by the defendants to dismiss the complaint; all defendants have moved for a bill of particulars to strike certain parts of the complaint. Pending
Besse (Jack L.) et al (Wahler, White & Co)	3	Kansas.....	Mar. 9, 1944	Secs. 17 (a) of 1933 Act, 15 (c) (1), 10 (b) and 17 (a) of 1934 act.	Final judgment by consent, Mar. 27, 1944
Burch (The Bob), Co., Inc., et al.	2	Western District of Louisiana.	Jan. 18, 1944	Secs. 17 (a) (2) and (3) of 1933 act	Final judgment by consent, Jan. 28, 1944
Dahlberg (Bror), et al (Certain-Teed Products Corp.).	12	Maryland.....	May 11, 1944	Sec. 14 (a) of 1934 act.....	The defendants having complied with the demand of the complaint and the controversy having become moot an order of dismissal was filed July 14, 1944.
Diyak, Max (Robert Reis & Co.).	1	Southern District of New York	Apr. 4, 1944	Sec. 9 (a) (2) of 1934 act.....	Final judgment by consent, Apr. 4, 1944.
Ferguson (Julian H.), Inc., et al	6	Eastern District of Pennsylvania	Jan. 27, 1938	Secs. 5 (a) and (b) and 17 (a) of 1933 act.	Final judgment by consent, Jan. 27, 1938 against five defendants.
Fidelity Agency, Inc., et al.....	5	Colorado.....	Nov. 2, 1943	Secs. 17 (a) (1) (2) and (3) of 1933 act.	Final judgment by consent Jan. 4, 1944 as to four defendants
Fiscal Fund, Inc.....	1	Delaware.....	Dec. 18, 1942	Sec. 22 (e) of Investment Company Act of 1940.	Permanent injunction and receiver appointed Jan. 12, 1943. Order directing final distribution of assets Oct. 28, 1943. Final distribution effected Nov. 8, 1943.
Gafney (Aloysius R.), et al. (National Rubber Machinery Co.).	8	Southern District of Ohio	Apr. 3, 1944	Sec. 14 (a) of 1934 act.....	Temporary restraining order continued to Aug. 4, 1944 and defendants' time to answer complaint continued to same date. Pending.
Hempstead (W. R.), Co., et al.	4	Rhode Island.....	Jan. 18, 1944	Secs. 10 (b) and 15 (c) (1) of 1934 act.	Decree appointing a permanent receiver filed Feb. 28, 1944. Final judgment as to all defendants by court, May 23, 1944
Howey (W. J.), Co., et al.....	2	Southern District of Florida.	May 16, 1944	Sec. 5 (a) of 1933 act.....	Motion for summary judgment and brief filed May 1944. Pending.
Idaho Power Co.....	1	Idaho.....	Feb. 26, 1943	Sec. 12 (h) (1) of 1935 act.....	The Commission sought an injunction restraining political contributions. Thereafter the defendant ceased to be a subsidiary of a registered holding company, and the activities of Idaho Power Co. no longer being within the purview of sec. 12 (h), the Commission filed notice of dismissal on Oct. 30, 1943

TABLE 23.—*Injunctive proceedings brought by Commission, under the Securities Act of 1933, the Securities Exchange Act of 1934, the Public Utility Holding Company Act of 1935, Investment Company Act of 1940 and the Investment Advisers Act of 1940, which were pending the fiscal year ended June 30, 1944—Continued*

Principal defendants	Number of defendants	United States district court	Initiating papers filed	Alleged violations	Status of case
Investors Syndicate, et al.	41	Minnesota	July 2, 1943	Secs. 5 (a) and (b), 17 (a) and 23 of 1933 act; 10 (b) of 1934 act; 11 (c) and 35 of the Investment Company Act of 1940.	On Oct. 18, 1943, final judgment was entered by consent against the 3 corporate defendants and their principal officers, directors, and employees enjoining them from violating certain of the fraud and other provisions of the Securities Act of 1933, the Securities Exchange Act of 1934, and the Investment Company Act of 1940, and from making exchanges of securities in violation of sec. 11 of the Investment Company Act of 1940. The last 2 counts of the complaint, relating to the removal of Investors Syndicate as underwriter for Investors Mutual, Inc., and the removal of certain officers of the corporate defendants upon the ground that such defendants were guilty of gross misconduct and gross abuse of trust, were dismissed without prejudice upon a stipulation entered into, after the execution of a voting trust agreement placing effective control of the corporate defendants in three voting trustees who therefore had had no connection with the management.
Investors Syndicate Title & Guaranty Co. Joiner, (C. M.), Leasing Corp. et al.	1 3	Western District of New York. Northern District of Texas.	Jan. 3, 1944 Feb. 16, 1942	Secs. 17 (a) of 1933 Act and 10 (b) of 1934 Act. Secs. 5 (a) (1) and (2) and 17 (a) (2) and (3) of 1933 act.	Final judgment by consent, Jan. 3, 1944. Commission instituted action to enjoin defendants from selling unregistered oil and gas leases in violation of sec. 5 (a) of 1933 act and from violating antifraud provisions of secs. 17 (a) (2) and (3) of the act. Final judgment by consent as to John T. Johnson, Mar. 16, 1942. On May 21, 1942, injunction was denied as to C. M. Joiner and C. M. Joiner Leasing Corp., on ground that transactions involved did not constitute sales of a "security" within meaning of sec. 2 (1) of act. Fifth circuit court affirmed judgment on Feb. 1, 1943. The Supreme Court reversed the decisions of the 2 lower courts and final judgment of permanent injunction as to C. M. Joiner and C. M. Joiner Leasing Corp. was entered Feb. 15, 1944.
Leigh Chandler & Co., Inc., et al. Lenington (Norman), et al.	2 5	Southern District of New York. Southern District of Florida.	Aug. 28, 1943 Mar. 4, 1943	Secs. 5 (a) and 17 (a) of 1933 act. Secs. 5 (a) (1) and (2) and 17 (a) (1) and (2) of 1933 act.	Final judgment by consent, Aug. 28, 1943. Final consent judgment June 30, 1943 as to Norman Lenington and Tung Oil and Subsistence Farms, Inc. Action dismissed Jan. 26, 1944, as to Charles V. Bailey, Julia Seton, and Tung Grove Development Co.
Meagher (George E.), et al. (George Washington Memorial Park Cemetery Association).	9	New Jersey	Mar. 18, 1942	Sec. 5 (a) of 1933 act	Final judgment by consent as to 8 defendants, Apr. 8, 1942. Upon dissolution of defendant, Cemetery Sales, Inc., action against it was dismissed on July 19, 1943.
Monjar (Hugh B.), et al.	6	Massachusetts	Feb. 27, 1942	Sec. 5 (a) of 1933 act	Continued to await outcome of <i>U. S. vs. Hugh B. Monjar</i> (The Mantle Club). See table for Criminal Proceedings.
Nelson (James), et al (Brewster, Nelson & Davidson).	5	Southern District of California.	Jan. 26, 1944	Sec. 5 (a) of 1933 act	Trial continued to Sept. 5, 1944.

Okin Samuel.....	1	Southern District of New York.	Oct. 2, 1942	Sec. 12 (e) of 1935 act.....	On Sept. 24, 1942, Okin, a stockholder of Electric Bond & Share Co., filed with Commission and mailed copies of letter to shareholders asking them not to sign any proxies for the company and to revoke any which they might have already signed. Commission filed complaint seeking injunction because of alleged violations of proxy rules. Court on Oct. 9, 1942, dismissed complaint for insufficiency in law upon its face on ground that letter not a solicitation of proxies within sec 12 (e) of 1935 act. C. C. A. -2 on Jan. 4, 1943, reversed the judgment on ground that letter was a solicitation subject to proxy rules and contained false and misleading statements. Defendant's answer to amended complaint served Apr. 12, 1943. Commission's motion to strike portions of defendant's answer filed May 1, 1943. Case adjourned, by stipulation to June 30, 1944. Pending.
Do.....	1	Southern District of New York.	Nov. 18, 1942	Sec. 12 (e) of the 1935 act; 14 (a) of the 1934 act.	On Nov. 9, 1942, Okin, a stockholder of Electric Bond & Share Co. filed with Commission a proposed letter and form of proxy addressed to stockholders. Commission filed complaint charging that the defendant threatened to mail the letter and that it contained false and misleading statements and otherwise violated proxy rules and asked for an injunction. On Jan. 7, 1943, the court entered preliminary injunction which prohibited among other things, the circulation by Okin of specified types of false and misleading statements. Okin appealed to the second circuit. On May 18, 1943, final judgment of injunction was entered by the district court. Opinion by C.C.A.-2, on Nov. 29, 1943 affirmed, with modifications the judgment of permanent injunction. See table 26, Civil Contempt Proceedings.
Thomasson Panhandle Co., et al	2	Colorado.....	July 13, 1943	Secs. 17 (a)(2) and (3) of 1933 act.	Court dismissed complaint Jan. 20, 1944, on ground that the defendants' acts and practices had ceased shortly prior to filing the complaint and that there was no danger of future violation. Notice of appeal to tenth circuit filed by Commission Feb. 17, 1944. Commission's brief filed July 5, 1944. Case pending on appeal.
Timetrust, Inc., et al.....	8	Northern District of California.	Apr. 5, 1939	Secs. 17 (a)(1) and (2) of 1933 act.	Action to enjoin defendants from violating sec. 17 (a) of 1933 act. Complaint alleged that object of Timetrust, organized and operated by other defendants, was to aid in sale of Bank of America stock owned by Transamerica, that device and scheme to defraud was employed by defendants and that false statements were made. On Jan. 17, 1941, district court granted permanent injunction. On appeal, the Ninth Circuit Court on July 31, 1942, remanded case to trial court for specific finding of fact as to whether or not defendants devised fraudulent scheme such as is denounced by the statute. The appeal was dismissed as to defendant Grant, who died during the pendency of the appeal. On Oct. 21, 1942, trial court returned its additional finding of fact in which it found that all of the defendants employed Timetrust as a device, scheme and artifice to defraud. The circuit court on May 8, 1944, affirmed the judgment as to Timetrust, Inc., Parker, Wood and Blanchett, and reversed the judgment as to Bank of America, A. P. Giannini and L. Mario Giannini.

TABLE 23.—*Injunctive proceedings brought by Commission, under the Securities Act of 1933, the Securities Exchange Act of 1934, the Public Utility Holding Company Act of 1935, Investment Company Act of 1940 and the Investment Advisers Act of 1940, which were pending the fiscal year ended June 30, 1944—Continued*

Principal defendants	Number of defendants	United States district court	Initiating papers filed	Alleged violations	Status of case
The United Corp., et al.....	8	Delaware.....	Mar. 17, 1943	Secs. 14 (a) of 1934 act and 12 (e) of 1935 act	Upon stipulation, action dismissed without prejudice on—Jan. 7, 1941.
United Funds Management Corp., et al.	7	Western District of Missouri.	Sept. 9, 1943	Secs. 36 and 44 of 1940 act....	Temporary restraining order and order designating trustee, Sept. 9, 1942, order Oct. 1, 1942, continued temporary restraining order, answer filed by trustee in bankruptcy November 1942, dismissed without prejudice July 11, 1944.
Universal Aircraft Corp., et al.	4	Western District of Washington.	May 1, 1941	Secs. 5 (a) (1) and (2) of 1933 act.	Final judgment by consent, May 8, 1941, as to 3 defendants. Dismissed May 17, 1943, as to defendant R. H. Goolwin.
Victory Mining Corp., et al..	2	Delaware.....	Mar. 15, 1944	Secs. 5 (a) and 17 (a) (2) of 1933 act.	Final judgment by consent as to Victory Mining Corporation Mar. 24, 1944. Complaint dismissed on Commission's motion as to David B. Ronzone who was convicted of criminal violations of sec. 17 of the Securities Act and sec. 338, title 18, U. S. C. A. (See <i>U. S. v. Ronzone</i> , table 24, for further description.)
Wight (John), et al. (Montana Development Co.)	11	Montana.....	Dec. 16, 1941	Secs. 5 (a) (1) and (2) and 17 (a) of 1933 act.	Preliminary injunction entered Mar. 6, 1943. Pending.
Woodman, Edwin Paul, doing business as Woodman & Co.	1	Massachusetts.....	Feb. 23, 1943	Secs. 15 (c) (1) and 10 (b) of 1934 act.	Injunction Feb. 23, 1943, and decree Apr. 7, 1943, appointing a permanent receiver. Pending.
Young (L. A.), et al.....	3	Eastern District of Michigan.	Apr. 18, 1944	Secs. 16 (a), 14 (a) and 20 (e) of 1934 act.	Answer of defendants to complaint filed June 15, 1944. Pending.
Columbia Oil & Gasoline Corp., In re		Delaware No. 280.	Dec. 8, 1942	Application of Commission under sec. 11 (d) of 1935 act to enforce compliance with Commission's orders of Mar. 31, 1942, and Oct. 2, 1942, and for injunctive relief.	Superseded by injunction in sec. 11 (e) proceedings, Civil Action No. 238 (See table 23, "Actions to carry out voluntary plans to comply with sec. 11 (b) of the Holding Company Act of 1935.")
International Hydro-Electric System, In re.		Massachusetts.....	Aug. 12, 1943	Application of Commission under sec. 11 (d) of 1935 act to enforce compliance with Commission's order of July 21, 1942, and for injunctive relief.	Interlocutory decree, Oct. 11, 1943, enjoining interference with enforcement of Commission's order, the injunction not to apply to proceedings pending in Civil Action No. 2405, <i>Ladd v. International Paper Co., et al.</i> , nor to proceedings in equity No. 55,825, <i>Condon v. National Paper Co., et al.</i>

TABLE 24.—*Indictments returned for violation of the acts administered by the Commission, the mail-fraud statute (sec. 338, title 18, U. S. C.), and other related Federal statutes (where the Commission took part in the investigation and development of the case) which were pending during the fiscal year ended June 30, 1944*

Name of case ¹	Number of defendants	United States District Court	Indictment returned	Charges	Status of case
U. S. v. Samuel S. Alexander, et al.	5	Southern District of New York.	Jan. 28, 1944	Sec. 17 (a) (1) of 1933 Act; sec. 338, title 18, U. S. C., and conspiracy to violate these statutes.	Pending trial as to 4 defendants. On Feb. 18, 1944, Murray Rappaport pleaded guilty. Awaiting sentence. Pending
U. S. v. John L. Applebaum, et al. (J. Samuel Wacker, et al.).	4	Western District of New York.	Sept. 11, 1942	Sec. 17 (a) of 1933 act. Sec. 15 (a) of 1934 act.	Pending.
		do.	do.	Secs. 17 (a) (1) and 5 (a) (1) and (2) of 1933 act, sec. 338, title 18, U. S. C.; and conspiracy to violate secs. 17 (a), 5 (a) of 1933 act and sec. 338, title 18, U. S. C.	
		do.	do.	Conspiracy to violate sec. 17 (b) of 1933 act.	
U. S. v. Frederick E. Backmeier, et al. (Sentenal Corporation).	6	Southern District of Ohio.	Feb. 2, 1942	Sec. 17 (b) of 1933 act. Sec. 17 (a) of 1933 act, sec. 338, title 18, U. S. C.	Convictions obtained as to 6 defendants, 1 of whom died before sentence was imposed. The remaining defendants appealed. Argument held Apr. 15, 1944 in CCA-6.
U. S. v. Henry L. Baker.	1	Southern District of California.	Mar. 25, 1939	Secs. 17 (a) (1) and (3) of 1933 act and sec. 338, title 18, U. S. C.	Baker has not been apprehended. Pending.
U. S. v. Charles Beadon, et al.	2	Massachusetts.	Oct. 16, 1941	Sec. 17 (a) (1) of 1933 act; sec. 338, title 18, U. S. C.; and conspiracy to violate these statutes.	Beadon pleaded guilty on July 20, 1943, and was sentenced to 2 years, sentence suspended and defendant placed on probation for 2 years. Case pending as to Guest.
U. S. v. E. Leroy Blessing, et al. (Albatross Gold Mines, Inc.).	3	Western District of New York.	Nov. 2, 1940	Sec. 338, title 18, U. S. C.	Blessing pleaded guilty Apr. 7, 1941; sentenced to 2 years' imprisonment. Walker sentenced on his plea of nolo contendere to serve 1 year and 1 day, execution of sentence suspended and defendant placed on probation for 1 year. Indictment dismissed as to Read.
U. S. v. Eugene Bourland.	1	Northern District of Georgia.	Jan. 24, 1944	Sec. 17 (a) (1) of 1933 act and sec. 338, title 18, U. S. C.	Bourland found guilty on the mail fraud counts on Apr. 27, 1944, and was sentenced May 2, 1944, to 3 years' imprisonment. Sentence subsequently modified so as to give Bourland credit for the time he had spent in jail pending trial.
U. S. v. Edmond B. Bronson, et al. (Bagdad Copper Corporation).	8	Southern District of New York.	Mar. 8, 1939	Secs. 5 (a) (1) and (2) and 17 (a) (1) of 1933 act; sec. 338, title 18, U. S. C., and conspiracy to violate these statutes.	Convictions were obtained as to 5 defendants; 1 defendant was dismissed, 1 was acquitted, and severance was granted as to one defendant. Case pending as to appeal of Bronson. Argument on appeal set for October 1944.

¹ Parenthetical reference is to name under which investigation was carried prior to indictment.

TABLE 24.—*Indictments returned for violation of the acts administered by the Commission, the mail-fraud statute (sec. 338, title 18, U. S. C.), and other related Federal statutes (where the Commission took part in the investigation and development of the case) which were pending during the fiscal year ended June 30, 1944—Continued*

Name of case ¹	Number of defendants	United States District Court	Indictment returned	Charges	Status of case
U. S. v. Archie H. Carpenter, et al.	4	Southern District of New York.	Mar. 6, 1942	Sec. 17 (a) (1) of 1933 act; sec. 338, title 18, U. S. C.; and conspiracy to violate these statutes.	3 defendants found not guilty after trial. Second indictment was nolle prossed as to 4 defendants. Carpenter pleaded guilty to both indictments and was sentenced to 1 year and 1 day. Execution of sentence suspended, and Carpenter was placed on probation for 3 years.
	5	do.	Apr. 6, 1942	Sec. 338, title 18, U. S. C.; and conspiracy to violate sec. 17 (a) of 1933 act, and sec. 338, title 18, U. S. C.	
U. S. v. John E. Carson	1	Western District of Tennessee.	Nov. 15, 1943	Sec. 17 (a) (1) of 1933 act, and sec. 338, title 18, U. S. C.	On Jan. 19, 1944, Carson was found guilty and was sentenced to a total of 10 years' imprisonment. On Jan. 20, 1944, Carson filed notice of appeal. Appeal dismissed on Apr. 12, 1944.
U. S. v. Carter & Company, Inc., et al.	7	Western District of Kentucky.	Apr. 5, 1944	Sec. 17 (a) (1) of 1933 act; sec. 338, title 18, U. S. C.; and conspiracy to violate these statutes.	Ross was found guilty upon his plea of nolo contendere. The other defendants pleaded guilty. Burnmeister, Lieber, and Ross were each sentenced to 1 year and 1 day, execution of sentence suspended, and were placed on probation for 5 years. Carter sentenced to 2 years and placed on probation for 5 years thereafter. Simons sentenced to 1 year and 1 day and 5 years' probation thereafter. Bernstein sentenced to 1 year and 1 day and fined \$3,000. Carter & Co., Inc. fined \$1,400. Case set for trial for July 3, 1944.
U. S. v. James H. Collins, et al. (Union Associated Mines Company).	5	Southern District of California.	Feb. 4, 1942	Sec. 17 (a) (1) of 1933 act, and sec. 338, title 18, U. S. C., and conspiracy to violate these statutes.	Corey and Peterson pleaded guilty on Oct. 28, 1943, to both indictments and were sentenced on the conspiracy count only to serve 1 year, execution of sentences suspended, and on the remaining counts they were sentenced to 5 years' probation.
U. S. v. William R. Corey, et al.	2	Rhode Island	Sept. 19, 1941	Secs. 17 (a) (1) and (2) of 1933 act, and conspiracy to violate this statute.	
	2	do.	do.	Sec. 338, title 18, U. S. C., and conspiracy to violate this statute.	
U. S. v. Otto B. Dagg, et al. (Dagg & Company, Inc.).	5	Western District of Washington.	June 29, 1942	Secs. 17 (a) (1) and (3) of 1933 act, and sec. 338, title 18, U. S. C.; and conspiracy to violate these statutes.	Convictions obtained against 3 defendants on the conspiracy count. One defendant was acquitted. Case pending only as to DuVall who is a fugitive.
U. S. v. Jacob Morris Danziger, et al. (Trinidad International Petroleum, Ltd.).	6	Southern District of California.	Dec. 30, 1941	Secs. 5 (a) (2) and 17 (a) (1) of 1933 act; Sec. 338, title 18, U. S. C.; and conspiracy to violate these statutes.	Pending.

