

# Former Russia MVD Agent Holds U.S. Press Meeting

By WARREN ROGERS JR.  
WASHINGTON (AP)—More than 100 Russian agents are reported today to be standing by in guarded American asylum, ready to follow Yuri A. Rastvorov in denouncing the Soviet communism for which they spied.

The handsome, nimble-witted Rastvorov poured out his story last night to a dramatically assembled Friday the 13th news conference at the State Department.

# Police Hold Man For Air Base Holdup

CAMP SPRINGS, Md. (AP)—A 24-year-old self-styled "gambler" from New York, was held today on a charge of robbing the Andrews Air Force Base Bank of \$126,638 as the search continued for two others.

The FBI identified the man held in lieu of \$50,000 bail as Clarence Duke McGann, Negro, New York City.

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McGann was arrested on a speeding charge shortly after three Negro gunmen cleaned out the vault at the Air Force base, just eight miles southeast of Washington, in the biggest bank haul in Maryland history.

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Manager Herbert Pinckney, one of those locked in, released all eight within a few minutes, using an escape lever put there for just that purpose. Pinckney spread the alarm.

No money was recovered with McGann's arrest.

# Five Killed In Collision

COAL CITY, Ill. (AP)—Five members of one family were killed last night in the collision of a speeding Santa Fe freight train and an automobile loaded with 10 persons.

The Grundy County sheriff's office said members of two Central City, Ill., families were crammed into the auto.

Deputies said the car drove through a wig-wag warning signal at the crossing on Coal City's main street, 60 miles southwest of Chicago, and continued directly into the path of the westbound train.

The speeding train knocked the car against the wig-wag signal on the opposite side of the tracks. The passengers in the car, including several small children, were thrown out.

Four persons were killed at the scene, and the fifth died enroute to a hospital.

"I hope I can become an American like other Americans," he said.

Rastvorov's sudden, unannounced appearance — the first U. S. acknowledgement that he actually was in American hands — apparently marked a shift in America's cold war policy.

The Russians opened propaganda fire with a splashy news conference in the Soviet zone of Berlin last Tuesday when Dr. Otto John, former West German security chief, denounced America and West Germany.

Rastvorov, he went into action in Washington last night, was living proof that Communists shift allegiances, too—even well-trained and highly skilled ones like this lieutenant colonel in the MVD Secret Police.

Rastvorov even hinted at step number two in taking the sting out of the John defection: Possible arrests of fifth column agents planned "medium-high" in the Japanese government.

But a veritable barrage of Rastvorov-type Russians, it was understood from State Department sources, would be produced by the U.S. government shortly. At least four other Russian intelligence agents are reported to be in American hands—although none of them has attracted publicity.

Indeed, publicity, heretofore, has been the last thing either they or the U.S. government had wanted. The government has been interested in keeping the Russians guessing—did their man bolt to the West or just fall off a cliff? The Russian agents enjoyed the safety of anonymity.

Now, however, the strategy is understood to be: Bring them out in the open and let them tell the story so the world can see defection is a two-way street, with most of the traffic coming this way.

Rastvorov said he was a member but not the boss of the Soviet intelligence setup in Japan. He said Russia had agents "medium-high" in the Japanese government.

He said, after much questioning by the newsmen, he has told all he knows about Soviet espionage to the U.S. government. Japanese representatives interrogated him, too, he said.

It was on these questionings, Rastvorov implied, that a sweeping roundup of Communist agents inside the Japanese government would be based. Pressed as to when this would come off, he replied: "You may be reading about it soon in the Japanese papers."

From Tokyo officials, however, came a guarded hint the "medium-high" government sources he mentioned might soon be arrested. The Japanese Foreign Office released some documents in the case soon after Rastvorov's news conference, then said without elaboration that further details would be forthcoming "as soon as measures now being taken reach a more definite stage."

The documents included a statement by Rastvorov that he fled the Russians because of the Dec. 23 execution of his one-time mentor, Soviet police boss Lavrenty Beria, because of quarrels with his chief at Tokyo and pending orders for his return home, and because he had failed to recruit any Americans as spies.

At his news conference, Rastvorov declined to say what happened to him after he came to the West. However, he did say "American friends" helped him and he was flown almost right away to the United States.

