

## ADMINISTRATIVE PROCEEDINGS AGAINST MICHAEL SHAPIRO

The Commission has instituted public administrative proceedings and imposed sanctions pursuant to the Securities Exchange Act of 1934 (Exchange Act) against Michael S. Shapiro (Shapiro), the former Chief Financial Officer of Thomson McKinnon Securities, Inc. (TMSI), a now inactive broker-dealer located in New York, New York.

The Order Instituting Proceedings, Making Findings and Imposing Remedial Sanctions finds that from on or about October 30 1987 to on or about July 13, 1989 Shapiro aided and abetted TMSI's violations of the net capital and financial reporting rules of the Exchange Act. Specifically, he designed, approved and/or implemented a swap transaction which caused TMSI to overstate its net capital position. As a result of the swap transaction, from December 30, 1988 to July 13, 1989, TMSI disguised net capital deficiencies ranging from \$9,000,000 to \$46,000,000.

The Order bars Shapiro from association with certain regulated entities with the right to reapply after eighteen months and orders him to cease and desist from further violations of Sections 15(c)(3) and 17(a) of the Exchange Act and Rules 15c3-1 and 17a-5 promulgated thereunder. (Rel. 34-30444)

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## TRUST INDENTURE ACT RELEASES

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### PUBLIC SERVICE ELECTRIC AND GAS COMPANY

The Commission has issued a notice giving interested persons until March 24 to request a hearing on an application by Public Service Electric and Gas Company (Company), a New Jersey corporation, pursuant to Section 304(c)(1) of the Trust Indenture Act. The application is for the Commission to order an exemption from the provisions of Section 316(a)(1) of the Act for certain First and Refunding Mortgage Bonds (Bonds) under an indenture dated as of August 1, 1924, as amended by the Supplemental Indenture dated March 1, 1942, between the Company and Fidelity Union Trust Company (now First Fidelity Bank, National Association, New Jersey) as Trustee (Indenture). This will be supplemented by a separate supplemental indenture providing for each series of Bonds to be dated the first day of the month in which each such series of Bonds is issued.

Section 304(c)(1) of the Act provides in part that the Commission shall exempt from one or more provisions of the Act any security issued or proposed to be issued under an indenture under which securities (as defined in that section) are outstanding. This will apply if and to the extent that the Commission finds that compliance with such provisions through the execution of a supplemental indenture or otherwise would require, by reason of the provisions of such indenture or of any other indenture or agreement made prior to enactment of the Act or the provisions of any applicable law, the consent of holders of securities outstanding under such indenture or agreement. (Rel. TI-2279)