U. S. v. Gabriel Diaz, et al. (Plaquemines Land Company).	13	Eastern District of Louisiana.	Sept. 4, 1942	Sec. 17 (a) (1) of 1933 act, and sec. 338, title 18, U. S. C.	Trial began Feb. 28, 1944, as to 9 defendants, all of whom were found guilty. Sentences ranged from 5 years and 1 day to 8 years. Manzella reported deceased. Keifer and Addler did not go to trial. All defendants who were convicted have filed notice of appeal.
U. S. v. Clifton M. Eisele, et al. (Southeastern Industrial Bankers, Inc.).	2 7	-----do----- District of Columbia.	Nov. 6, 1942 Nov. 10, 1942	Sec. 338, title 18, U. S. C.----- Sec. 17 (a) (1), of 1933 act; sec. 338, title 18, U. S. C.; and conspiracy to violate these statutes.	Plea in bar as to Hough sustained. Clifton M. and Lewis Eisele were acquitted on May 11, 1944. Indictment nolle prossed as to 4 defendants.
U. S. v. John J. Engel, et al. (Continental Finance Corporation).	5	Eastern District of New York.	Jan. 5, 1943	Secs. 17 (a) (1) and (2) of 1933 act and sec. 338, title 18, U. S. C.; and conspiracy to violate these statutes.	On Oct. 11, 1943, all defendants pleaded guilty. On Nov. 4, 1943, defendants, Enzel, Wilkins, and Schroeder were sentenced to 18 months and fined \$500 each. Narresso sentenced to 6 months. Continental Finance Corp. fined \$500.
U. S. v. Irving Feinberg, et al. (American Beverage Corporation).	4	Eastern District of New York.	Nov. 19, 1941	Sec. 17 (a) (1) of 1933 act, sec. 338, title 18, U. S. C., and conspiracy to violate these statutes.	Clarke, Godfrey and Feinberg were found guilty by jury on 6 counts charging violation of sec. 338, title 18, U. S. C., and on the conspiracy count, but were acquitted on the count charging violation of sec. 17 (a) (1) of the 1933 act. The indictment was nolle prossed as to Prendergast-Davies Co., Ltd. Feinberg was sentenced to serve 1 year and 6 months; Godfrey 90 days, Clarke 90 days, and each of these 3 defendants was fined \$1,000. Godfrey and Feinberg appealed. CCA-2 affirmed the judgment. Feinberg filed petition for writ of certiorari. Certiorari denied April 21, 1944.
U. S. v. Fidelity Investment Association, et al.	18	Eastern District of Michigan.	Dec. 1, 1941	-----do-----	6 defendants apprehended. Carmi A. Thompson deceased June 22, 1942. Pending.
U. S. v. Albert C. Fisher, et al. (Condor Fishers' Gold Mines, Inc.)	3	Minnesota.	Sept. 22, 1943	-----do-----	All defendants pleaded guilty to the conspiracy count and were sentenced as follows: Aungarius H. Johnson and Albert C. Fisher, 18 months each, Ernest F. Johnson, 15 months.
U. S. v. Florida Bond & Share Inc. et al.	5	Southern District of Florida.	Apr. 6, 1944	Secs. 17 (a) (1) and (3) of 1933 Act; Sec. 338, Title 18, U. S. C.; and conspiracy to violate these statutes.	Demurrer to indictment, motion to quash indictment, motion for bill of particulars, and motion to make indictment more definite and certain, filed on behalf of Florida Bond & Share, Inc., Earl J. Wealock and Carl L. Courtney.
U. S. v. Mark A. Freeman, et al. (Consolidated Associates, Inc.)	13	Northern District of Illinois.	Feb. 26, 1943	Sec. 338, Title 18, U. S. C., and conspiracy to violate this statute.	Sidney Davis and Sidney Epstein pleaded guilty on Oct. 25, 1943, and each of these defendants was sentenced to 1 year and 1 day, to be served concurrently with sentences they are presently serving in another case. On Dec. 14, 1943, defendant Garfield died. Case pending as to 10 defendants.
U. S. v. Philip A. Freer, et al. (Pinlex, Inc.)	3	District of Columbia.	Sept. 11, 1943	Sec. 17 (a) (1) of 1933 Act, and Sec. 338, Title 18, U. S. C., and conspiracy to violate these statutes.	Demurrer to indictment filed on behalf of Freer and Bouton; motion to strike filed on behalf of Mitchell. Hearing date not set. Pending.
U. S. v. W. R. Frenzel, et al. (Ocean Crab Pot Operators, Inc.)	2	Western District of Washington.	Mar. 15, 1944	-----do-----	Trial set for Sept. 5, 1944.
U. S. v. James Orvill Galloway, et al. (Humboldt Metalics Corp., Ltd.)	5	Idaho.	Sept. 22, 1943	-----do-----	Pleas of guilty were entered by Sax and F. M. Lawrence whose real name is Fay H. Bass. James O. Galloway was found guilty on Feb. 21, 1944, and was placed on probation for 18 months and fined \$1,500. Sax was sentenced to 1 year, execution suspended, and defendant placed on probation for 1 year, and fined \$1,050. Lawrence was sentenced to a year and a day, execution suspended, and fined \$1,500. Indictment pending as to Fisher and Smith.

¹ Parenthetical reference is to name under which investigation was carried prior to indictment.

TABLE 24.—*Indictments returned for violation of the acts administered by the Commission, the mail-fraud statute (sec. 338, title 18, U. S. C.), and other related Federal statutes (where the Commission took part in the investigation and development of the case) which were pending during the fiscal year ended June 30, 1944—Continued*

Name of case ¹	Number of defendants	United States District Court	Indictment returned	Charges	Status of case
U. S. v. Louis C. George, et al. (Automatic Products Corporation.)	3	Southern District of New York.	Apr. 30, 1940	Secs. 9 (a) (1) (B) and (C) and 9 (a) (2) of 1931 Act; Sec. 338, Title 18, U. S. C.; and conspiracy to violate these statutes.	Louis C. George was sentenced in 1941 upon his plea of guilty. Case awaiting trial as to Isaacs and Kirby.
U. S. v. James S. Gladish.....	1	Western District of Oklahoma.	Apr. 25, 1944	Sec. 17 (a) (1) of 1933 Act, and Sec. 338, Title 18, U. S. C.	On June 5, 1944, Gladish was sentenced upon his plea of nolo contendere to serve 2 years and was placed on 3 years' probation to follow service of sentence. He also was fined \$2,000.
U. S. v. Hector Gomez, et al. (Minas Del Plomo, S. A.)	4	Southern District of New York.	June 18, 1941	Secs. 5 (a) (1) and 17 (a) (1) of 1933 Act, Sec. 338, Title 18, U. S. C.; and conspiracy to violate these statutes.	Robinson and Gomez were sentenced July 14, 1941, upon their pleas of guilty, to serve 9 months and 15 months, respectively. The 2 remaining defendants have not been apprehended.
U. S. v. Harold B. Grow, et al. (Continental Securities Corporation.)	17	do.....	Nov. 2, 1938	Sec. 338, Title 18, U. S. C., and conspiracy to violate this statute.	The third indictment resulted in 4 verdicts and one plea of guilty with jail and suspended sentences, respectively. Indictment was nolle prossed as to the corporate defendant. The second indictment was nolle prossed as to all defendants. The first indictment is pending as to 15 defendants, one defendant having pleaded guilty, and the indictment having been nolle prossed as to Harold B. Grow.
	6	do.....	Mar. 31, 1939	do.....	
	6	do.....	May 31, 1939	do.....	
U. S. v. Guaranty Underwriters Inc., et al.	11	Southern District of Florida.	Mar. 29, 1944	Secs. 17 (a) (1) and (3) of 1933 act; Sec. 338, Title 18, U. S. C., and conspiracy to violate these statutes.	Pending.
U. S. v. Arnold R. Hanson, et al. (Hanson, et al.).	3	Southern District of New York.	Feb. 1, 1943	Secs. 17 (a) (1) and (2) of 1933 act; Sec. 338, Title 18, U. S. C.; and conspiracy to violate these statutes.	Hession found guilty May 27, 1943. Arnold R. Hanson and Sven Hanson were acquitted. Hession was sentenced to 1 year and 1 day on counts 1 to 17 and to 3 years on counts 18 to 29. Execution of sentence of 3 years suspended and Hession placed on probation for 3 years. Hession's appeal was dismissed Mar. 6, 1944.
U. S. v. C. M. Hargrove, et al. (Teachers Annuity Life Insurance Co.).	3	Western District of Texas.	May 4, 1942	do.....	All 3 defendants found guilty Jan. 19, 1943. Hargrove, the principal defendant, was sentenced to serve 1 year and fined \$5,000. Cavett and Leigh were sentenced to 1 year, each, execution of which was suspended for 3 years. Hargrove appealed and CCA-5 on January 1944, affirmed judgment. Certiorari denied Apr. 10, 1944.

U. S. v. Carey Judson Harper, et al. (St. Louis Oil Producing & Refining Co.).	3	Eastern District of Missouri.	June 29, 1942	Sec. 17 (a) (1) of 1933 act, and sec. 338, title 18, U. S. C., and conspiracy to violate sec. 17 (a) of 1933 act, and sec. 338, title 18, U. S. C.	Harper and Bennight were found guilty and were sentenced to serve 10 years and 2 years, respectively. Tucker was found guilty upon his plea of nolo contendere. He was sentenced to serve 18 months, execution of sentence suspended and defendant placed on probation for 3 years. CCA-8 on June 30, 1944, affirmed the judgments as to Harper and Bennight.
U. S. v. John Harris	1	Maryland	Apr. 5, 1943	Sec. 338, title 18, U. S. C.	Harris found guilty and sentenced to 4 years. CCA-4 affirmed judgment on Feb. 4, 1944.
U. S. v. Joseph L. Hassett, et al. (W. H. Koch Co.).	9	Eastern District of New York.	Mar. 2, 1943	Secs. 17 (a) (1) and (2) of 1933 act; sec. 338, title 18, U. S. C., and conspiracy to violate 17 (a) (2) and sec. 338, title 18, U. S. C.	Hassett pleaded guilty as charged. Packard and Guest pleaded guilty to conspiracy count, only. Hassett sentenced to 2 years; Packard 1½ years, Guest to 1 year and 4 months. Indictment pending as to remaining of defendants.
U. S. v. Melvan D. Haynes, et al. (Benners, Owens & Co.).	7	Eastern District of Michigan.	Oct. 19, 1936	Secs. 17 (a) (1) and (2) of 1933 act; sec. 338, title 18, U. S. C.; and conspiracy to violate these statutes.	Convictions obtained as to 5 defendants. Case pending as to 2 defendants, 1 of whom is a fugitive.
U. S. v. Theodore P. Heider, et al. (American Trusteed Funds, Inc.).	4	Southern District of New York.	June 10, 1941	Sec. 24 of 1933 Act and conspiracy to violate this statute.	Heider pleaded guilty to all 3 indictments and was sentenced to a jail term of 6 months. American Trusteed Funds, Inc. pleaded nolo contendere to the first 2 indictments and was placed on probation for 5 years. Kane pleaded guilty to the conspiracy count of the first indictment. Imposition of sentence was suspended and he was placed on probation or 2 years. Jacobs pleaded guilty to the third indictment and was sentenced to a jail term of a year and a day. Weese pleaded guilty to the third indictment, was sentenced to a jail term of a year and day, and is appealing from the denial of his motion to withdraw his guilty plea. Indictments pending as to remaining defendants.
	4	do	do	Sec. 338, title 18, U. S. C. and conspiracy to violate this statute.	
	9	do	do	Sec. 17 (a) (1) of 1933 act; sec. 338, title 18, U. S. C.; and conspiracy to violate sec. 338, title 18, U. S. C.	Trial opened Nov. 23, 1942; concluded Dec. 15, 1942. Louis C. Deluke, Henry, and Estep found guilty as to certain counts. The following sentences were imposed: Henry and Estep, 18 months each; Louis C. Deluke, 2 years. Danny Deluke and Gull were found not guilty by directed verdict. CCA-10, on Nov. 22, 1943, affirmed judgment as to Henry and Deluke and reversed as to Estep.
U. S. v. Patrick T. Henry, et al. (Rainbo Gold Mines, Inc.).	5	Utah	Oct. 23, 1942	Sec. 17 (a) (1) of 1933 act; sec. 338, title 18, U. S. C.; and conspiracy to violate these statutes.	Henry and Deluke and reversed as to Estep.
U. S. v. John Herck, et al.	6	Eastern District of Michigan.	July 30, 1942	Sec. 17 (a) (1) of 1933 act; sec. 338, title 18, U. S. C., and conspiracy to violate secs. 17 (a) (1) and (2) of 1933 act and sec. 338, title 18, U. S. C.	Pending.
	1	do	do	Sec. 15 (a) of 1931 act	
	5	do	do	Sec. 5 (a) (1) and (2) of 1933 act, and conspiracy to violate this statute.	
U. S. v. Harvey H. Revenor.	1	Southern District of New York.	Aug. 19, 1942	Sec. 338, title 18, U. S. C.	Pending trial.
U. S. v. Edward M. Hill, et al.	12	Northern District of Ohio.	May 21, 1940	Sec. 338, title 18, U. S. C., and conspiracy to violate this statute.	10 defendants pleaded nolo contendere. Sentences ranged from suspended sentence to 5 years' imprisonment. Case pending as to one defendant who has not been apprehended.

¹ Parenthetical reference is to name under which investigation was carried prior to indictment.

TABLE 24.—*Indictments returned for violation of the acts administered by the Commission, the mail-fraud statute (sec. 338, title 18, U. S. C.), and other related Federal statutes (where the Commission took part in the investigation and development of the case) which were pending during the fiscal year ended June 30, 1944—Continued*

Name of case 1	Number of defendants	United States District Court	Indictment returned	Charges	Status of case
U. S. v. George Howell, et al. (Texas National Life Insurance Co.).	2	Southern District of Texas.	July 1, 1943	Secs. 17 (a) (1) and 17 (a) (2) of 1933 act; sec. 338, title 18, U. S. C., and conspiracy to violate these statutes.	Pending.
U. S. v. Arnold Joerns, et al. (Resources Corporation International).	9	Northern District of Illinois.	Dec. 13, 1940	Sec. 17 (a) (1) of 1933 act, sec. 338, title 18, U. S. C., and conspiracy to violate these statutes.	Trial opened Jan. 12, 1942. Indictment dismissed as to Hoffheins, Jennings, and Durland. On Mar. 17, 1942, the jury was discharged, having failed to reach a verdict. Pending date for retrial.
U. S. v. Clifford S. Johnson, et al.	3	Montana-----	Oct. 21, 1943	Sec. 17 (a) (1) of the 1933 act; sec. 338, title 18, U. S. C., and conspiracy to violate these statutes.	Pending.
U. S. v. A. B. Jones, et al. (Colonial Trading Co.).	11	Nevada-----	July 16, 1935	Secs. 5 (a) and 17 (a) of 1933 act; sec. 338, title 18, U. S. C., and conspiracy to violate these statutes.	Indictment was nolle prossed as to Nelson J. Sykes, deceased, and dismissed Sept. 30, 1940, as to 8 defendants. A. B. Jones and M. J. Jones, principal defendants, have not been apprehended. Case pending as to them.
U. S. v. Philip J. Kealy, et al. (Campana Gold Mines, Inc.)	7	Northern District of Illinois	Apr. 15, 1940	Sec. 338, title 18, U. S. C.-----	Pending.
U. S. v. Robert H. Kells, et al. (National Reference Library Corp.).	4	District of Columbia.	Feb. 16, 1943	Sec. 17 (a) (1) of 1933 act, sec. 338, title 18, U. S. C.	Do.
U. S. v. George A. King, et al. (Crow Oil & Refining Co., Ltd.)	3	Southern District of Illinois.	June 22, 1944	Secs. 17 (a) (1), and 5 (a) (2) of 1933 act, sec. 338, title 18, U. S. C.	Do.
U. S. v. Franklin Lamson, et al. (Graphite Co. of America)	2	Delaware-----	Dec. 10, 1943	Sec. 17 (a) (1) of 1933 act, and sec. 338, title 18, U. S. C.	Lamson entered a plea of nolo contendere to the Securities Act violations on June 26, 1944.
U. S. v. Maurice M. Leavitt, et al. (Lakemoor Development Co.).	5	Western District of Washington.	Nov. 16, 1943	Sec. 17 (a) (1) of 1933 act; sec. 338, title 18, U. S. C., and conspiracy to violate these statutes.	M. M. Leavitt pleaded guilty on Apr. 1, 1944, and was sentenced to 12 months, execution of sentence suspended; defendant placed on 5 years' probation and fined \$1,000.
U. S. v. Amster Leonard, et al.	2	Western District of Michigan.	Apr. 6, 1944	Sec. 338, title 18, U. S. C., and conspiracy to violate this statute.	Pending
U. S. v. Maurice A. Levine, et al. (Paymaster Plan, Inc.)	7	Massachusetts-----	July 16, 1940	Sec. 17 (a) (1) (2) and (3) of 1933 act, and conspiracy to violate this statute.	All defendants have pleaded guilty. Sentences ranged from 6 to 18 months' imprisonment and 5 years' probation. All prison sentences suspended except one. Partial restitution to investors made.
		do-----	do-----	Sec. 338, title 18, U. S. C., and conspiracy to violate this statute.	
U. S. v. Philip Lichtenstein (Lichtenstein Estate, Inc.).	3	Eastern District of Missouri.	Mar. 12, 1943	Sec. 17 (a) (1) of 1933 act, and sec. 338, title 18, U. S. C.	On Oct. 19, 1943, upon pleas of nolo contendere, the 3 defendants were fined as follows: Leonard Lichtenstein \$2,500; Philip and Harry Lichtenstein each, \$4,000