# Formosa Replies To Red Threats

TAIPEH, Formosa (AP)—Communist threats to "liberate" the Chinese Nationalist island of Formosa are inspired by Red fears of a Nationalist invasion of the mainland, Premier K. K. Yu declared tonight.

"Our invasion of the mainland is in sight," he said in a broadcast. "The Communist bandits are frightened because they know that collapse faces them."

Yu's broadcast to the China mainland was made before he had heard that the leaders of Red China had approved Premier Chou En-lai's call for the invasion of Formosa.

A government spokesman said Chou's address came as no surprise and Nationalist China is prepared for any eventuality.



RONALD PHAIR



THE REV. DWAYNE PROETT

# United Fund Board Members Named

Three new appointees have accepted positions as board members of the Klamath County United Fund. They are Ronald Phair, the Rev. Dwayne Proett and Dr. M. E. Robinson.

Phair is president of the Modoc Council Boy Scouts, a past district chairman of the Klamath District, Modoc Council, a member of the Memorial Park Cemetery Board. Last year he served as chairman of the food and drug division of the United Fund drive.

In the Church of Jesus Christ of the Latter Day Saints, he is president of the Klamath Stake. The Rev. Proett, pastor of Peace Memorial Presbyterian Church, is a member of the home service board of the Red Cross, a member of the Klamath Ministerial Association and is chairman of the advisory committee for the Child Guidance Clinic.



DR. M. E. ROBINSON

# Border Patrol Seeks New Men

Recruits for the United States Border Patrol are being sought in the Klamath Basin, officials said.

A. G. Neumann, officer in charge of the Border Patrol operations in this area, said the government wants to enroll physically fit young men desiring a career in federal law enforcement work.

"The border patrol is an armed, uniformed enforcement branch of the immigration and naturalization service," Neumann explained. "Its purpose is to detect and prevent smuggling and the illegal entry of aliens into the United States and to apprehend persons guilty of such violations."

"The job is arduous and dangerous," Neumann continued. "Officers are required to work irregular hours, under all weather conditions, and they must be available to work in any section of the United States. These duties demand mental alertness as well as exceptional physical vigor and stamina."

Neumann also explained that to become eligible for appointment, applicants must attain a satisfactory rating in competitive civil service examinations. Applicants who qualify in the written test will then be required to appear for an oral interview and physical examination. The entrance salary for patrol inspector (trainee) is \$3,795 per year. After a year's intensive training a new officer's salary is raised to \$4,205.

Persons desiring additional information are requested to contact Neumann at the Border Patrol office in the Klamath Falls Armory.

# Airmen Bail Out Of USAF Tanker

NEWARK, Ohio (AP)—Sixteen crewmen bailed out of their huge Air Force tanker yesterday before it crashed in a cornfield near Buckeye Lake.

The pilot, Capt. George French, 32, of Los Angeles, ordered the ship abandoned after one of its four engines caught fire and two others went dead.

Three of those who bailed out were injured none seriously.

The plane was on a routine training flight from Dow Air Force Base near Bangor, Me. Cause of the accident was undetermined.

# Studebaker To Cut Auto Prices

SOUTH BEND, Ind. (AP)—Studebaker Corp. says it will reduce prices by about \$100 on its 1955 models.

The announcement was made yesterday, a day after workers at the big automotive plant voted to accept a 14 per cent pay cut in a move to save their jobs and the company.

The company also said it soon may obtain a "big volume" defense contract for guided missiles.

# EAGLES PICNIC

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# Sick Workers Now Eligible For Additional Benefits

By CHARLES F. BARRETT  
WASHINGTON (AP)—Many millions of additional workers are now eligible for tax-exemption on wages received while they are sick.

And more liberal rules have been adopted for taxing other employee sickness or accident benefits, death benefits, and lump-sum payments under pension, profit or stock-sharing plans.

All these rules are spelled out in the huge tax revision act recently passed by Congress. They apply to such employee benefits received after last Dec. 31, if they are financed by employers under any systematic plan.

If you are covered by such a plan, perhaps the most important thing to remember is this: If your pay is continued while you are off work because of sickness or injury, you pay no tax on wages of up to \$100 a week after the first seven days of the sickness or injury.

Further, you pay no tax on wages up to \$100 during the first seven days if your absence is due to accidental injury, or if you are hospitalized at any time during an illness.

Thus, for example if you make \$100 a week or more and you are out three weeks with an injury or hospital illness, you can deduct \$300 from your taxable income.