U. S. v. Harry Low, et al. (Trenton Valley Distillers Corp.).	2	Eastern District of Michigan.	Feb. 3, 1939	do.....	Low surrendered on Feb. 24, 1939, and was later released on bail. He failed to appear at the pretrial hearing set for June 23, 1941, and his bond was forfeited. Walter H. Harde is a fugitive in Canada. Pending. Defendant not apprehended.
U. S. v. Bart Cecil Lucas.....	1	Southern District of New York.	Aug. 19, 1942	Sec. 338, title 18, U. S. C.....	
U. S. v. R. A. McArthur.....	1	Western District of Arkansas	Aug. 20, 1941	do.....	Pending.
U. S. v. James R. Macon, et al. (Macon & Co.).	2	Northern District of Ohio.	Feb. 2, 1940	Sec. 17 (a) (1) of 1933 act, and sec. 338, title 18, U. S. C.	Macon was convicted on all counts on Feb. 7, 1941; motion for new trial granted Nov. 24, 1942. Macon entered a plea of nolo contendere at the trial held Sept. 20, 1943. He was sentenced to 3 years and fined \$2,500, and was placed on probation for 3 years. Schley was acquitted. Malien has been apprehended. Case awaiting trial.
U. S. v. Harry J. Mallen (Santa Cruz Mining Co.).	1	Northern District of Illinois	Mar. 15, 1940	do.....	
U. S. v. Kenneth B. Martin, et al. (Memorial Estates).	7	District of Columbia.	Sept. 16, 1941	Sec. 17 (a) (1) of 1933 act, sec. 338, title 18, U. S. C., and conspiracy to violate these statutes.	Simon, Sarshik, Arlen, Herman, and Moorh pleaded guilty. Their sentences ranged from 4 months to 2 years. Martin who also pleaded guilty later withdrew that plea. Sarshik, after sentence was imposed, was permitted to withdraw his plea of guilty. Sarshik is presently incarcerated at the U. S. Penitentiary at Terre Haute, Ind. on another charge. A detainer has been placed against him. Case pending as to Sarshik and Martin; and as to Levant who is a fugitive.
U. S. v. Jesse P. Michael (Industrial Loan Co.).	1	Southern District of Ohio.	Feb. 4, 1943	Sec. 17 (a) (1) of 1933 act and sec. 338, title 18, U. S. C.	On Oct. 19, 1943, defendant was sentenced to 5 years upon his plea of guilty. Sentence suspended and defendant placed on probation for 5 years. Michael also was fined \$5,000.
U. S. v. Norman W. Minuse, et al.	3	Southern District of New York.	Oct. 26, 1938	Conspiracy to violate secs. 9 (a) (1) (A), (B), and (C) and sec. 9 (a) (2) of 1934 act (manipulation).	Trial opened Jan. 8, 1940. Stuart pleaded guilty, was given a suspended sentence and placed on probation. Minuse and Pelletier were found guilty, sentenced to 2 years and \$5,000 fine, and 18 months and \$1,000 fine, respectively. On appeal, the CCA-2 reversed the judgments of the district court as to these two defendants. Minuse and Pelletier were found guilty after retrial Feb. 19, 1943, and were sentenced to 15 months, and 1 year and 1 day, respectively. On Apr. 20, 1944, CCA-2 affirmed the judgments. On June 8, 1944 petition for writ of certiorari filed.
U. S. v. George M. Mitchell, Jr. (Brighter Days Mining Corp.).	1	New Jersey.....	Dec. 23, 1943	Sec. 17 (a) (2) of 1933 act and sec. 338, title 18, U. S. C.	On Mar. 24, 1944, on his plea of nolo contendere, Mitchell was sentenced to 1 year and 1 day, execution of sentence suspended and defendant placed on probation for 1 year.
U. S. v. Hugh B. Monjar, et al. (The Mantle Club).	5	Delaware.....	May 26, 1942	Sec. 17 (a) (1) of 1933 act; sec. 338, title 18, U. S. C., and conspiracy to violate these statutes.	Trial began Feb. 8, 1943; concluded May 27, 1943. Jury returned a verdict of guilty, with respect to the first indictment, against Hugh B. Monjar, Cook, Jones and Drew on various counts, but found Josephine T. Monjar guilty on conspiracy count only. 7 defendants were found guilty under the second indictment and 3 were acquitted. Indictment dismissed as to 2 defendants. All defendants who were convicted have appealed. Argument on appeal held May 4, 1944.
	12	do.....	Sept. 22, 1942	Conspiracy to violate sec. 338, title 18, U. S. C.	

¹ Parenthetical reference is to name under which investigation was carried prior to indictment.

TABLE 24.—*Indictments returned for violation of the acts administered by the Commission, the mail-fraud statute (sec. 338, title 18, U. S. C.), and other related Federal statutes (where the Commission took part in the investigation and development of the case) which were pending during the fiscal year ended June 30, 1944—Continued*

Name of case 1	Number of defendants	United States District Court	Indictment returned	Charges	Status of case
U. S. v. Lloyd T. Moore, et al. (Fitsum Mining Co.).	3	Montana.....	June 18, 1943	Secs. 5 (a) (1) and (2) and 17 (a) (1) of 1933 act, sec. 338, title 18, U. S. C.; and conspiracy to violate secs. 5 (a) and 17 (a) of 1933 act, and sec. 338, title 18, U. S. C.	Pending.
U. S. v. William Mark Muchow (U. S. Chromium, Inc.).	1	Northern District of Illinois.	Dec. 11, 1941	Secs. 5 (a) (2) and 17 (a) (1) of 1933 act, and sec. 338, title 18, U. S. C.	On Dec. 15, 1943, Muchow was sentenced upon plea of guilty, to serve 3 years on counts 9 and 10 (sec. 5 (a) (2) violations).
U. S. v. Samuel J. Mustain, et al. (Continental Securities Corp.).	15	Southern District of New York.	Dec. 3, 1937	Sec. 17 (a) of 1933 act; sec. 338, title 18, U. S. C.; and conspiracy to violate sec. 338, title 18 U. S. C.	H. W. and J. P. Williams, Goodman, and Colonial Securities Corp. pleaded guilty. Casale, Collins, Martin, Mustain, Continental Securities Corp., Dealers Royalty Co., Inc., and Standard Dealers Co., Inc. were found guilty. The indictment was dismissed as to Feinberg. Sentences ranged from a suspended sentence to a 3½ years' imprisonment. The 4 corporations were each fined \$10,000. Indictment nolle prossed as to Johnson. Case pending as to Silver and Cohon.
U. S. v. Frank Anthony Ohlman, et al. (A. J. Harris, et al.).	4	Southern District of Mississippi.	May 5, 1943	Sec. 17 (a) (1) of 1933 act; sec. 338, title 18, U. S. C.; and conspiracy to violate these statutes.	Ohlman and Calhoun pleaded guilty on May 2, 1944, and each was sentenced to 5 years; execution of sentence suspended and they were placed on probation for 5 years. Johnson has filed a demurrer to the indictment. Trial pending as to Martin and Johnson.
U. S. v. Jacob Perlman.....	1	Southern District of New York.	Nov. 5, 1942	Secs. 80 and 231, title 18, U. S. C.	Pending.
U. S. v. George D. Peter (Investments, Inc.).	1	Western District of Washington.	Aug. 27, 1942	Sec. 17 (a) (1) of 1933 act, and sec. 338, title 18, U. S. C.	Peter pleaded guilty to certain counts and was sentenced to serve 3 years.
U. S. v. Todd M. Pettigrew, et al. (Western Plains Oil Corp.).	2	Western District of New York.	Dec. 12, 1940	Secs. 17 (a) (1) and (2) of 1933 act; sec. 338, title 18, U. S. C., and conspiracy to violate these statutes.	Indictment dismissed as to Edwards in April of 1943, on motion of United States attorney; Pettigrew entered a plea of nolo contendere as to certain counts, and was sentenced on Aug. 16, 1943 to serve 2 years. Execution of sentence suspended and defendant placed on probation for 2 years, also fined \$7,500.
U. S. v. Robert R. Pierce (Continental and Gulf Syndicate, Ltd.).	1	Nebraska.....	Sept. 4, 1943	Sec. 17 (a) of 1933 act and sec. 338, title 18, U. S. C.	Trial began Nov. 9, 1943. Defendant found guilty and sentenced on Nov. 17, 1943 to 3 years. On Nov. 22, 1943, defendant filed notice of appeal. Appeal dismissed Mar. 7, 1944.
U. S. v. Charles Thelma Rice, et al. (Parquay Royalty Co., Inc.).	4	New Mexico.....	Mar. 9, 1944	Sec. 17 (a) (1) of 1933 act, and sec. 338, title 18, U. S. C.	Trial set for September 1944 term.
U. S. v. David B. Ronzone (American Mica Co.).	1	Delaware.....	Apr. 19, 1944	.....do.....	Ronzone sentenced on May 19, 1944, to 2 years, upon his plea of guilty.
U. S. v. David B. Ronzone (Victory Mining Corp.).	1	.....do.....	.....do.....	.....do.....	On May 19, 1944, Ronzone was sentenced to 2 years, upon his plea of guilty, and placed on probation for 3 years to begin with his release from service of sentence of 2 years in the American Mica Co. case.

U. S. v. Frank J. Ryan, et al. (Research and Investment Co.).	4	Eastern District of North Carolina.	Sept. 21, 1942	Sec. 17 (a) (1) of 1933 act; sec. 338, title 18, U. S. C.; and conspiracy to violate these statutes.	2 defendants apprehended. Detainer filed against another defendant. Pending.
U. S. v. Mike L. Savage (Bell Boy Gold Mining Co.).	6	Eastern District of Washington.	Aug. 26, 1943	do.	On Nov. 10, 1943, Sax pleaded guilty. On Jan. 22, 1944, Savage, Sandros, Van Dissel, and Melson were found guilty. The following sentences were imposed: Sax, 13 months; Melson, Savage, and Van Dissel each sentenced to 15 months to be served and an additional 15 months, suspended; to be followed by 5 years' probation. Sandros sentenced to 12 years but sentence was suspended and he was placed on 5 years' probation. Indictment dismissed as to Sandberg.
U. S. v. Sam Scinfield, et al. (General Commodities Co.).	4	Northern District of Illinois.	Oct. 1, 1943	Sec. 332, title 18, U. S. C. and conspiracy to violate this statute.	Pleas of guilty entered by Scinfield, Vidaver, and Lauer. Each defendant sentenced to 1 year and 1 day. Case pending as to Ainfinder, who has been apprehended.
U. S. v. Joshua F. Simons, et al. (Peoples Gas & Oil Corp.).	11	Western District of Washington.	Oct. 20, 1937	Sec. 17 (a) (1) of 1933 act; sec. 338, title 18, U. S. C.; and conspiracy to violate sec. 17 of 1933 act and sec. 338, title 18, U. S. C.	The third indictment resulted in 6 convictions and 3 acquittals. Meyers has appealed from his conviction under a retrial. The first and second indictments were dismissed.
	10	do.	June 25, 1938	do.	
	9	do.	Dec. 3, 1938	do.	
U. S. v. August F. Slater, (Automatic Engineering, Inc.).	1	Southern District of California.	Sept. 17, 1941	Sec. 17 (a) (1) of 1933 act; sec. 338, title 18, U. S. C.	Trial set for Sept. 5, 1944.
U. S. v. C. Milton Smith, et al. (North Penn Oil Lands, Inc.).	4	Southern District of New York.	Nov. 7, 1941	Secs 5 (a) (2) and 17 (a) (3) of 1933 act; sec. 338, title 18, U. S. C.; and conspiracy to violate these statutes.	C. Milton Smith not apprehended. Pending as to remaining defendants.
U. S. v. Joseph H. Smitha (Advance Oil Co., Inc.).	1	Northern District of Georgia.	Apr. 29, 1941	Sec. 17 (a) (1) of 1933 act, and sec. 338, title 18, U. S. C.	Pending.
U. S. v. Robert Speyer, et al. (U. S. Postal Meters Corp.).	2	Northern District of New York.	Sept. 29, 1942	Sec. 17 (a) (2) of 1933 act; sec. 338, title 18, U. S. C., and conspiracy to violate sec. 17 of 1933 act and sec. 338, title 18, U. S. C.	Upon their pleas of guilty, Speyer and Leris were fined on Jan. 4, 1944, \$600 and \$500, respectively.
U. S. v. Max Strahl, et al. (C. G. Blackwell).	11	Southern District of New York.	Apr. 26, 1938	Sec. 17 (a) (1) of 1933 act; sec. 338, title 18, U. S. C.; and conspiracy to violate sec. 338, title 18, U. S. C.	Strahl pleaded guilty and was sentenced to 1 year and 1 day to be served concurrently with sentence imposed in another case. Indictment nolle prossed as to Lichtblau on June 2, 1943, and as to Mitchell on Oct. 13, 1943. Morton Edell, who had previously pleaded guilty, was sentenced June 2, 1944 to one month in prison and fined \$3,750, to stand committed until fine is paid. He will be placed on 2 years' probation after termination of his jail sentence. Pending.
U. S. v. Phillip Suetter.....	1	Oregon.....	May 23, 1942	Sec. 17 (a) (1) of 1933 act, and sec. 338, title 18, U. S. C.	Trial opened Aug. 31, 1942; concluded Sept. 8, 1942. Suetter was found guilty and was sentenced to serve 2½ years. CCA-9 affirmed, on appeal, Jan. 18, 1944.
U. S. v. Arthur C. Thurman, et al.	3	Massachusetts.....	Jan. 19, 1939	Sec. 17 (a) (2) of 1933 act, sec. 338, title 18, U. S. C.; and conspiracy to violate these statutes.	Lincoln pleaded guilty May 6, 1941, and was sentenced to 2 years, suspended, and placed on probation. Levinson is incarcerated on a State charge; Thurman has not been apprehended; case pending as to them.

¹ Parenthetical reference is to name under which investigation was carried prior to indictment.

TABLE 24.—*Indictments returned for violation of the acts administered by the Commission, the mail-fraud statute (sec. 338, title 18, U. S. C.), and other related Federal statutes (where the Commission took part in the investigation and development of the case) which were pending during the fiscal year ended June 30, 1944—Continued*

Name of case ¹	Number of defendants	United States District Court	Indictment returned	Charges	Status of case
U. S. v. Union Electric Co., et al.	2	Eastern District of Missouri.	Jan. 17, 1944	Sec. 12 (b) of 1935 act (political contributions by public utility holding company or subsidiary) and conspiracy to violate this statute.	Union Electric Co. of Missouri was found guilty on all counts and fined \$80,000, while Egan was found guilty on the conspiracy count only, fined \$10,000 and sentenced to 2 years' imprisonment. Both defendants appealed. CCA-8 on Aug. 9, 1943 affirmed the judgment. Certiorari denied Nov. 15, 1943. Petition of Egan for suspension of sentence and for probation denied Dec. 21, 1943, notice of appeal from this order filed by Egan, but on Jan. 5, 1944, this appeal was dismissed.
U. S. v. J. Samuel Wacker, et al (Pilot Molybdenite Mines Co., Ltd.)	3	Eastern District of Michigan.	Apr. 15, 1943	Sec. 17 (a) (1) of 1933 act; sec. 338, title 18, U. S. C., and conspiracy to violate these statutes.	Pending.
	2	do	Apr. 16, 1943	Secs. 5 (a) (1) and (2) of 1933 act.	
	1	do	do	do	
	1	do	May 14, 1943	Sec. 15 (a) of 1931 act.	
	2	do	do	Conspiracy to violate secs. 5 (a) and 17 (a) of 1933 act and sec. 338, title 18, U. S. C.	
U. S. v. Philip Cornelius Walsh, et al. (El Canada Mines, Inc.)	21	Southern District of New York.	Sept. 24, 1940	Secs. 17 (a) (1) and (2) of 1933 act, sec. 338, title 18, U. S. C., and conspiracy to violate these statutes.	13 defendants have been apprehended and pleaded not guilty. Pending.
U. S. v. H. P. Willis.	1	Northern District of Texas.	May 8, 1944	Sec. 17 (a) (1) of 1933 act, and sec. 338, title 18, U. S. C.	Court found Willis guilty upon his plea of nolo contendere but suspended imposition of sentence for 3 years, placing defendant on probation during this period.
U. S. v. Roy E. Wilson (Wilson Drilling Co.)	1	Eastern District of Illinois.	Sept. 10, 1942	do	Upon his plea of guilty, defendant was fined \$5,000; and sentenced to 1 year imprisonment. Execution of prison sentence suspended and defendant placed on probation for 1 year.
U. S. v. Arthur H. Wyatt, et al. (Commercial Underwriters, Inc.)	5	Southern District of Indiana.	Sept. 18, 1943	Sec. 338, title 18, U. S. C. and conspiracy to violate this statute.	On Nov. 11, 1943, Wyatt, Kadison, and Franklin were found guilty. Wyatt was sentenced to 4 years' imprisonment and Kadison and Franklin to 18 months each. They have filed notice of appeal. Schulman was acquitted. Unger was not tried due to illness.

¹ Parenthetical reference is to name under which investigation was carried prior to indictment.

TABLE 25.—*Petitions for review of orders of Commission under the Securities Act of 1933, the Securities Exchange Act of 1934, the Public Utility Holding Company Act of 1935, and the Investment Company Act of 1940, pending in circuit courts of appeals during the fiscal year ended June 30, 1944*

Petitioner	United States Circuit Court of Appeals	Initiating-papers filed	Nature of case	Status of case
American Power & Light Co., Electric Power & Light Corp.	First U. S. Supreme Court	Oct. 20, 1942	Petitions to review orders of Commission requiring dissolution of both companies under sec. 11 (b) (2) of the 1935 act. 2 cases consolidated by stipulation. Constitutionality of sec. 11 (b) (2) challenged. Argued on June 1, 1943. Commission's order affirmed Mar. 17, 1944. Petition for rehearing denied Apr. 18, 1944. On June 16, 1944, the companies filed petition for certiorari which Commission did not oppose.	Petition for certiorari pending in Supreme Court.
American Power & Light Co.	First	Feb. 5, 1944	Petitioner, parent of Florida Power & Light Co., sought review of Commission order under 1935 act insofar as order required Florida to make certain changes in its accounts. Commission moved for dismissal of petition on ground that petitioner had no standing to sue unless it could show compliance with the rules governing stockholders' derivative actions.	June 19, 1944, petition dismissed on motion of Commission.
Arkansas Natural Gas Corp.	Fifth	June 8, 1944	Petition to review an integration order under sec. 11 (b) (1) of the 1935 act which directed petitioner, a registered holding company in the Cities Service Co. system, to divest itself of certain properties.	Pending.
Bankers Securities Corp.	Third	May 26, 1944	Petition to review an order of the Commission denying petitioner's application under sec. 3 (b) (2) of the Investment Company Act of 1940 for a declaratory order that petitioner is not an investment company within the meaning of the act. This is the first appellate court case involving the act.	Do.
Engineers Public Service Co., et al.	District of Columbia	Nov. 14, 1942	Petition to review Commission's orders, dated Sept. 16, 1942 and Oct. 6, 1942, under sec. 11 (b) (1) of 1935 act, requiring Engineers to divest itself of certain properties and interests. Constitutionality of sec. 11 (b) (1) challenged. Case argued May 17, 1943. Oct. 22, 1943, court upheld Commission's order except as to construction and application of "other business" clauses of 11 (b) (1), on which order was set aside and case remanded to Commission for further proceedings in accordance with opinion (138 F. (2d) 936).	Jan. 8, 1944, petition for certiorari filed by the Commission. Jan. 27, 1944, petition for certiorari filed by Engineers Public Service Co. June 5, 1944, both petitions granted.
Florida Power & Light Co.	Fifth	Feb. 25, 1944	Petition to review portions of Commission order under 1935 act, requiring petitioner to make certain changes in its accounts	Pending.
Emma and Walter Howard, common stockholders of the United Gas Improvement Co.	Third	May 17, 1943	Petition to review order of Commission dated Mar. 18, 1943, as supplemented by order of Mar. 30, 1943, approving sec 11 (c) plan under 1935 act for U. G. I., which was approved also by majority of stockholders. Petitioners asked for reduction in amount of cash to be distributed to preferred stockholders under plan.	June 6, 1943, petition for review withdrawn.
Charles Hughes & Co., Inc.	Second	Aug. 13, 1943	Review of order revoking registration as broker-dealer under the 1934 act. This was the first court test of principle applied in numerous Commission proceedings that a dealer in securities who, without appropriate disclosure, charges prices bearing no reasonable relationship to the prevailing market price, is guilty of fraudulent practices within the meaning of sec. 17 (a) of the 1933 act, 12: 15 (2) (1) of the 1934 act, and rule X-15C1-2, promulgated thereunder.	Dec. 10, 1943, Commission's order affirmed. Feb. 9, 1944, petition for certiorari filed. Mar. 15, 1944, certiorari denied.

TABLE 25.—Petitions for review of orders of Commission under the Securities Act of 1933, the Securities Exchange Act of 1934, the Public Utility Holding Company Act of 1935, and the Investment Company Act of 1940, pending in circuit courts of appeals during the fiscal year ended June 30, 1944—Continued

Petitioner	United States Circuit Court of Appeals	Initiating-papers filed	Nature of case	Status of case
Koppers United Co., Koppers Co., Eastern Gas & Fuel Associates.	District of Columbia	Nov. 25, 1942	Petition by Koppers United to review order of Commission, issued Sept. 28, 1942, denying application under sec. 2 (a) (8) of 1935 act to declare Brooklyn Union Gas Co. not to be its subsidiary. Petition by Koppers Co. to review part of same order denying application under sec. 2 (a) (7) of act to be declared not a holding company with reference to Brooklyn or Eastern. Petition by Eastern (filed in First Circuit Court, then transferred to Court of Appeals for District of Columbia) to review other part of same order denying application under sec. 2 (a) (8) of act to be declared not a subsidiary of Koppers Co. Argued June 3, 1943.	Oct. 11, 1943, Commission's order affirmed.
National Association of Securities Dealers, Inc.	Third	Aug. 30, 1944	The Commission, acting under Sec. 12 (f) of the 1934 act, authorized the New York Curb Exchange to extend unlisted trading privileges to certain securities. The National Association of Securities Dealers, Inc. which had been permitted to intervene in the Commission's proceeding, petitioned for review of the order. This was the first court test of the Commission's orders under 12 (f), and particularly of the Commission's interpretation of the statutory phrase, "vicinity" of an exchange.	Apr. 20, 1944, opinion affirming Commission's order, except as to part held moot. May 1, 1944, opinion amended as to disposition of part of Commission's order held moot, June 12, 1944, amended mandate issued.
The North American Co.	Second	Aug. 21, 1942	Commission's orders under sec. 11 (b) (1) of 1935 act required North American, whose system comprises 80 companies in 17 States, to confine itself to control of a single integrated public utility electric system in the area of St. Louis, together with certain related incidental businesses. North American petitioned for review of orders on ground that sec. 11 (b) (1), if construed to permit such orders, is in violation of commerce clause and due process clause. Orders were affirmed on Jan. 28, 1943. North American filed petition for certiorari, in which Commission joined, and certiorari was granted Mar. 1, 1943. Briefs have been filed on the merits, but argument has been delayed until quorum of justices qualified to hear case can be obtained.	Pending in Supreme Court.
North American Light & Power Co., The.	Third	Oct. 5, 1943	In a consolidated 11 (b) (1) and (2) proceeding under the 1935 act with respect to petitioner and its parent, the North American Co., the Commission entered an order permitting a group of petitioner's preferred stockholders to file a claim on behalf of petitioner against the parent. The petition sought review of this order. The Commission moved to dismiss the petition on the ground that the order was interlocutory.	Oct. 14, 1943, order entered on Commission's motion dismissing the petition for review.
Samuel Okin	Second	Mar. 27, 1943	Petition to review order of Commission approving under 1935 act sale by National Power & Light Co. of all outstanding securities of its wholly owned subsidiary, West Tennessee Gas Co., to Equitable Securities Corp. Okin is a common stockholder of Electric Bond & Share Co., parent of National.	Sept. 9, 1943, Commission's order affirmed.

Samuel Okin (Electric Bond & Share Co., Florida Power & Light Co., and American Power & Light Co.).	.....do.....	Feb. 26, 1944	Petitioner, a minority stockholder of Electric Bond & Share Co., sought review of Commission order under 1935 act, involving American Power & Light Co. and Florida Power & Light Co., both part of Bond & Share system. Commission moved for dismissal on ground that petitioner had no standing to sue unless he could show compliance with the rules governing stockholders' derivative actions, and on further ground that petition was frivolous and moot.	Motion to dismiss granted July 10, 1944.
Samuel Okin (American & Foreign Power Co., Inc., and Electric Bond & Share Co.).	.....do.....	Mar. 22, 1944	Petitioner, a minority stockholder of Electric Bond & Share Co., sought review of Commission order under 1935 act, involving Bond & Share and American & Foreign Power Co., Inc., its subsidiary. Commission moved for dismissal on ground that petitioner had no standing to sue unless he could show compliance with rules governing stockholders' derivative actions, and on further ground petition was frivolous.	Motion to dismiss denied July 10, 1944. Commission petitioned for rehearing July 24, 1944.
Samuel Okin, In re (Electric Bond & Share Co. and American Power & Light Co.).	.....do.....	Mar. 29, 1944	Petitioner, minority stockholder of Electric Bond & Share Co., had been granted privilege of limited participation in a 1935 act proceeding involving Bond & Share and certain of its subsidiaries. On May 23, 1944, Commission denied Okin's motions that trial examiner be removed, that the proceeding be stayed, and that it overrule trial examiner's revocation of petitioner's privilege of limited participation. Petitioner sought review of rulings on motions and requested stay of Commission's proceeding. Commission opposed stay and moved for dismissal on ground that the rulings complained of, if orders, were interlocutory.	Stay denied and motion to dismiss granted July 14, 1944.
Pacific Gas and Electric Co.	Ninth U. S. Supreme Court.	Sept. 18, 1941	Petition to review order of Commission denying application under sec. 2 (a)-(8) of 1935 act to be declared not to be a subsidiary of the North American Co. Order affirmed, one justice dissenting on Apr. 14, 1942. Opinion contains new interpretation of portion of section dealing with "public interest." On May 4, 1942, petitioner filed petition for rehearing, which was granted on June 6, 1942. Argument on rehearing Dec. 1942. Commission's order affirmed by equally divided court Nov. 22, 1943 (139 F. (2d) 298). Petition for rehearing denied Feb. 23, 1944. Petition for certiorari filed Apr. 10, 1944.	May 22, 1944, certiorari granted. Pending in Supreme Court.
Paul H. Todd, In re (International Hydro-Electric System).	Sixth.....	Dec. 4, 1943	The Commission, on Aug. 12, 1943, applied to the U. S. District Court in Massachusetts under sec. 11 (d) of the 1935 act to enforce Commission's order requiring dissolution of International Hydro-Electric system under sec. 11 (b) (2) of the act, to take exclusive jurisdiction of company's assets, and to appoint special counsel to investigate certain alleged causes of action. Todd, a stockholder, requested Commission to withdraw its application for special counsel. Commission by letter denied this request, and Todd filed petition for review. Commission moved for dismissal on grounds that action complained of was not an order; that, if an order, it was interlocutory; and that the issue was in any event moot.	Dec. 17, 1943, order entered on Commission's motion dismissing the appeal.
The United Gas Improvement Co.	Third.....	Nov. 25, 1941 May 29, 1942.	Petitions to review orders of divestiture issued by Commission under sec. 11 (b) (1) of 1935 act on July 30, 1941 and May 19, 1942. U. G. I. challenged constitutionality of sec. 11 (b) (1). Case argued October 1942. Nov. 17, 1943, opinion issued affirming Commission's orders (138 F. (2d) 1010). Dec. 15, 1943, order filed amending opinion.	Mar. 17, 1944, mandate issued affirming orders of the Commission.
Washington Railway & Electric Co., et al.	District of Columbia.....	June 12, 1942	On Apr. 14, 1942, Commission, under sec. 11 (b) (1) of 1935 act, ordered the North American Co. to divest itself of its interest in certain named subsidiaries including petitioners, and ordered petitioners to divest themselves of certain named subsidiaries. On June 12, 1942, North American filed petition for review in second circuit and petitioners filed petition to review order in Court of Appeals for District of Columbia. On Aug. 8, 1942, Commission filed certified transcript of record in second circuit. To avoid review of order by 2 courts, Commission on Aug. 20, 1942, filed motion to dismiss petition in Court of Appeals for District of Columbia.	Oct. 7, 1942, motion denied and stay entered pending disposition of North American's petition.

TABLE 26.—Civil contempt proceedings pending during the fiscal year ended June 30, 1944

Principal defendants	Number of defendants	United States District Court	Initiating papers filed	Status of case
Artemisa Mines, Ltd., and Oliver O. Kendall.	2	Arizona.....	June 28, 1943	Order entered Nov. 15, 1943, adjudging Oliver O. Kendall, president of Artemisa Mines, Ltd., an Arizona corporation, in contempt for failure to comply with order of court dated May 18, 1943, requiring the corporation to produce certain documents and papers. Hearing set for June 9, 1944, on order to show cause why Brewer should not be held in contempt of court for violating Mar. 31, 1944, order to produce documentary evidence. Court continued contempt-hearing to Nov. 6, 1944, pending determination of appeal taken by Brewer contesting validity of order to produce. On Jan. 11, 1943, Okin filed with the Commission proxy soliciting letter and mailed it to stockholders. On Mar. 1, 1943, the district court held that this letter contained false and misleading statements and its circulation violated the preliminary injunction entered on Jan. 7, 1943, and hence constituted a contempt of court. An order adjudging defendant in contempt was entered May 11, 1943. On Aug. 18, 1943, the second circuit affirmed with modifications the contempt order and remanded the case to the district court. On Feb. 8, 1944, an order was entered in the district court whereby Okin purged himself of contempt.
Brewer, W. R.....	1	Southern District of California.	May 10, 1944	
Okin, Samuel.....	1	Southern District of New York.	Jan. 20, 1943	

TABLE 27.—Actions against Commission or employees of the Commission to enjoin enforcement under the acts administered by the Commission, fiscal year ended June 30, 1944

Name of case	United States District Court	Initiating papers filed	Nature of case	Action and status
Bankers Securities Corp. v. Ganson Purcell, chairman of Securities and Exchange Commission, et al.	Eastern District of Pennsylvania.	May 18, 1944	Complaint filed May 18, 1944, for declaratory judgment that plaintiff is not an investment company within the meaning of sec. 3 (a) of the 1940 act and that it is exempted from the statutory definition of investment company by sec. 3 (c), (6) and (7) of the act, and for injunction barring Commission and Commissioners from invoking sanctions of act against plaintiff. Commission moved to dismiss complaint on grounds that suit was against the Government, and, therefore, could not be maintained without consent of Government, and that the complaint failed to set forth a case or controversy.	Pending.

TABLE 28.—Cases (other than reorganization cases under ch. X) in which the Commission participated as intervener or as amicus curiae pending during the fiscal year ended June 30, 1944

Name of case	Court	Brief filed	History and nature of case	Status of case
William M. Dederiek, suing on behalf of himself and all other stockholders of North American Light & Power Co. v. the North American Co. and North American Light & Power Co	U. S. District Court (S. D. N. Y.).	Aug. 8, 1942.....	Derivative suit in U. S. District Court (S. D. N. Y.) October 1941 to have the North American Co. declared agent and trustee of its subsidiary, Light & Power, in the acquisition by former of debentures and preferred stock of its subsidiary at prices below principal amount and liquidation value, to compel parent to sell and subsidiary to reacquire stock at their cost price to parent, and for an accounting. Light & Power moved for dismissal of action. Commission filed brief as amicus curiae (in support of dismissal) to show that Commission has primary jurisdiction to hear and determine the issues, and why court should not take jurisdiction thereof. On Mar. 8, 1940, Commission had instituted proceedings under 11 (b) (1) of 1935 act with respect to North American and subsidiaries, including Light & Power. On Dec. 2, 1941, Commission had instituted proceedings under 11 (b) (2) of 1935 act with respect to Light & Power. On Dec. 30, 1941, Commission ordered winding up of Light & Power.	Jan. 12, 1943, motion to dismiss denied on ground that complaint does not seek liquidation of Light & Power but action is stayed until determination of the proceeding before Commission.
Illinois Iowa Power Co. vs. North American Light & Power Co.	U. S. District Court (D. Del.).	Feb. 13, 1943 (Motion to Intervene)	Suit against plaintiff's parent Light & Power, alleging overreaching of plaintiff. Commission moved for leave to intervene and for stay, on ground, <i>inter alia</i> , that section 11 proceedings pending before it under 1935 act with respect to Light & Power involved the same parties and the same claim and would dispose of the issues in the case. By order of Aug. 27, 1943, court permitted intervention and granted stay.	Pending.
David Ingle v. Robert M. Dale, et al. and William D. Ingle v. Chess Lamberton, et al. (consolidated cases) (Joy Manufacturing Co.).	U. S. District Court (W. D. Pa.).	Oct. 2, 1943 (submitted to counsel for defendants, but not filed).	Suits by stockholder and director alleged to have been wrongfully deprived of office to void election of directors at which defendants had voted proxies obtained in violation of the Commission's proxy rules promulgated under the 1934 act. The Commission was granted leave to intervene in support of the complaint and prepared a brief which was served on defendants, but not filed. During the argument, defendants consented to the entry of a temporary injunction.	No further developments requiring intervention by Commission.

TABLE 28.—Cases (other than reorganization cases under ch. X) in which the Commission participated as intervener or as amicus curiae pending during the fiscal year ended June 30, 1944

Name of case	Court	Brief filed	History and nature of case	Status of case
Leland Stanford Junior University and Elmer H. Shine, Petitioners v. the National Supply Co., a corporation, respondent.	U. S. District Court (N. D. Cal.). Court of Appeals for the 9th Circuit. U. S. Supreme Court.	Mar. 24, 1941..... About-Feb. 19, 1943...	University owned preferred stock in National. These shares, with back dividends, were canceled by consolidation of National with 1 of its subsidiaries. University refused to accept new securities and sued to recover value of its canceled stock and back dividends thereon in northern district, California. Commission filed brief as amicus curiae, contending that (1) plaintiff cannot maintain causes of action asserted under sec. 12 (1) and 12 (2) of 1933 act applicable with respect to persons who sell a security because the consolidation did not involve a sale within the meaning of sec. 2 (3) of 1933 act; (2) even if a sale were involved, defendant is protected against liability under sec. 12 (1) if it relied on Commission's note to rule 5 as to the use of Form E-1 as a reason for failing to register the securities involved; (3) if a sale was involved defendant is not protected from liability under sec. 12 (2) by virtue of the note to rule 5. On June 25, 1942, court ordered judgment for plaintiffs on ground that director of National failed to advise stockholders who might not wish to assent to plan, that they must under laws of Delaware dissent within certain time and demand value of their stock or be bound by majority, and therefore there was breach of trust in depriving University of opportunity of timely exercising its right to dissent. Decision is ambiguous on Commission's note to rule 5 for use of Form E-1, the so-called no sale theory, although two of its findings may indicate court's belief that a sale is involved. Defendant appealed to ninth circuit, and Commission filed brief as amicus curiae. On Apr. 1, 1943, circuit court reversed lower court on ground that plan did contain references to the legal right of withdrawal and payment and University was not misled since it thought plan unfair from beginning. Court agrees with Commission's view that consolidation did not involve a sale of securities, or an exchange amounting to a sale, hence the civil liability provisions of 1933 act, secs. 12 (1), (2), have no application. (134 Fed. (2d), 689). Aug. 9, 1943, petition for certiorari filed.	Oct. 18, 1943, certiorari denied.
Rawson G. Lizars v. Bror Dahlberg, et al.	Superior Court of Baltimore City.	May 13, 1944.....	Mandamus to require management group to hold annual meeting and to count proxies within their control which they had refused to count for purpose of preventing quorum at annual meeting. Alleged reason for refusal was that opposition faction had fraudulently solicited other proxies. Commission filed brief as amicus curiae in support of plaintiff's position. In memorandum opinion dated May 22, 1944, court indicated that it would hold for plaintiff. Subsequently, the annual meeting was held, the management's proxies were counted, and the opposition faction won control, thereby making the case moot.	No further developments of interest to Commission.
Merger Mines Corp. et al. v. J. V. Grismer et al.	U. S. Court of Appeals for the 9th Circuit. U. S. Supreme Court..	Apr. 12, 1943.....	Stockholders' derivative action to compel the Pearsons (president of Merger and his wife) to perform contract between company and the Pearsons requiring issuance of certain stock to Pearsons. District Court found for plaintiffs and decreed that the stock to be offered to the Pearsons and the other stockholders need not be registered with the Commission. Commission filed brief as amicus curiae to show that this stock is not exempt from registration under 1933 act and that secs. 3 (a) (10) and 4 (1) of 1933 act are inapplicable and do not support	Dec. 6, 1943, certiorari denied.

Philip Smolowe and M. William Levy, plaintiffs-appellees v. Delendo Corp., I. J. Siskis and Henry C. Kaplan defendants-appellants.	U. S. District Court (S. D. N. Y.), Court of Appeals for Second Circuit, U. S. Supreme Court.	Mar. 2, 1942..... Feb. 16, 1943 (with United States).	court's ruling. Judgment modified by court of appeals July 27, 1943 (137 F. (2d) 335) in decision adopting Commission's views on requirement of registration. Petition for certiorari filed October 1943. Action in U. S. District Court (S. D. N. Y.) under sec. 16 (b) of 1934 act by stockholders of Delendo against it and two directors of Delendo, to recover profits realized by directors from trading in securities of Delendo. United States allowed to intervene to uphold constitutionality of sec. 16 (b). Commission filed brief as amicus curiae on measure of damages. District court found for plaintiffs and Delendo and all defendants appealed to Second Circuit. Judgment affirmed by circuit court June 8, 1943. Petition for certiorari filed Aug. 3 1943.	Oct. 11, 1943, certiorari denied.
The New York Yacht Club v. Arthur H. Franklin and Mary Stevens Baird vs. Arthur H. Franklin (consolidated actions).	Court of Appeals for the Second Circuit U. S. Supreme Court.	Dec. 8, 1943.....	Civil action against New York Stock Exchange for damages allegedly sustained by failure of Exchange to take disciplinary action against Richard Whitney, a member, notwithstanding knowledge of his delinquencies. The Commission filed a brief as amicus curiae taking position that a registered exchange is under a statutory duty to enforce its own rules and that a failure to do so, which results in legal injury renders the Exchange liable for damages under the 1934 act. The circuit court in a decision of Feb. 25, 1944 concurred in this view but found that no damages had been shown. Plaintiff petitioned for certiorari.	Petition for certiorari pending in Supreme Court.
Louis Oppenheimer et al. v. F. J. Young & Co. Inc. et al.	Court of Appeals for the Second Circuit.	Mar. 31, 1944	Class action by former holders of bonds of a foreign municipality, charging defendants with damages arising out of alleged violations of the 1934 act in connection with repurchases of the bonds. The district court held that the complaint did not state a case within the class action provisions of the Federal rules of civil procedure and dismissed the complaint insofar as it sought relief for the benefit of a class. On appeal in the second circuit, the Commission filed a brief as amicus curiae taking the general position that the use of the class action procedure is necessary and proper for the effective prosecution of civil actions under the 1934 act and that the criteria for determining whether the requirements for a class action exist should be based upon various considerations described in the Commission's brief.	Case argued May 8, 1944. Pending.
Frank Palumbo et al. v. Electric Bond and Share Co. et al.	U. S. District Court (S. D. N. Y.).	Oct. 26, 1943 (Motion to Intervene).	Stockholders' derivative action in behalf of United Gas Corp. against its corporate grandparent, Electric Bond & Share Co. and certain directors and officers of United. Action based on alleged wasting of United's assets, Commission moved for leave to intervene and for stay on ground that Commission's pending proceeding under sec. 14 of the 1935 act with respect to United would determine issues of case. Order permitting intervention and granting stay entered Jan. 7 1944.	Pending.
United Funds Management Corp. Bankrupt. In re (bankruptcy proceeding).	U. S. District Court (W. D. Mo.)	-----	Voluntary petition in bankruptcy filed Sept. 30, 1942, and corporation adjudicated bankrupt, Oct. 1, 1942. Bankrupt is a face amount certificate company subject to the jurisdiction of the Commission under the Investment Company Act of 1940, and Commission is participating in proceeding as amicus curiae at invitation of the court.	Do.
Commerce Trust Co. as trustee et al. v. Charles L. Aylward as trustee in bankruptcy.	Court of Appeals for the Eighth Circuit.	-----	Appeal by indenture trustee from order of bankruptcy court, challenging jurisdiction of court to determine amount of fees of indenture trustee and its attorneys payable out of trust assets held by it for services in liquidating and distributing trust assets pursuant to terms of trust indenture and stipulation between indenture trustee, trustee in bankruptcy, and bankrupt. The Commission has filed a brief as amicus curiae in this appeal, in opposition to the position taken by the indenture trustee.	Do.