Even at the minimum 20 per cent tax rate, that would be a tax saving of \$60 for you. If you are sick but don't go to a hospital, your wages for two of the three weeks still would be tax-free, a tax cut of at least \$40.

Here are other important benefits: You pay no tax on payments which reimburse you for actual medical expenses paid by you or your dependents. Like sick leave wages, these payments simply are not counted as income.

Similarly you pay no tax on payments to you for the loss of limb or other part of the body, or for permanent disfigurement.

Under the old tax law some employees got these tax-free benefits and some didn't. Generally, if your employer had a commercial insurance contract to cover his sick and accident benefits, they were tax-exempt. But if the employer financed them himself — as many do, especially for sick leave pay — the benefits were fully taxable.

The new law wipes out what its sponsors called an unjust discrimination. There is no limit on the sick-pay exemption. If you are out for six months, for example, you could get up to \$2,600 in tax-free wages and save at least \$520 in taxes.

If an employee pays part of the cost of a sick or accident benefit plan, he pays no tax on the benefits for which he pays. The rules above would apply to that part of benefits financed by his employer.

The new act takes a similar step toward death benefits. Payments of up to \$5,000 to beneficiaries could be tax exempt under the old law — but only if the employer was bound by contract to pay the benefit. The new act grants the exemption whether the benefit is paid under contract or not.

The new act also extends the \$5,000 exemption to lump-sum death payments under qualified pension, profit-sharing or stock-bonus plans. Under the old law, such payments were not exempt if the employee while living had a benefit right which could not be forfeited to anyone else.

One old provision is tightened, however. Any one employee is entitled to only one \$5,000 death benefit exemption. In the past, a man working for several firms could get a \$5,000 tax-free benefit from each firm.

There is one more change affecting benefits paid because of separation from service under pension, profit-sharing or stock bonus plans. Under the old law, lump-sum payments under these plans were taxed as ordinary income if the employer bought a commercial insurance contract to cover them. If the employer financed the plan through a trust fund, the benefits were taxed at the capital gain rate. The new law extends the capital gain rate even to insured plans.

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# Navy Plans To Drop Inactives

WASHINGTON (AP)—The Navy announced Friday it will drop 45,000 inactive officers from its reserve rolls.

Asst. Secretary of Navy James H. Smith Jr. said that all will be given honorable discharges and that the pruning process would start within a few days. This will be done through letters to the officers involved, none of whom has taken an active part in reserve activities for at least three years.

Smith told a news conference that the 45,000 included "valuable friends of the Navy and the veterans with fine service records."

He explained that the slash in the number of inactive officers was part of an overall tightening up program for the naval reserve.

The elimination process will not apply to enlisted reservists, Smith said, because the Navy has only about 400,000 enlisted reservists and needs more to build up to the 600,000 level proposed in a reserve plan which the Pentagon is whipping into shape for action by Congress next year.

Smith said that he did not know whether any congressmen were among the officers to be let out, but did say he was sure that Vice President Nixon was not on the list.

Smith explained that although Nixon failed to be sufficiently active in the reserves to win promotion to his grade of lieutenant commander, he was now taking correspondence courses.

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# Grandmother Wins Degree

JONESBORO, Ark. (AP)—It's reasonably certain Mrs. A. J. Huskey is the only brand-new bachelor of science in Arkansas with 25 grandchildren and 4 great-grandchildren.

The 73-year-old epeod, who quit college "temporarily" back in 1901, stepped up and got her degree at Arkansas State College here last night.

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The speeding train knocked the car against the wig-wag signal on the opposite side of the tracks. The passengers in the car, including several small children, were thrown out.

Four persons were killed at the scene, and the fifth died enroute to a hospital.

Deputies said the driver of the car, Howard Barnes, 39, escaped with minor injuries. The train was delayed briefly.

Grundy County Coroner Clark Davie said all the dead were members of Barnes family. He identified them as Barnes' wife Clara Mae, 33; his son, Howard Jr., 4, and his daughters Irene, 12, Edna, 11 and Wilma.

Taken to St. Joseph's Hospital in Joliet were Davis' 19-year-old son, Jimmy, and another of Barnes' sons, Johnny, 12.

Another passenger in the car, Earl Shane, was shaken up by the crash but was not hospitalized.

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