TABLE 29.—Actions to carry out voluntary plans to comply with sec. 11 (b) of the Holding Company Act of 1935

Name of case	United States District Court	Initiating papers filed	Nature of case	Status of case
Pending July 1, 1943:				
Columbia Oil & Gasoline Corp. and Columbia Gas & Electric Corp., In re.	Delaware, No. 288.....	Jan. 15, 1943	Application to carry out plan for distribution of proceeds of sale of assets resulting in dissolution of company.	Order Mar. 29, 1943, approved the plan as fair, equitable, and appropriate (59 Fed. Supp. 965). Appeal filed by William H. Danforth, dismissed on stipulation July 23, 1943. CCA 3
Puget Sound Power & Light Co. and Engineers Public Service Co., In re.	Massachusetts, No. 2308.	May 6, 1943	Application for approval of comprehensive reorganization plan and for injunction against interference with enforcement of plan.	Order June 10, 1943, approving the plan as fair, equitable, and appropriate. Supplemental application to enjoin board of directors from violation of secs 11 (g) and 12 (c) filed by S. E. C. Dec 15, 1943. Order granting leave to withdraw application entered Jan. 5, 1944.
United Light and Power Co., In re.	Delaware, No. 303.....	Apr. 16, 1943	Application for approval of distribution plan resulting in dissolution of holding Company and for injunction against interference with enforcement of the plan.	Order Aug. 4, 1943, approving plan as fair, equitable, and appropriate. Appeal filed by Otis & Co CCA 3. Order of district court affirmed Apr. 20, 1944 (142 Fed. 2d 411). Certiorari granted by U. S. Supreme Court June 12, 1944. Pending.
Instituted fiscal year ended June 30, 1944:				
United Public Utilities Corp., In re.	Delaware, No. 347.....	Oct. 26, 1943	Application to enforce and carry out plan to effectuate provisions of sec 11 (b) and to enjoin interference	Order January 17, 1944, approving plan as fair, equitable, and appropriate (52 Fed. Supp. 975).
Southern Colorado Power Co., In re.	Colorado, No. 670.....	Nov. 24, 1943	Application to enforce and carry out plan of recapitalization to effectuate provisions of sec 11 (b).	Order Jan. 19, 1944, approving plan as fair, equitable, and appropriate. Appeal filed by Butler Disman. CCA 10. Pending.
North American Gas & Electric Co., In re.	Delaware, No. 352.....	Dec. 7, 1943	Application to enforce and carry out plan to effectuate provisions of sec. 11 (b).	Order Jan. 10, 1944, approving plan as fair, equitable, and appropriate.
Central States Power & Light Corp., In re.	Delaware, No. 354.....	Dec. 14, 1943	.....do.....	Order Jan. 6, 1944, approving plan as fair, equitable, and appropriate.
North Continent Utilities Corp., In re.	Delaware, No. 355.....	Dec. 16, 1943	.....do.....	Order Mar. 17, 1944, approving plan as fair, equitable, and appropriate.
Consolidated Electric and Gas Co., In re.	Delaware, No. 382.....	Feb. 23, 1944	.....do.....	Order Apr. 11, 1944, approving plan as fair, equitable, and appropriate.
Clarton River Power Co., In re.	W. D. Pa., No. 2903.....	Mar. 4, 1944	.....do.....	Order Apr. 11, 1944, approving plan as fair, equitable, and appropriate.
American Gas & Power Co., In re.	Delaware, No. 419.....	May 11, 1944	.....do.....	Order June 6, 1944, approving plan as fair, equitable, and appropriate.
The Inaude Gas Light Co., In re.	E. D. Mo., No. 2756.....	May 31, 1944	.....do.....	Pending.
International Utilities Corp. and Dominion Gas & Electric Co., In re.	S. D. N. Y., No. 25-260.....	Apr. 19, 1944	.....do.....	Order June 29, 1944, approving plan as fair, equitable, and appropriate.

TABLE 30.—*Proceedings by Commission, pending during the fiscal year ended June 30, 1944, to enforce subpoena under the Securities Act of 1933 and the Securities Exchange Act of 1934*

Principal defendants	Number of defendants	United States District Court	Initiating papers filed	Section of act involved	Status of case
Artemisa Mines, Ltd., et al.	2	Arizona.....	Apr. 8, 1943	Sec. 22 (b) of 1933 act.....	Order May 18, 1943 required Artemisa Mines, Ltd., to appear before an officer of the Commission on June 28, 1943, and produce the records described in subpoena duces tecum. See table 26. Civil contempt proceedings.
Brewer, W. R.....	1	Southern District of California.	Mar. 14, 1944	Sec. 22 (b) of 1933 act.....	Order entered Mar. 31, 1944, directing respondent to appear before an officer of the Commission on Apr. 14, 1944, and produce 9 of 13 items described in subpoena duces tecum. Case pending on appeal by respondent, notice of which was filed on May 13, 1944.
Gulf States Royalty Co.....	1	Southern District of Mississippi.	Sept. 3, 1943	Sec. 22 (b) of 1933 act and sec. 21 (c) of 1934 act.	Order entered Dec. 22, 1943, directing respondent to appear before an officer of the Commission on Jan. 11, 1944, and produce documentary evidence.
McGarry (W. E.) et al.....	3	Colorado.....	June 14, 1944	Sec. 22 (b) of 1933 act.....	Hearing held June 29, 1944, on order to show cause why order should not issue. Court directed applicant and respondents to submit briefs by July 13, 1944.
The Penfield Co. of California.	1	Southern District of California.	Apr. 13, 1943	Sec. 22 (b) of 1933 act.....	Order, June 1, 1943, required respondent to produce books and records on June 1, 1943. Opinion rendered June 30, 1944, by CCA 9 affirming the judgment of June 1, 1943.

Cosgrove-Meehan Coal Corp.	D. Del	do	June 22, 1937	June 22, 1937	do	June 22, 1939
Cosgrove & Co., Inc.	do	do	do	do	do	do
Cosgrove-Meehan Coal Co. of Pennsylvania	do	do	do	do	do	do
Lenox Coal Co.	do	do	do	do	do	do
Covered Wagon Co.	F. D. Mich	Ch. X	Aug. 29, 1940	Aug. 30, 1940	Request	Sept. 27, 1940
Cuyahoga Finance Co.	N. D. Ohio	do	Apr. 11, 1941	Apr. 25, 1941	do	Apr. 28, 1941
Detroit Harbor Terminal, Inc.	F. D. Mich	Sec 77-B	Feb. 9, 1935	Mar. 9, 1935	do	Oct. 19, 1942
Diversified Royalties of America	S. D. Calif	Ch. X	Oct. 4, 1940	Oct. 7, 1940	Motion	Nov. 12, 1940
Diversified Royalties, Ltd.	do	do	do	do	do	do
Eastern Building Corp.	S. D. N. Y.	do	May 3, 1943	May 20, 1943	do	May 25, 1943
Eleven Park Place Corp.	do	do	Dec. 5, 1940	Dec. 19, 1940	do	Dec. 27, 1940
Emporium of St. Paul, Inc.	D. Minn	do	Feb. 2, 1942	May 7, 1942	do	Aug. 12, 1942
Equitable Office Building Corp.	S. D. N. Y.	do	Apr. 10, 1941	Apr. 10, 1941	do	Apr. 14, 1941
Evard Co., Inc.	do	do	Apr. 4, 1942	Apr. 15, 1942	do	Apr. 15, 1942
Federal Facilities Realty Trust	N. D. Ill.	Sec 77-B	Dec. 26, 1934	Apr. 25, 1935	do	Oct. 29, 1940
Fidelity Assurance Association	S. D. W. Va.	Ch. X	June 6, 1941	June 7, 1941	Request	June 13, 1941
51-04 Skillman Ave., Inc.	S. D. N. Y.	do	Dec. 18, 1942	Dec. 28, 1942	do	Dec. 31, 1942
Fort Shelby Hotel Co.	F. D. Mich	Sec 77-B	Dec. 7, 1934	Dec. 7, 1934	do	Nov. 6, 1940
Foundation Properties, Inc.	S. D. N. Y.	Ch. X	Oct. 11, 1943	Oct. 11, 1943	Motion	Oct. 18, 1943
Garland Manufacturing Co.	W. D. Pa.	do	Mar. 26, 1940	Mar. 26, 1940	Request	May 3, 1940
Globe Industrial Loan Corp.	D. N. J.	do	Mar. 20, 1943	Mar. 20, 1943	Motion	Apr. 7, 1943
Gobel (Adolf), Inc.	S. D. N. Y.	do	Sept. 29, 1941	Sept. 30, 1941	do	Oct. 1, 1941
Guardian Investors Corp.	do	Ch. X	Mar. 18, 1941	May 14, 1941	do	Apr. 4, 1941
Hotel Martin Co. of Utica	N. D. N. Y.	Sec 77-B	June 6, 1935	June 19, 1935	do	June 21, 1939
Hotel Sylvania Co. (Delaware Corp.)	E. D. Pa.	do	Nov. 24, 1936	Nov. 24, 1936	do	June 16, 1942
Hotel Sylvania Co. (Pennsylvania Corp.)	do	do	do	do	do	do
Hotels Majestic, Inc.	do	do	Oct. 30, 1936	Oct. 31, 1936	do	Feb. 26, 1942
Hun School (The)	D. N. J.	Ch. X	Nov. 29, 1940	Nov. 29, 1940	Request	Dec. 16, 1940
Indiana Limestone Corp.	S. D. Ind.	do	Apr. 7, 1944	Apr. 21, 1944	Motion	Apr. 29, 1944
Industrial Loan Co. (The)	S. D. Ohio	do	Aug. 21, 1941	Aug. 28, 1941	Request	Sept. 25, 1941
Inland Gas Corp.	E. D. Ky	Sec 77-B	Oct. 14, 1935	Nov. 1, 1935	do	Mar. 25, 1939
International Mining & Milling Co.	D. Nev	Ch. X	June 29, 1939	June 29, 1939	Motion	Aug. 7, 1939
Mount Guines Mining Co.	do	do	do	do	do	do
International Power Securities Corp.	D. N. J.	do	Feb. 21, 1911	Feb. 24, 1911	do	Mar. 3, 1911
Isham Garden Apts	S. D. N. Y.	do	Apr. 7, 1943	Apr. 8, 1943	do	Apr. 13, 1943
Jackson-Hamlin Bldg. Corp.	N. Ill.	do	Aug. 2, 1943	Aug. 13, 1943	Request	Oct. 25, 1943
Jeffery Terrace Bldg. Corp.	do	do	Oct. 11, 1943	Nov. 10, 1943	do	Nov. 15, 1943
Johet Elks Building Association	N. D. Ill.	do	Jan. 10, 1939	Feb. 2, 1939	do	Feb. 6, 1939
Karcher Hotel Co.	do	do	Feb. 20, 1942	Feb. 20, 1942	Motion	May 20, 1942
Kentucky Fuel Gas Corp.	E. D. Ky	Sec 77-B	Oct. 25, 1935	Nov. 1, 1935	Request	Mar. 25, 1939
Keystone Realty Holding Co.	W. D. Pa.	Ch. X	Feb. 10, 1939	Feb. 11, 1939	do	Mar. 8, 1939
Lorraine Castle Apartments Bldg. Corp.	N. D. Ill.	do	Apr. 7, 1942	May 5, 1942	do	July 22, 1943
Los Angeles Lumber Products Co. Ltd.	S. D. Calif.	Sec 77-B	Jan. 28, 1938	Jan. 28, 1938	Motion	Jan. 29, 1940
Lower Broadway Properties, Inc.	S. D. N. Y.	Ch. X	Nov. 24, 1942	Nov. 24, 1942	do	Dec. 2, 1942
Mahlstedt Materials, Inc.	do	do	Aug. 11, 1941	Aug. 13, 1941	Request	Aug. 14, 1941
Mayer Brewing Co.	S. D. Calif.	do	Dec. 4, 1940	Dec. 20, 1940	do	Aug. 4, 1941
Mara Villa Realty Co.	E. D. Mich	Sec 77-B	Feb. 16, 1937	Feb. 18, 1937	do	Dec. 6, 1938
Mayfair Hotel Co.	E. D. Mo.	Ch. X	Oct. 20, 1911	Oct. 21, 1941	Motion	Nov. 18, 1941
Medinah Building Corp.	N. D. Ill.	do	June 4, 1941	July 28, 1941	Request	July 28, 1941

¹ Request denotes participation at the request of the judge; motion refers to participation upon approval by the judge of Commission's motion to participate in proceeding

² Creditor's petition filed June 18, 1943 was dismissed on Aug. 26, 1943; a second proceeding was commenced by filing of petition by debtor on Aug. 26, 1943.

TABLE 31.—Reorganization proceedings in which the Commission participated during the fiscal year ended June 30, 1944—Continued

Debtor	District court	Proceedings instituted under	Petition		Participation ¹	Securities and Exchange Commission notice of appearance filed
			Filed	Approved		
Middle States Utilities Co. (Del.)	W. D. Mo.	Ch. X	Apr. 30, 1943	May 1, 1943	Motion	July 16, 1943
Middle States Utilities Co. (Iowa)	do	do	do	do	do	Do.
Middle States Utilities Co. (Mo.)	do	do	do	do	do	Do.
Midland United Co.	D. Del.	Sec. 77-B	June 9, 1934	June 9, 1934	do	Jan. 10, 1940
Midland Utilities Co.	do	do	do	do	do	Do.
Moorhead Knitting Co.	M. D. Pa.	Ch. X	June 19, 1941	June 24, 1941	do	Aug. 6, 1941
Mt. Forest Fur Farms of America, Inc.	E. D. Mich.	Sec. 77-B	Aug. 15, 1938	Aug. 15, 1938	Request	Sept. 28, 1938
Mutual Creamery Co.	D. Utah	Ch. X	Mar. 11, 1939	Mar. 11, 1939	Motion	Apr. 4, 1939
National Realty Trust	N. D. Ill.	Sec. 77-B	Dec. 26, 1934	Apr. 25, 1935	do	Oct. 29, 1940
1934 Realty Corp.	S. D. N. Y.	Ch. X	Dec. 23, 1938	Dec. 21, 1940	do	Jan. 8, 1941
Northern Redwood Lumber Co.	N. D. Calif.	Sec. 77-B	Apr. 4, 1936	Apr. 4, 1936	do	Apr. 13, 1939
Northwest Carolina Utilities Co.	W. D. N. C.	Ch. X	July 8, 1942	July 8, 1942	do	Mar. 3, 1943
Northwest Cities Gas Co.	E. D. Wash.	Sec. 77-B	Jan. 13, 1938	Jan. 15, 1938	do	June 26, 1939
Ohmer Fare Register Co.	S. D. Ohio	do	Dec. 29, 1937	Dec. 29, 1937	Request	May 16, 1939
Oklahoma Railway Co.	W. D. Okla.	Ch. X	Sept. 27, 1939	Sept. 27, 1939	Motion	Oct. 13, 1939
188 Randolph Building Corp.	N. D. Ill.	Sec. 77-B	Aug. 5, 1935	Dec. 30, 1935	do	Jan. 17, 1939
P. R. Holding Corp.	S. D. N. Y.	Ch. X	Aug. 24, 1942	May 21, 1942	do	May 21, 1942
Pean Timber Co.	D. Oreg.	Sec. 77-B	Feb. 18, 1938	Feb. 18, 1938	Request	Jan. 5, 1939
Pere Marquette Building Corp.	S. D. Ill.	Ch. X	Dec. 15, 1942	Aug. 4, 1943	Motion	July 28, 1943
Philadelphia & Reading Coal & Iron Co.	E. D. Pa.	Sec. 77-B	Feb. 26, 1937	Feb. 26, 1937	do	Jan. 27, 1939
Philadelphia & Western Railway	do	do	July 2, 1934	July 3, 1934	do	Jan. 17, 1940
Pine Hill Collieries Co.	do	Ch. X	May 16, 1939	May 16, 1939	Request	May 19, 1939
Pine Hill Coal Co.	do	do	do	do	do	Do.
Pittsburgh Railways Co.	W. D. Pa.	Sec. 77-B	May 10, 1938	May 10, 1938	do	Jan. 4, 1939
Pittsburgh Motor Coach Co.	do	do	do	do	do	Do.
Pittsburgh Terminal Coal Corp.	do	Ch. X	Dec. 4, 1939	Jan. 2, 1940	do	Jan. 6, 1940
Pittsburgh Terminal Warehouse & Trans. Co.	do	do	Dec. 10, 1943	Dec. 10, 1943	do	Jan. 6, 1944
Plankinton Building Co.	do	do	June 25, 1940	June 27, 1940	do	July 16, 1940
Portland Electric Power Co.	E. D. Wis.	do	Apr. 3, 1939	Apr. 3, 1939	do	Apr. 18, 1939
Quaker City Cold Storage Co.	D. Oreg.	do	Dec. 17, 1941	Feb. 13, 1942	Motion	Jan. 28, 1942
R. A. security Holding, Inc.	E. D. N. Y.	do	May 7, 1942	July 22, 1942	do	May 22, 1942
Real Estate Mortgage Guaranty Co.	E. D. Pa.	do	July 11, 1940	Nov. 12, 1940	do	Nov. 12, 1940
Realty Associates Securities Corp.	E. D. N. Y.	do	Sept. 28, 1943	Sept. 28, 1943	do	Oct. 6, 1943
Esplanade Realty Corp.	do	do	Mar. 17, 1944	Mar. 20, 1944	do	Apr. 19, 1944
Rentals Building Corp.	S. D. Ohio	do	July 31, 1939	Nov. 1, 1939	do	Apr. 23, 1940
Ritz-Carlton Restaurant & Hotel Co. of Atlantic City (The)	S. D. N. J.	do	Jan. 17, 1939	Jan. 20, 1939	Request	Jan. 23, 1939
Roberts & Oake, Inc.	N. D. Ill.	do	Apr. 19, 1941	Apr. 19, 1941	Motion	May 28, 1941
Rocky Mountain Fuel Co.	D. Col.	do	Feb. 12, 1944	Feb. 12, 1944	do	Apr. 3, 1944
Saltex Looms, Inc. (The)	D. Conn.	do	Nov. 10, 1939	Nov. 10, 1939	do	Dec. 2, 1939
Sayre & Fisher Brick Co.	D. N. J.	Sec. 77-B	Aug. 20, 1934	Aug. 20, 1934	Request	Feb. 2, 1940

Sheridan Melrose Building Corp.	N. D. Ill.	Ch. X	July 1, 1943	July 7, 1943	Motion	Aug. 23, 1943
Silesian American Corp.	S. D. N. Y.	do	July 29, 1941	July 29, 1941	do	Aug. 1, 1941
South State St. Building Corp.	N. D. Ill.	do	Oct. 17, 1938	Oct. 18, 1938	do	Nov. 29, 1938
Sponsor Realty Co.	S. D. N. Y.	do	July 17, 1942	Mar. 19, 1943	do	Sept. 25, 1942
Strain Building Corp.	E. D. Wis.	do	Nov. 14, 1941	Nov. 14, 1941	Request	Dec. 3, 1941
32-36 No. State Street Bldg. Corp.	N. D. Ill.	do	Mar. 14, 1944	Apr. 24, 1944	do	June 7, 1944
Thomas Allee Corp. (The)	N. D. Calif.	do	May 12, 1939	May 13, 1939	Motion	June 26, 1939
Transportation Building Corp. of Chicago	N. D. Ill.	do	Jan. 16, 1941	Feb. 13, 1941	Request	Feb. 21, 1941
Turnbow Petroleum Corp. (W. C.)	E. D. Texas	do	Feb. 21, 1940	Feb. 21, 1940	Motion	Apr. 18, 1940
243 West 38th St. Corp.	S. D. N. Y.	do	Dec. 23, 1940	Dec. 23, 1940	do	Jan. 29, 1941
Ulen & Co.	do	do	June 14, 1940	June 14, 1940	do	June 17, 1940
U. S. Realty & Improvement Co.	do	do	Feb. 1, 1944	Feb. 1, 1944	Request	Feb. 7, 1944
Valier-Montana Land & Water Co.	S. D. Mont.	do	Jan. 15, 1942	Jan. 15, 1942	Motion	Mar. 5, 1942
Van Rensselaer Estates, Inc.	S. D. N. Y.	Sec. 77-B	July 12, 1935	July 12, 1935	do	July 22, 1941
Van Sweringen Corp.	N. D. Ohio	do	Oct. 13, 1936	Oct. 15, 1936	do	Jan. 23, 1940
Cleveland Terminals Bldg. Co. (The)	do	do	do	do	do	Do.
Warner Sugar Corp.	S. D. N. Y.	Ch. X	June 7, 1940	July 9, 1940	Request	July 9, 1940
Warren Brothers Co.	D. Mass.	Sec. 77-B	Feb. 1, 1937	Feb. 1, 1937	Motion	Jan. 30, 1939
Washington Gas & Electric Co.	S. D. N. Y.	Ch. X	Sept. 29, 1941	Sept. 29, 1941	do	Oct. 14, 1941
Watson Realty Co.	E. D. Mich.	Sec. 77-B	Apr. 28, 1936	Apr. 28, 1936	Request	Jan. 7, 1939
Webster Apartments Co.	do	do	May 4, 1935	May 4, 1935	do	Nov. 27, 1939
Westover, Inc.	S. D. N. Y.	Ch. X	Mar. 18, 1943	Mar. 24, 1943	Motion	Mar. 24, 1943
Wilkes-Barre Railways Corp.	M. D. Pa.	do	July 1, 1943	July 1, 1943	do	July 15, 1943
Wilkes-Barre Railway Co.	do	do	do	do	do	Do.
Wilkes-Barre Trackless Trolley Co.	do	do	do	do	do	Do.
Wyoming Valley Auto Bus Co.	do	do	do	do	do	Do.
Wyoming Valley Public Service Co.	do	do	do	do	do	Do.
William Jameson & Co.	S. D. N. Y.	do	Apr. 21, 1941	Apr. 21, 1941	Request	Dec. 3, 1941
Windsor-Wilson Liquidation Trust	N. D. Ill.	do	Mar. 18, 1941	May 28, 1941	do	June 12, 1941
York Railways Co.	E. D. N. Y.	Sec. 77-B	Nov. 30, 1937	Nov. 30, 1937	Motion	Jan. 5, 1943

¹ Request denotes participation at the request of the judge; motion refers to participation upon approval by the judge of Commission's motion to participate in proceeding.

TABLE 32.—Cases involving statutes administered by the Securities and Exchange Commission through June 30, 1944, excluding cases under chapter X of the Bankruptcy Act *

PART 1.—SECURITIES ACT OF 1933 AND SECURITIES EXCHANGE ACT OF 1934

Title	Citation	Sections of statutes involved	
		Securities Act of 1933	Securities Exchange Act of 1934
A			
Albers v. Lamson	380 Ill. 35, 42 N. E. (2d) 627 (1942)		3 (a) (16)†; 4 (a)†.
Aldrich Blake, Inc.; S. E. C. v.	1 S. E. C. Jud. Dec. 19 (Sup. Ct. D. C. No. 57675, 1935)	2 (1), 5 (a) (1), (2); 10 (1)	
Alluan; U. S. v.	13 F. Supp. 289 (N. D. Tex., 1936)	2 (3), 17 (a) (1), (2), (3)	
American Sumatra Tobacco Corporation v. S. E. C.	93 F. (2d) 236, 68 App. D. C. 77 (1937), 110 F. (2d) 117 (App. D. C., 1940)		12 (b); 24 (a); 24 (b); 25 (a) 2; 12 (b); 24 (b); 25 (a)†.
Andrews; S. E. C. v.	1 S. E. C. Jud. Dec. 265 (S. D. N. Y., 1936); 88 F. (2d) 441 (C. C. A. 2, 1937)		9 (a) (1), (2); 21 (e)* 12 (f)*; 21 (a)*; 21 (c)*; 25 (a).
Archer v. S. E. C.	133 F. (2d) 795 (C. C. A. 8, 1943)	5 (a) (1); 17 (a) (1), (2), (3)	7 (e) (2); 15 (b); 15 (c) (1), 15A (1), (2); 19 (a) (3).
Artemisa Mines Ltd.; S. E. C. v. p.	2 S. E. C. Jud. Dec. (D. Ariz. No. 177, 1943)	5 (a); 19 (b); 20 (a)	
Associated Gas & Electric Company; S. E. C. v.	24 F. Supp. 899 (S. D. N. Y., 1938) 99 F. (2d) 795 (C. C. A. 2, 1938)	2 (1), 2 (3), 2 (4)*; 3 (a) (3)*; 5 (a) (1), (2); 12	12 (f)*.
Atherton v. U. S.	128 F. (2d) 463 (C. C. A. 9, 1942)	2 (1); 17 (a) (1)	
B			
Batley; S. E. C. v.	41 F. Supp. 647 (D. C. Fla., 1941)	2 (1); 5 (a) (1); 17 (a) (1), (2), (3)	
Bard v. Dassau	1 F. R. D. 275 (S. D. N. Y., 1940)		6†; 19†; 18 (a)†.
Bard v. Franklin p.	141 F. (2d) 238 (C. C. A. 2, 1944)		6 (a) (1)†; 6 (b)†; 6 (d)†; 8 (b)†, 8 (c) (d)†; 10 (b)†; 27†.
Bank of America National Trust & Savings Assn. v. Douglas	1 S. E. C. Jud. Dec. 638 (D. C. D. C. No. 1326, 1939) 105 F. (2d) 100, 70 App. D. C. 221 (1939)		19 (a) (2)†; 21 (a)† 12 (b); 13 (b), 18; 19 (a) (2); 21 (a); 32 (a).
	132 F. (2d) 9 (App. D. C., 1942)		12 (b) (1)†; 13 (b)†; 18 (a)†; 19 (a) (2)†; 21 (a)†; 32 (a)†.
Beckman v. U. S.	96 F. (2d) 15 (C. C. A. 5, 1938)		
Benson v. U. S.	112 F. (2d) 422 (C. C. A. 5, 1940), 311 U. S. 644	17 (c) (1)	
Boehm v. Granger	42 N. Y. S. (2d) 246 (Sup. Ct. N. Y. Ch., 1943)	12 (2); 2 (3); 13	
Boehm v. U. S.	123 F. (2d) 791 (C. C. A. 8, 1941); 315 U. S. 800; 315 U. S. 828	7*, 10 (b)*; 19 (a)*, (b)*; 20 (a)*; 24*	12*; 13*; 21 (a)*, (b)*; 32 (a)*
Bogy; U. S. v.	16 F. Supp. 497 (W. D. Tenn., 1936)	2 (3)*; 17 (a) (1), (2), (3)	
	96 F. (2d) 734 (C. C. A. 6, 1938)	2 (3); 17 (a) (1), (2), (3)	
Boise Petroleum Corp.; S. E. C. v.	1 S. E. C. Jud. Dec. 395 (D. Idaho, No. 1974, 1937)	5 (a) (1), (2)†; 17 (a) (2)†	15 (a)†.
Bourbon Sales Corp.; S. E. C. v.	47 F. Supp. 70 (D. C. Ky., 1942)	9; 19 (b); 20 (a); 22 (b); 2 (1)†	
Burel; U. S. v.	2 S. E. C. Jud. Dec. (N. D. Ill. No. 32876, 1942)	17 (a)	
C			
Cady v. Murphy	113 F. (2d) 988 (C. C. A. 1, 1940); 311 U. S. 705	4 (2)†; 5 (a) (1)*; 12 (1)*; (2); 2 (3)	
Carleton; S. E. C. v.	1 S. E. C. Jud. Dec. 648 (D. Colo. No. 8, 1939)	17 (a) (2)	
Carpenter; U. S. v.	44 F. Supp. 651 (S. D. N. Y., 1942)	17 (a) (1), (2), (3)	

Carter; U. S. v.	56 F. Supp. 311 (W. D. Ky., 1944)	17 (a) (1)	
Chinese Consolidated Benevolent Assn., Inc.; S. E. C. v.	39 F. Supp. 85 (S. D. N. Y., 1940)	2 (3); 2 (11); 4 (1); 5 (a) (1); 6 (a); 19 (a)†	
Glaxton; S. E. C. v.	120 F. (2d) 738 (C. C. A. 2, 1941); 314 U. S. 618 1 S. E. C. Jud. Dec. 670 (D. C. D. C. No. 107, 1939)	2 (2), (3), (11); 4 (1); 5 (a) (1), (2); 6 (a); 7	21 (c).
Cohen v. Saddleboro.	26 F. Supp. 27 (D. Mass., 1939)	12; 22 (a)	
Collier, Robert & Co.; S. E. C. v.	10 F. Supp. 95 (S. D. N. Y., 1935)	2 (5)*; 20 (b)	4 (b)*; 21 (c)†.
Consolidated Mines of California v. S. E. C.	76 F. (2d) 939 (C. C. A. 2, 1935)	20 (b)	4 (a); 21 (c).
Coplin v. U. S.	97 F. (2d) 704 (C. C. A. 9, 1935)	5 (a) (1)*; (2); 17 (a) (1)*, (2)*, (3)*; 19 (b)*; 20 (a); 22 (b)*.	
Corporation Trust Co. v. Logan.	88 F. (2d) 652 (C. C. A. 9, 1937)	17 (a) (2)	
Crosby v. Weil.	52 F. Supp. 999 (D. Del., 1943)	2 (1), (4); 4 (1); 5 (a); 11*; 12 (1), (2)*; 16*; 20 (a)*; 22 (a)*; 24*	
Crowley v. U. S.	382 Ill. 538, 48 N. E. (2d) 386 (S. Ct. Ill. 1943)	5; 10; 16; 18	2; 28 (a)
Crude Oil Corp. of America; S. E. C. v.	113 F. (2d) 334 (C. C. A. 8, 1940); 311 U. S. 689 17 F. Supp. 164 (W. D. Wis. 1936)	17 (a) (2)	
Cultivated Oyster Farms Corp.; S. E. C. v.	93 F. (2d) 841 (C. C. A. 7, 1937)	2 (1); 5 (a) (1), (2)	
	1 S. E. C. Jud. Dec. 672 (S. D. Fla. No. 350, 1939)	2 (1); 3 (b); 17 (a) (1), (2)	
	D		
Davis v. S. E. C.	109 F. (2d) 6 (C. C. A. 7, 1940)	2 (2); 5 (a) (1), (2); 17 (a) (1), (2), (3)†; 22 (c)	
Davis; U. S. v.	2 S. E. C. Jud. Dec. * (N. D. Ill. E. D. No. 32220, 1941)	5 (a) (1)†, (2)†; 17 (a) (1)	
Deckert v. Independence Shares Cor- poration.	40 F. Supp. 246 (N. D. Ill. E. D., 1941)	5 (a); 2 (1)†; 24†	
	27 F. Supp. 763 (E. D. Pa., 1939)	12, 16; 17 (a) (2)*; 22 (a)	
	311 U. S. 282 (1940)	12 (2); 17 (a) (1); 22 (a); 24	
Dillon v. U. S.	39 F. Supp. 592 (E. D. Pa., 1941)	12 (2); 13, 22 (a)	
Dowd v. Lizars.	113 F. (2d) 334 (C. C. A. 8, 1940); 311 U. S. 689	17 (a) (2)	14 (a)†.
	2 S. E. C. Jud. Dec. * (C. C. Balto. City, No. A 27260, 1944)		
Downs; S. E. C. v.	1 S. E. C. Jud. Dec. 135 (D. Colo. No. 10680, 1936)	20 (b)	
	E		
Edwards v. U. S.	113 F. (2d) 286 (C. C. A. 10, 1940)	5 (a) (1), (2); 17 (a) (1), (2); 19 (a); 22 (c)	
	312 U. S. 473 (1941); 61 S. Ct. 669	5 (a) (1)†, (2)†; 17 (a) (1)†, (2)†; 19 (a)† 22 (c)	
	131 F. (2d) 198 (C. C. A. 10, 1942); 317 U. S. 689; 63 S. Ct. 263; 317 U. S. 711; 63 S. Ct. 325	17 (a) (1)†, (2)†, (3)†, 22 (c)	
Eisele; U. S. v.	52 F. Supp. 105 (D. C. D. C., 1943)	17; 22 (c)	
	2 S. E. C. Jud. Dec. * (D. C. No. 70857, 1943)	17 (a)	
Estep v. U. S.	140 F. (2d) 40 (C. C. A. 10, 1943)	17 (a)	
	F		
Farrell v. Reynolds.	11 N. Y. S. (2d) 117 (S. Ct. N. Y., 1939)	5 (b) (2); 12	
Feinberg; U. S. v.	50 F. Supp. 976 (E. D. N. Y., 1943)	17	
	140 F. (2d) 592 (C. C. A. 2, 1944); 64 S. Ct. 943 (1944)	17 (a)†	
Fisher v. Schilder.	131 F. (2d) 522 (C. C. A. 10, 1942)	2 (1)	
Foundation Plan, Inc., S. E. C. v.	31 F. Supp. 331 (S. D. N. Y., 1939)	5 (b) (2); 17 (a) (1), (2), (3)	
Frost, A. C. & Company v. Coeur D'Alene Mines Corporation.	Idaho 21; 98 F. (2d) 995 (Sup. Ct. Idaho, 1939)	4 (1); 5 (a) (1), (2)	
	61 S. Ct. 414; 312 U. S. 38 (1941)	2 (3);* 4 (1); 5 (a) (1)†, 11 (a)*; 12 (1)*; 12 (2)*; 24.	

See footnotes at end of table.

TABLE 32.—Cases involving statutes administered by the Securities and Exchange Commission through June 30, 1944, excluding cases under chapter X of the Bankruptcy Act *—Continued

PART 1.—SECURITIES ACT OF 1933 AND SECURITIES EXCHANGE ACT OF 1934—Continued

Title	Citation	Sections of statutes involved	
		Securities Act of 1933	Securities Exchange Act of 1934
G			
Gantz v. U. S.	127 F. (2d) 498 (C. C. A. 5, 1942); 317 U. S. 625; 63 S. Ct. 47; 317 U. S. 709, 63 S. Ct. 154.	17 (a) (1)*	
Gates v. U. S.	122 F. (2d) 571 (C. C. A. 10, 1941); 314 U. S. 698.	17 (a) (1), (2), (3).	
Geismar v. Bond & Goodwin	39 F. Supp. 536 (S. D. N. Y., 1941) 40 F. Supp. 876 (S. D. N. Y., 1941)		9 (c); 15 (c) (1); 20 (a); 20 (b). 9 (c); 15 (c) (1); 20 (a); 20 (b).
Gilbert, S. F. C. v.	29 F. Supp. 654 (S. D. Ohio, 1939)	2 (1)	
Gold Hub Mines Company; S. E. C. v.	1 S. E. C. Jud. Dec. 634 (D. Colo. No. 23, 1939)	17 (a) (2)	
Goldstein v. Groesbeck	142 F. (2d) 422 (C. C. A. 2, 1944)		29 (b)
Goodner, U. S. v.	35 F. Supp. 286 (D. Colo. 1940)	17 (a) (1)†, (2)†; 22 (b)†, 22 (e)	
Gordon, Fred V. v. District Court	2 S. E. C. Jud. Dec.* (C. C. A. 9, 1942)	17 (a) (1)	
Graham v. Federal Tender Board	118 F. (2d) 8 (C. C. A. 5, 1941)		21 (b).
Gross v. Independence Shares Corp.	36 F. Supp. 541 (E. D. Pa., 1941)	2 (3); 5 (a) (1)†; 12 (2); 22 (a)	
Groves, U. S. v.	122 F. (2d) 87 (C. C. A. 2, 1941); 314 U. S. 670		16 (b)†.
Grundler v. Schwab	33 N. Y. s. (2d) 931 (S. Ct. N. Y. Co. 1943); 46 N. Y. S. (2d) 715 (A. D. 1st Dept. 1944)	24*	13 (a)†; 18*.
Guaranty Underwriters v. Johnson	2 S. E. C. Jud. Dec.* (S. D. Fla. No. 305 J, 1912)		25 (a); 27.
Guaranty Underwriters v. S. E. C.	63 F. (2d) 51 (C. C. A. 5, 1943) 131 F. (2d) 370 (C. C. A. 5, 1942)	5 (a) (1), (2), 17 (a) (1), (2), (3)	15 (b), (c); 15A; 21 (e); 25 (a), 27. 25 (a).
H			
Hall, M. J., & Co., Inc v Johnson	2 S. E. C. Jud. Dec.* (S. Ct. N. Y. No. 3120, 1940)	11 (a); 13	
Hallgarten, Helene, v. Lee, Stewart J.	2 S. E. C. Jud. Dec.* (S. D. N. Y. No. 18-347, 1942)		15 (c) (1); 29 (b).
Hansberger, S. E. C. v.	27 F. Supp. 846 (W. D. Okla., 1939)	2 (1); 3 (b)	
Hargrove v. U. S.	139 F. (2d) 1014 (C. C. A. 5, 1944) 64 S. Ct. 937 (1944)	17 (a)†	
Harper v. U. S.	143 F. (2d) 795 (C. C. A. 8, 1944)	17 (a) (1), 2 (1)*, (3)*, (10)*	
Hawley v. U. S.	133 F. (2d) 966 (C. C. A. 10, 1943)	17 (a) (1)†, (2)†, (3)†	
Hofmayer v. Kehaya	1 S. E. C. Jud. Dec. 272 (Sup. Ct. N. Y. No. 7567, 1936)	12	
Hollywood State Bank v. Wilde	2 S. E. C. Jud. Dec.* (Super. Ct. Calif., Los Angeles Co. No. 478973, 1943)	2 (1); 5 (a)	
Holmes v. U. S.	115 F. (2d) 528 (C. C. A. 5, 1940); 314 U. S. 583 126 F. (2d) 471 (C. C. A. 5, 1942) 134 F. (2d) 125 (C. C. A. 5, 1943); 319 U. S. 125	17 (a) (1) 17 (a) (1)* 17 (a) (1)	
Hoover, S. E. C. v.	25 F. Supp. 481 (N. D. Ill., 1938)	8 (a)*; 22 (b)*	
Hughes & Co. v. S. E. C.	139 F. (2d) 431 (C. C. A. 2, 1943); 321 U. S. 756 (1944)*	17 (a)	15 (b); 15 (c) (1); 25 (a).
Hunter v. Southern Indemnity Underwriters.	47 F. Supp. 242 (D. C. Ky., 1942)	22 (a)	

I		
Ilseug v. U. S.	120 F. (2d) 823 (C. C. A. 9, 1941); 314 U. S. 665.....	17 (a) (1)†, (2)†, (3)†.....
Independence Shares Corporation v. Duckert.....	108 F. (2d) 51 (C. C. A. 3, 1939).....	12; 13; 16; 23 (a).....
Investors Syndicate, et al; S. E. C. v.....	2 S. E. C. Jud. Dec.* (D. C. D. Minn. No. 960, 1943).....	17.....
J		
Jarvis v. U. S.	90 F. (2d) 243 (C. C. A. 1, 1937).....	17 (a) (1)*, (2)*, (3)*.....
Johnson v. McNeill.....	10 So. (2d) 143 (Florida, 1942).....	25 (a); 2*; 15 (b) (D)*.....
Joiner, C. M., Leasing Corp.; S. E. C. v.....	133 F. (2d) 241 (C. C. A. 5, 1943); 320 U. S. 344, 64 S. Ct. 120.....	2 (1).....
Jones v. Kennedy.....	53 F. Supp. 714 (N. D. Texas, 1944).....	17 (a)†; 20 (b)†.....
Jones; S. E. C. v.....	121 F. (2d) 40 (App. D. C. 1941); 314 U. S. 665.....	8 (d)*, (e)*; 9*; 19 (b)*; 20 (b)*.....
	12 F. Supp. 210 (S. D. N. Y., 1935).....	2 (1); 5 (a) (1), (2); 9 (a)*, (b); 19 (a), (b)†; 20 (b); 21*; 22 (b); 26.....
	79 F. (2d) 617 (C. C. A. 2, 1935).....	5 (a) (1)*, (2)†; 6 (a); 8 (b), (d), (e); 9 (a), (b); 19 (a), (b); 22 (b); 24*; 26*.....
	298 U. S. 1 (1936).....	2 (4); 5 (a) (1)*, (2)*; 6 (a)*; 8 (a), (d), (e); 19 (b); 22 (b)*; 24*.....
Jones; S. E. C. v.....	85 F. (2d) 17 (C. C. A. 2, 1936).....	20 (b).....
Judson v. Buckley.....	130 F. (2d) 174 (C. C. A. 2, 1942); 317 U. S. 679.....	24†.....
K		
Kerpel and Co., Inc.; S. E. C. v.....	1 S. E. C. Jud. Dec. 133 (S. D. N. Y. No. 81-303, 1936).....	17 (a) (2); 20 (b).....
Koeppel R. J. & Co. v. S. E. C.....	95 F. (2d) 550 (C. C. A. 7, 1938).....	17 (a) (2).....
Kopald-Quinn & Co.; U. S. v.....	1 S. E. C. Jud. Dec. 371 (N. D. Ga. No. 14725, 1937).....	17 (a) (1)†, (2)†, (3)†; 20 (b); 24.....
Kott; U. S. v.....	101 F. (2d) 628 (C. C. A. 5, 1939).....	17 (a) (1).....
	1 S. E. C. Jud. Dec. 228 (S. D. Tex. No. 6619, 1936).....	17 (a) (1), (3).....
L		
Lamar, Re.....	73 Can. Cr. Cas. 194 (S. Ct. Albert, 1940).....	17 (a) (2).....
Landay v. U. S.	108 F. (2d) 698 (C. C. A. 6, 1939).....	2 (4); 4 (1); 5 (a) (1)*; 17 (a) (1)*, (2)*.....
LaVey; S. E. C. v.....	1 S. E. C. Jud. Dec. 369 (E. D. Wash. No. E-4479, 1937).....	4 (1).....
Lawson; S. E. C. v.....	24 F. Supp. 360 (D. Md., 1938).....	17 (a) (1), (2), (3); 20 (b).....
Leland Stanford Jr. University v.....	46 F. Supp. 389 (S. D. Cal., 1942).....	12 (1)†, (2)†.....
National Supply Co.....	134 F. (2d) 689, 88 L. Ed. 492 (1943).....	12 (1), (2).....
Levy v. Feinberg.....	29 N. Y. S. (2d) 539 (Sup. Ct. N. Y. Co., 1941); 38 N. Y. S. (2d) 517 (Sup. Ct. App. Div. N. Y., 1942).....	14 (a)†.....
Lizars v. Dahlberg.....	2 S. E. C. Jud. Dec. *(Super. Ct. of Balto. City, Docket 1944, Folio 264, 1944).....	14 (a)†.....
M		
Macon; S. E. C. v.....	28 F. Supp. 127 (D. Colo., 1939).....	17 (a) (2).....
Martin v. Hull.....	92 F. (2d) 208; 67 App. D. C. 281 (App. D. C., 1937).....	11 (a), (b), (c).....
Maschuch; U. S. v.....	111 F. (2d) 601 (C. C. A. 2, 1940) 311 U. S. 650.....	19 (1)†.....
McDermott; U. S. v.....	131 F. (2d) 313 (C. C. A. 7, 1942); 318 U. S. 765; 63 S. Ct. 664; 318 U. S. 801; 63 S. Ct. 827.....	17 (a) (1)†, 27†.....
McDowell Mines, Inc.; S. E. C. v.....	1 S. E. C. Jud. Dec. 376 (D. Colo., No. 10931, 1937).....	17 (a) (2)†.....
McMann v. Engel.....	16 F. Supp. 446 (S. D. N. Y., 1936).....	17 (a) (1)*, (2)*, (3)*; 19 (b); 20 (a).....

See footnotes at end of table.

TABLE 32.—Cases involving statutes administered by the Securities and Exchange Commission through June 30, 1944, excluding cases under chapter X of the Bankruptcy Act*—Continued

PART 1.—SECURITIES ACT OF 1933 AND SECURITIES EXCHANGE ACT OF 1934—Continued

Title	Citation	Sections of statutes involved	
		Securities Act of 1933	Securities Exchange Act of 1934
Morger Mines v. Grismer.....	137 F. (2d) 335 (C. C. A. 9, 1943); 88 L. Ed. (Adv. Op.) 155 (1943).	2 (11), 3 (a) (10); and 4 (1).....	
Metzger v. Breeze Corp.....	37 F. Supp. 693 (D. C. N. J. 1941).	11; 12; 13; 16.....	
Mining Truth Publishing Co.; S. E. C. v.	1 S. E. C. Jud. Dec. 469 (E. D. Wash., No. E-4491, 1937).....	2 (1); 4 (1); 5 (a) (1).....	
Minuse; U. S. v. P.	114 F. (2d) 36 (C. C. A. 2, 1940).....		9 (a) (1), (2).
	142 F. (2d) 388 (C. C. A. 2, 1944).....		9 (a) (1), (2); 32 (a).
Monjar; U. S. v. P.	47 F. Supp. 421 (D. C. Del., 1942).....	2 (1); 5 (a) (1); 17 (a) (1); 20 (b); 23; 24.....	
Murphy v. Cady.....	30 F. Supp. 466 (D. Maine, 1939).....	2 (3); 12.....	
N			
National Association of Securities Dealers v. S. E. C.	143 F. (2d) 62 (C. C. A. 3, 1944).....		12 (f); 15 (a)*; 25 (a)*.
Newfield v. Ryan.....	91 F. (2d) 700 (C. C. A. 5, 1937).....	5 (a) (1)*, (2)*; 17 (a) (2)*; 19 (b)†.....	
O			
O'Hara Re-Election (or Proxy) Committee, S. E. C. v.	28 F. Supp. 523 (D. Mass., 1939).....		14
Okin v. S. E. C.	46 F. Supp. 481 (S. D. N. Y., 1942); 130 F. (2d) 903 (C. C. A. 2, 1942); 317 U. S. 701.		4 (a).
Oklahoma-Texas Trust v. S. E. C.	100 F. (2d) 888 (C. C. A. 10, 1939).....	4 (1); 6 (d)*; 7; 8 (a)*; (d), (e)*; 9 (a)*; 23*.....	
Ovlenburg, U. S. v.	135 F. (2d) 616 (C. C. A. 7, 1943).....	17 (a).....	
Oliver, Grinnel F., and Co., S. E. C. v.	1 S. E. C. Jud. Dec. 212 (S. D. Ill. No. 15082, 1936).....	20 (a), (b).....	
Oppenheimer v. Young P.	3 F. R. D. 220 (S. D. N. Y., 1943).....	12 (2)†.....	10 (b)†; 18 (a)†.
	2 S. E. C. Jud. Dec.* (S. D. N. Y., 1943).....		10 (b)†; 18 (c)†; 29 (b)†.
Otis & Co.; S. E. C. v.	13 F. Supp. 106 (N. D. Ohio, 1936).....	17 (a) (2); 20 (b).....	9 (a) (2), (6)*; 15 (a)*; 21 (e).
	106 F. (2d) 579 (C. C. A. 6, 1939).....	17 (a) (2); 20 (b).....	
P			
Pace v. U. S.	94 F. (2d) 591 (C. C. A. 5, 1938).....	17 (a) (1), (2), (3).....	
Pandolfo v. U. S.	128 F. (2d) 917 (C. C. A. 10, 1942); 317 U. S. 651 (1942); 87 L. Ed. Adv. Op. 39.	17 (a) (1)†, (2)†, (3)†.....	
Parker Methods, Inc., The; S. E. C. v.	2 S. E. C. Jud. Dec.* (W. D. La. No. 406, 1942).....	5 (a); 17 (a) (1-3); 20 (b); 22 (a).....	
Parry v. Bache.	125 F. (2d) 493 (C. C. A. 5, 1942).....		2 (1) (b)*; 3 (17)*.
Payne; S. E. C. v.	35 F. Supp. 873 (S. D. N. Y., 1940).....	2 (1); 5 (a) (1); 20 (b).....	
Penfield Co. of California, The; S. E. C. v. P.	2 S. E. C. Jud. Dec.* (S. D. Calif. No. 2863, 1943).....	5 (a); 17 (a); 19 (b); 20 (a); 22 (b).....	
	143 F. (2d) 746 (C. C. A. 9, 1944).....	2 (1); 5 (a)*; 17 (a)* 19 (b); 20 (a); 22 (b).....	
Pennsylvania Co. for Ins. v. Deckert.....	123 F. (2d) 979 (C. C. A. 3, 1941).....	12 (2); 13.....	

People of the State of New York v. Stanley Grayson Pyne; S. E. C. v. -----	2 S. E. C. Jud. Dec.* (S. Ct. N. Y. Erie Co. 1942) ----- 33 F. Supp. 988 (D. Mass., 1940) ----- 30 F. Supp. 434 (D. Mass., 1941) -----	3 (b)† ----- 2 (1); 5 (a) (1)†; 17 (a) (2)†; 17 (n) (3)† ----- 2 (1); 5 (a) (1), (2); 17 (a) (1), (2), (3) -----	
R			
Resources Corporation International v. S. E. C. -----	24 F. Supp. 580 (D. C. D. C., 1938) ----- 97 F. (2d) 788 (C. C. A. 7, 1938) ----- 103 F. (2d) 929; 70 App. D. C. 58 (App. D. C., 1939) ----- 121 F. (2d) 1 (C. C. A. 2, 1941) -----	8 (n); 9 (a) ----- 8 (n), (d); 9 (a) ----- 6 (a), 8 (a)*, (d)*; 24 -----	3 (b)* -----
Richardson v. Commissioner of Internal Rev. -----	126 F. (2d) 81 (C. C. A. 7, 1942) -----	2 (1); 24; 17 (a) (1)†, (2)†, (3)† -----	
Riedel; U. S. v. -----	30 Atl. (2d) 645 (Pa. Super. Ct. 1943) -----	2 (1)† -----	
Riegel v. Haberstro. -----	1 S. E. C. Jud. Dec. 476 (Sup. Ct. N. Y. No. 287-41, 1937) -----	11 (e) -----	9 (a) (2); 9 (a) (4); 9 (e). 9 (a) (1) (A), (C); 9 (a) (2), (3), (4), (b); 9 (b) (1), (2), (3); 9 (c); 9 (e).
Root v. Finney -----	39 F. Supp. 714 (E. D. Pa., 1940) ----- 121 F. (2d) 818 (C. C. A. 3, 1941) -----	7; 12; 13 -----	
Rosenberg v. Ifano -----			
Rudnick v. Bischoff -----	1 S. E. C. Jud. Dec. 798 (Sup. Ct. N. Y., 1939) ----- 17 N. Y. S. (2d) 575 (S. Ct. App. Div. N. Y., 1940) ----- 2 S. E. C. Jud. Dec.* (S. D. Fla., No. 4560, 1941) -----	12 ----- 12 (1)† ----- 17 (a) -----	
Ryan, Frank J.; U. S. v. -----			
S			
Saphier; S. E. C. v. -----	1 S. E. C. Jud. Dec. 291 (S. D. N. Y. No. 83-325, 1936) -----	2 (11); 3 (a) (1); 4 (1); 5 (a) (1); 17 (a) (2) -----	9 (a) (1), (2), (4).
Schillner v. Clarke & Co., H. Vaughn. S. E. C., In re -----	134 F. (2d) 875 (C. C. A. 2, 1943) ----- 14 F. Supp. 417 (S. D. N. Y., 1936) ----- 84 F. (2d) 316 (C. C. A. 2, 1938) -----	2 (1), (3); 12 (2); 13; 15; 22 (a) -----	21 (b), (c) 9 (n) (1), (2)*, (3)*, (4)*, (5)*; 21 (a); 21 (b); 21 (c); 21 (e).
Seeman v. U. S. -----	90 F. (2d) 88 (C. C. A. 5, 1937) ----- 96 F. (2d) 732 (C. C. A. 5, 1938) -----	17 (a) (3) ----- 17 (a) (3) -----	
Shaw; U. S. v. -----	33 F. Supp. 531 (S. D. Cal. C. D., 1940) ----- 131 F. (2d) 476 (C. C. A. 9, 1942) -----	5 (a) (1)†, (2)†; 19 (b)†; 22 (c) ----- 3 (a) (1), (10); 2 (11), (12); 4 (1); 5 (a) (2). 2 (1); 5 (a); 17 (a); 20 (b); 22 (a) -----	
Shoemaker, R. L.; U. S. v. -----	2 S. E. C. Jud. Dec.* (E. D. Okla. No. 23443, 1912) -----	11 (c); 13 -----	
Shonts v. Hirilman -----	2 S. E. C. Jud. Dec.* (W. D. Mo. No. 320, 1940) -----	4 (1); 5 (a) (1); 12 (2) -----	
Seebenthaler v. Aircraft Accessories Corp. -----			
Simons v. U. S. -----	119 F. (2d) 539 (C. C. A. 9, 1941) 314 U. S. 616 -----	17 (a) (1) -----	16 (b). 3 (a) (1); 16 (a), (b). 2; 3 (a) (1), (13), (14); 9 (e). 16 (b); 18 (a).
Smolowe v. Delendo Corp. -----	36 F. Supp. 790 (S. D. N. Y., 1940) ----- 46 F. Supp. 758 (S. D. N. Y., 1942) ----- 136 F. (2d) 291 (C. C. A. 2, 1943) ----- 64 S. Ct. 56 (1943) -----		
Starmont; S. E. C. v. -----	31 F. Supp. 264 (E. D. Wash., 1939) -----	2 (1), (3) -----	
Stock Market Finance, Inc.; S. E. C. v. -----	10 F. Supp. 95 (S. D. N. Y., 1935) -----	20 (b) -----	
Stone v. U. S. -----	113 F. (2d) 70 (C. C. A. 6, 1940) -----	3 (b); 5 (a) (1); 17 (a) (1) -----	
Snetter v. U. S. -----	140 F. (2d) 103 (C. C. A. 9, 1944) -----	17 (a); 2 (3) -----	
Sunbeam Gold Mines Co.; S. E. C. v. -----	95 F. (2d) 699 (C. C. A. 9, 1938) -----	4 (1); 5 (a) (1)*, (2)*; 6 (a)*; 7*; 20 (a)* -----	
Sussman; U. S. v. -----	37 F. Supp. 294 (E. D. Pa. 1941) -----	5 (a) (1); 5 (a) (2); 17 (a) (1) -----	
T			
Third Avenue Ry. Co. v. S. E. C. -----	85 F. (2d) 914 (C. C. A. 2, 1938) -----		25 (a).
Thomason Panhandle Company; S. E. C. v. -----	2 S. E. C. Jud. Dec.* (D. C. Colo. No. 2926, 1944) -----	20 (b); 17 (a)† -----	

See footnotes at end of table.

TABLE 32.—Cases involving statutes administered by the Securities and Exchange Commission through June 30, 1944, excluding cases under chapter X of the Bankruptcy Act—Continued

PART 1.—SECURITIES ACT OF 1933 AND SECURITIES EXCHANGE ACT OF 1934—Continued

Title	Citation	Sections of statutes involved	
		Securities Act of 1933	Securities Exchange Act of 1934
Thorn v. Austin Silver Mining Co.-----	12 N. Y. S. (2d) 675 (Sup. Ct. N. Y., 1939)-----	11 (a)	
Timetrust, Inc.; S. E. C. v.-----	28 F. Supp. 34 (N. D. Calif., 1939)-----	2 (1); 17 (a) (2); 17 (c); 18	
	33 F. Supp. 590 (N. D. Cal. S. D., 1940)	17 (a) (1)†, (2)†	
	39 F. Supp. 145 (N. D. Cal. S. D., 1940)	17 (a) (1)†, (2)†	
	130 F. (2d) 214 (C. C. A. 9, 1942)	17 (a) (1)†	
Tip Top Gold Mines, Inc., S. E. C. v.-----	142 F. (2d) 744 (C. C. A. 9, 1944)	17 (a)†; 20 (b)†	
Torr, S. E. C. v.-----	1 S. E. C. Jud. Dec. 374 (D. Colo. No. 10909, 1937)	17 (a) (2)†	
	15 F. Supp. 144 (S. D. N. Y., 1936)	8 (d)*; 9 (a)* 19; (a), (b); 20 (a); 21; 22 (c)*	21 (a), (b), (d)*; 22*; 23 (a); 25 (a).
	15 F. Supp. 315 (S. D. N. Y., 1936)	17 (a) (1)*, (2)* (3)*	2; 9 (a) (2); 33.
	87 F. (2d) 446 (C. C. A. 2, 1937)	17 (a) (1)*, (2), (3)*; 20 (b)	9 (a) (2); 21 (e).
	22 F. Supp. 602 (S. D. N. Y., 1938)	17 (a) (1)*, (2), (3)*; 20 (b)	9 (a) (2); (6); 21 (e).
Troutman v. U. S.-----	100 F. (2d) 628 (C. C. A. 10, 1938)	17 (a) (1), (2), (3)	
Tung Corporation of America; S. E. C. v.-----	32 F. Supp. 371 (N. D. Ill. E. D., 1940)	2 (1)*; 3 (11); 20 (a)	
U			
United Prosperity Plan, Inc.; S. E. C. v.-----	1 S. E. C. Jud. Dec. 435 (D. Utah, No. 12961-E, 1937)-----	2 (1); 3 (a) (4); 5 (a) (1)*, (2)*; 20 (b)	
Universal Service Assn.; S. E. C. v.-----	106 F. (2d) 232 (C. C. A. 7, 1939)	2 (1); 3 (a) (4); 17 (a) (2), (3)	
V			
Verser-Clay Co., In re-----	98 F. (2d) 859 (C. C. A. 10, 1938)	19 (b)†; 20 (a)†; 22 (b)*, (c)*	
W			
White; U. S. v.-----	124 F. (2d) 181 (C. C. A. 2, 1941)	17 (a) (1), (2), (3); 24	
Wickham; S. E. C. v.-----	12 F. Supp. 245 (D. Minn., 1935)	2 (1)	
Wight, John; S. E. C. v. p.-----	2 S. E. C. Jud. Dec.* (D. Mont. No. 309, 1943)	2 (1); 5 (a) (1), (2); 17 (a) (2), (3); 20 (b); 22 (a).	
Williams; U. S. v.-----	1 S. E. C. Jud. Dec. 51 (S. D. Calif. No. 12,560-Y, 1935)	17 (a) (1), (2)	
Wogahn v. Stevens	236 Wis. 122 (S. Ct. Wis., 1940)	11 (a); 13*	
Woolley v. U. S.-----	97 F. (2d) 258 (C. C. A. 9, 1938)	10 (b); 20 (a); 21	
Wright v. Bankers Service Corp.	39 F. Supp. 980 (S. D. Cal., 1941)	11 (2) (4); 13; 15	
Wright v. Gibson	128 F. (2d) 865 (C. C. A. 9, 1942)	11 (a)* (1)*, (2)*; 15*	
Wright v. S. E. C.-----	112 F. (2d) 89 (C. C. A. 2, 1940)		9 (a) (1), (2); 19 (a) (3); 25 (a); 27.
	134 F. (2d) 733 (C. C. A. 2, 1943)		9 (a) (1), (2); 19 (a) (3).

* With relatively few exceptions this list of cases is confined to those in which judicial opinions have been written.

*Section mentioned incidentally or mentioned only in preliminary statement of facts.

†Section not mentioned but necessarily involved.

* The second volume of Securities and Exchange Commission Judicial Decisions is not yet available in bound form, but mimeographed copies of the cases are available for public distribution on request.

p Pending cases.

PART 2.—PUBLIC UTILITY HOLDING COMPANY ACT OF 1935

Title	Citation	Sections of statute involved
A		
American Gas & Electric Co. v. S. E. C.	134 F. (2d) 633 (App. D. C. 1943), 319 U. S. 763 (1943).....	1: 2 (a); 8 (a); 2 (a) (8) (B) (i), (ii), (iii); 11 (e), 24 (a).
American Gas & Power Co., In re p.....	55 F. Supp. 756 (D. Del., 1944).....	11 (b) (1), (2); 11 (e); 26 (c); 24 (a)*; 25*.
American Power & Light Co. v. S. E. C. p.....	141 F. (2d) 606 (C. C. A. 1, 1944).....	11 (b); 3 (a) (1); 11 (b) (1), (2); 11 (c); 11 (e); 24 (a); 1 (c)*; 2 (a) (7)*, (8); 4 (a)*; 5 (a)*; 11 (a)*; 11 (d); 32. 19; 24 (a); 11 (b) (2)*; 12 (b)*; 12 (c)*; 12 (f)*; 15 (f)*.
Associated Gas & Electric Co.; S. E. C. v.....	143 F. (2d) 250 (C. C. A. 1, 1944)..... 24 F. Supp. 899 (S. D. N. Y., 1938).....	4 (a); 6 (a), (b).
Associated Gas & Electric Co.; In re p.....	99 F. (2d) 795 (C. C. A., 1938)..... 53 F. Supp. 118 (S. D. N. Y., 1943).....	2 (a) (23); 7; 12 (e). 11 (f).
B		
Boehm v. U. S.	123 F. (2d) 791 (C. C. A. 8, 1941); 315 U. S. 800; 315 U. S. 828.	3 (a)*, (b); 6 (b)*; 7*; 12*; 12 (b)*; 13*; 15*; 17 (c)*; 18 (a)*, (b)*, (c)*; 20 (a)*; 29*.
C		
Central & South West Utilities Co. v. S. E. C.	136 F. (2d) 273 (App. D. C., 1943); 2 S. E. C. Jud. Dec.* (App. D. C. No. 8333, 1943).	1 (b) (1), (3); 6 (a); 7; 11 (b) (2); 24 (a); 11 (e).
Central States Power & Light Corporation, In re p.....	2 S. E. C. Jud. Dec.* (D. Del., No. 354, 1944).....	11 (c); 11 (b) (2)†.
Chenery Corp. v. S. E. C.	128 F. (2d) 303 (App. D. C., 1942)..... 318 U. S. 80 (1943)	6 (a); 7 (a); 7 (d) (6); 11 (b) (2); 11 (c). 7 (d) (6); 7 (e); 7 (f); 11 (a); 11 (e); 17 (a); 17 (b); 24 (a).
City National Bank & Trust Co. of Chicago v. S. E. C.	131 F. (2d) 65 (C. C. A. 7, 1943).....	11 (b) (2); 11 (e); 24 (a); 26 (c).
Clarion River Power Co., In re.....	2 S. E. C. Jud. Dec.* (W. D. Pa., No. 2903, 1944).....	11 (c); 11 (b) (1)†; 11 (b) (2)†.
Columbia Oil & Gasoline Corporation; In re.....	2 S. E. C. Jud. Dec.* (D. Del. No. 290, 1942)..... 50 F. Supp. 965 (D. Del., 1943)	11 (b) (1), (2); 11 (d); 11 (e); 18 (f)*; 25*. 11 (c); 24 (a).
Commonwealth & Southern Corp. v. S. E. C.	134 F. (2d) 265 (C. C. A. 3, 1943).....	24 (a).
Community Power & Light Co., In re.....	131 F. (2d) 747 (C. C. A. 3, 1943)..... 33 F. Supp. 901 (S. D. N. Y., 1940)	11 (b) (1), (2); 11 (d); 11 (e). 2 (a) (7) (A)*; 4 (a) (1); 5*; 11 (b) (1), (2); 11 (e); 18 (f); 24 (a); 25.
Consolidated Edison Co. of New York, Inc. v. Hardy.....	1 S. E. C. Jud. Dec. 233 (S. D. N. Y., No. 81-377, 1936).....	3 (a).
Consolidated Electric & Gas Co., In re.....	55 F. Supp. 211 (D. Del., 1944).....	11 (b) (1), (2); 11 (c); 26 (c); 2 (a) (5)*, (7)*; 5 (a)*.
Consolidated Gas Co. of New York v. Hardy.....	14 F. Supp. 223 (S. D. N. Y., 1936).....	4 (a).
D		
Dederick v. North American Light & Power Co. p.....	48 F. Supp. 410 (S. D. N. Y., 1943).....	11 (b) (1); 12.
Detroit Edison Co. v. S. E. C.	119 F. (2d) 730 (C. C. A. 6, 1941); 314 U. S. 618.....	1; 2 (a) (8) (A), (B); 24 (a).
E		
Eastern Gas and Fuel Associates v. S. E. C.	2 S. E. C. Jud. Dec.* (C. C. A. 1, No. 3845, 1943).....	24 (a).
Egan v. U. S.	137 F. (2d) 369 (C. C. A. 8, 1943); 64 S. Ct. 195.....	12 (h); 1 (a), (c).
Electric Bond & Share Co. v. S. E. C.	18 F. Supp. 131 (S. D. N. Y., 1937)..... 92 F. (2d) 580 (C. C. A. 2, 1937)..... 303 U. S. 419 (1938).....	4 (a); 5; 32. 4 (a); 5; 32. 4 (a); 5; 32.
Engineers Public Service Co. v. S. E. C. p.....	138 F. (2d) 936 (App. D. C., 1943).....	1 (b) (1), (3), (4), (5); 2 (a) (5), (29), (29) (B); 5; 11 (a); 11 (b) (1), (1) (A-C); 11 (c); 24 (a).

See footnotes at end of table.

TABLE 32.—Cases involving statutes administered by the Securities and Exchange Commission through June 30, 1944, excluding cases under chapter X of the Bankruptcy Act—Continued

PART 2.—PUBLIC UTILITY HOLDING COMPANY ACT OF 1935—Continued . .

Title	Citation	Sections of statute involved
G		
Goldstein v. Groesbeck ^p	42 F. Supp. 419 (S. D. N. Y., 1941).....	25.
Great Lakes Utilities Co., Application of S. E. C.	142 F. (2d) 422 (C. C. A. 2, 1944)..... 2 S. E. C. Jud. Dec. ^a (E. D. Pa. No. M 989, 1942).....	5; 4 (a) (2); 25; 27 (a); 26 (b); 1 (b) (2)*; 18 (f)*; 20*. 11 (b) (1), (2); 11 (e); 18 (f).
H		
Hartford Gas Co. v. S. E. C.	129 F. (2d) 794 (C. C. A. 2, 1942).....	2 (a) (8) (B); 24 (a).
Homewood v. Standard Power & Light Corp.	2 S. E. C. Jud. Dec. ^a (C. C. A. 2, No. 250, 1942).....	2 (a) (8) (B); 24 (h).
Houston Natural Gas Corp. v. S. E. C.	55 F. Supp. 100 (D. Del., 1944)..... 100 F. (2d) 5 (C. C. A. 4, 1938).....	11 (b) (2); 11 (e)†; 11 (e)*; 11 (d)*. 2 (a) (20) (B); 3 (a)*; 24 (a)†.
I		
Illinois-Iowa Power Co. v. North American Light & Power Co. ^p	49 F. Supp. 277 (D. Del., 1943).....	11 (a); 11 (b) (2); 11 (d); 11 (e); 18 (f); 24 (a); 25.
International Hydro-Electric System; In re ^p	2 S. E. C. Jud. Dec. ^a (D. Mass. No. 2430, 1943).....	11 (b); 11 (d).
J		
Jacksonville Gas Co., In re	46 F. Supp. 852 (D. C. Fla., 1942).....	1 (b) (1); 1 (e); 2 (a) (8) A; 11 (b) (1), (2); 11 (e).
J. C. F. Holding Co. v. General Gas & Electric Corp.	2 S. E. C. Jud. Dec. ^a (S. D. Fla. No. 483-J, 1942)..... (S. Ct. N. Y., N. Y. Co., 1943); 46 N. Y. S. (2d) 605; 181 Misc. 283; 47 N. Y. S. (2d) 303, (1944).	11 (e). 11 (b) (2); 11 (e).
K		
Koppers United Co. v. S. E. C.	138 F. (2d) 577 (App. D. C., 1943).....	2 (a) (7), (8); 24 (a)‡
L		
Lawless v. S. E. C.	105 F. (2d) 574 (C. C. A. 1, 1939).....	2(a) (8); 3(a); 4(a); 6(a); 11(g); 24(a).
M		
Marquis L. J. & Co., v. S. E. C.	134 F. (2d) 335 (C. C. A. 2, 1943).....	24 (a)†.
Massachusetts Life Ins. Co. v. Indiana Service Corp.	134 F. (2d) 822 (C. C. A. 3, 1943).....	11 (b) (2); 11 (e); 24 (a)†
Morgan Stanley & Co. v. S. E. C.	2 S. E. C. Jud. Dec. ^a (N. D. Ind. No. 161, 1942).....	11.
Morris v. S. E. C.	126 F. (2d) 325 (C. C. A. 2, 1942)..... 116 F. (2d) 896 (C. C. A. 2, 1941).....	2 (a) (8); 2 (a) (11) (D); 12 (f); 20 (a); 24 (a). 3 (a) (5); 11 (g) (2); 24 (a).
N		
New York Trust Co. v. S. E. C.	131 F. (2d) 274 (C. C. A. 2, 1942).....	11 (b) (2); 11 (d), (e).
North American Co. v. S. E. C. ^p	133 F. (2d) 148 (C. C. A. 2, 1943); 318 U. S. 750; 63 S. Ct. 764.	1‡(n) (4) (5); 1 (b) (4); 3 (a) (1); 11 (b) (1) (A); 11 (b) (1) (C); 24 (a); 30.
North American Gas and Electric Co.; In re	2 S. E. C. Jud. Dec. ^a (D. Del. No. 352, 1944).....	11 (b) (2)†; 11 (c)†.
North American Light and Power Co. v. S. E. C.	2 S. E. C. Jud. Dec. ^a (C. C. A. 3, No. 8488, 1943).....	24 (a).
North Continent Utilities Corp., In re	54 F. Supp. 527 (D. Del., 1944).....	11 (b) (2); 11 (e); 25; 2 (a) (7)*; 5 (a)*.

O		
Okin v. S. E. C.	46 F. Supp. 481 (S. D. N. Y., 1942); 130 F. (2d) 903, (C. C. A. 2, 1942); 317 U. S. 701.	12 (c); 20 (a); 24 (a); 25.
Okin; S. E. C. v.	48 F. Supp. 928 (S. D. N. Y., 1943); 137 F. (2d) 862 (C. C. A. 2, 1943).	12 (c)†; 18 (f).
Okin; S. E. C. v.	51 F. Supp. 925 (S. D. N. Y., 1943), 139 F. (2d) 87 (C. C. A. 2, 1943).	12 (e); 18 (f).
Okin v. S. E. C.	132 F. (2d) 784 (C. C. A. 2, 1943)	12 (e).
Okin v. S. E. C.	134 F. (2d) 333 (C. C. A. 2, 1942)	24 (a).
Okin v. S. E. C.	137 F. (2d) 398 (C. C. A. 2, 1943)	11 (b) (2); 11 (c)†; 19.
P		
Pacific Gas & Electric Co. v. S. E. C. p.	127 F. (2d) 378 (C. C. A. 9, 1942)	1 (b) (c); 2 (a) (8) (A), 2 (a) (8) (B) (i), (ii), (iii); 6 (a); 24 (a).
	139 F. (2d) 298 (C. C. A. 9, 1943)	1 (b), (c); 2 (a) (8) (A); 2 (a) (8) (B) (i), (ii), (iii); 6 (a); 24 (a).
Palumbo v. Electric Bond & Share Co.	52 F. Supp. 93 (S. D. N. Y., 1943); (S. D. N. Y. No. 19-106, 1943).	11 (b) (2); 18 (a), (b).
Public Service Co. of Oklahoma v. S. E. C.	2 S. E. C. Jud. Dec. ^a (C. C. A. 10, No. 2229, 1941)	24 (a).
Public Service Corporation of New Jersey v. S. E. C.	2 S. E. C. Jud. Dec. ^a (C. C. A. 3, No. 7879, 1941)	24 (b)†.
	129 F. (2d) 899 (C. C. A. 3, 1942); 317 U.S. 691; 63 S. Ct. 266 (1942).	2 (a) (8) (A), (B).
Puget Sound Power & Light Co; Application of S. E. C., In re.	2 S. E. C. Jud. Dec. ^a (D. Mass. No. 2308, 1943)	11 (b); 11 (e); 18 (f).
S		
Southern Colorado Power Co., In re p.	2 S. E. C. Jud. Dec. ^a (D. Colo. No. 670, 1944)	11 (b) (2)†; 11 (c)†.
Standard Power & Light Corp., In re.	48 F. Supp. 716 (D. Del., 1943)	11 (b) (2); 11 (d); 18 (f); 24 (a); 25.
T		
Todd, Paul H. v. S. E. C. (International Hydro-Electric System, Intervener).	137 F. (2d) 475 (C. C. A. 6, 1943)	1 (b) (3); 11 (a); 11 (b) (2); 24 (a).
	139 F. (2d) 700 (C. C. A. 6, 1943)	24 (a).
U		
United Gas Improvement Co. v. S. E. C.	138 F. (2d) 1010 (C. C. A. 3, 1943)	1 (a); 1 (a) (4); 1 (b); 1 (c); 2 (a) (5), * (7), * (8), * (11), * (29); * 5, 9 (a); 10; 11 (a); 11 (b) (1) (A-C); 24 (a), 30.
United Light & Power Co., In re p.	51 F. Supp. 217 (D. C. Del., 1943)	11 (b); 11 (e); 18 (f); 24 (a); 25.
United Public Utilities Corp., In re.	142 F. (2d) 411 (C. C. A. 3, 1944); 64 S. Ct. 1289 (1944)	11 (b) (2); 11 (c); 24 (a); 25.
Utilities Power and Light Corp., In re.	52 F. Supp. 975 (D. Del., 1943)	11 (b); 11 (e); 18 (f); 25.
	125 F. (2d) 343 (C. C. A. 7, 1942)	12 (d).
W		
Washington Railway and Electric Co. v. S. E. C. p.	2 S. E. C. Jud. Dec. ^a ((App. D. C. No. 8284, 1942)	24 (a).
Weinberger v. Semenevko.	36 N. Y. Supp. (2d) 396 (S. Ct. N. Y., 1942)	4 (a) (2), (4), (6); 6 (a); 7; 13 (b), (c); 26 (b); 27 (a).

^aWith relatively few exceptions this list of cases is confined to those in which judicial opinions have been written.

†Section mentioned incidentally or mentioned only in preliminary statement of facts.

‡Section not mentioned but necessarily involved.

* The second volume of Securities and Exchange Commission judicial decisions is not yet available in bound form, but mimeographed copies of the cases are available for public distribution on request.

• Pending cases.

TABLE 32.—Cases involving statutes administered by the Securities and Exchange Commission through June 30, 1944, excluding cases under chapter X of the Bankruptcy Act—Continued

PART 3.—TRUST INDENTURE ACT OF 1939 AND INVESTMENT COMPANY ACT OF 1940

Title	Citation	Sections of statutes involved	
		Trust Indenture Act of 1939	Investment Company Act of 1940
City Bank Farmers Trust Co. v. Stafford Bros. Inc.	40 N. Y. S. (2d) 205 (S. Ct. N. Y. Co., 1943)	309 (a) (1), (2) †; 307 (a) †	
Dunn v. Reading Trust Co.	121 F. (2d) 854 (C. C. A. 3, 1941)	302 (a) †, (b) †	
Fiscal Fund, Inc., S. E. C. v	48 F. Supp. 712 (D. Del. 1943)		22 (e); 42 (e); 4 (3)*; 5 (a) (1)*; 5 (b) (1)*; 8*; 16 (a)*; 30 (b) (1)*, 30 (d)*; 44*
Hunter v. Southern Indemnity Underwriters	47 F. Supp. 242 (D. C. Ky., 1942)	322 (b)	44
Investors Syndicate; S. E. C. v	2 S. E. C. Jud. Dec.* (D. Minn. No. 960, 1943)		11; 36.
N. Y. N. Haven & H. R. Co., In re	46 F. Supp. 236 (D. Conn., 1942)	302 (a) (2)*, (3)*; 315 (c)*	
Oshrin v. Celanese Corp. of America	37 N. Y. Supp. (2d) 548 (S. Ct. N. Y., 1942)	310	
United Funds Management; S. E. C. v	2 S. E. C. Jud. Dec.* (W. D. Mo. No. 1295, 1942)		36.

* With relatively few exceptions, this list of cases is confined to those in which judicial opinions have been written.

*Section mentioned incidentally or mentioned only in preliminary statement of facts.

†Section not mentioned by necessarily involved.

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‡ pending cases.

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