

*On file*

# NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

888 SEVENTEENTH STREET N. W. WASHINGTON, D. C. 20006

February 15, 1966 #4

## NOTICE

To Members of the

National Association of Securities Dealers, Inc.

Your attention is directed to the following actions:

L. B. Securities Corporation  
(formerly, R. B. Marx & Co., Inc.)  
Miami, Florida

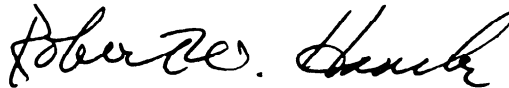
On January 28, 1966, the Securities and Exchange Commission dismissed proceedings for review of disciplinary action taken by the Association (see Securities Exchange Act Release #7806). Therefore, the Board of Governors decision of December 10, 1964, stands as rendered wherein L. B. Securities Corporation, formerly R. B. Marx & Co., Inc. is expelled from membership in the Association and the registration of Richard B. Marx, president, is revoked for violations of Sections 1, 21 and 27(a) of Article III of the Rules of Fair Practice. The penalties were based on findings that the member and Marx violated the SEC Net Capital Rule; allowed an individual to act as a registered representative and effect transactions without first having him registered as such; failed to maintain and keep current proper books and records; and that the member failed to supervise properly the activities of a registered representative.

Triangle Investors Corporation  
New York, New York

The Board of Governors suspended Triangle Investors Corporation from membership in the Association for ninety (90) days and the registrations of Elliot Alkow and Arthur Shawe, principals and registered representatives, were also suspended for ninety (90) days

for violations of Sections 1, 4, 18 and 21 of Article III of the Rules of Fair Practice. In addition all respondents were fined \$2,500 and assessed costs, jointly and severally. The penalties were based on findings that the member, Alkow and Shawe sold securities to customers at prices which were not reasonably related to the current market and not fair considering all relevant circumstances; and failed to time purchase and sales memoranda. The suspensions of ninety (90) days will commence with the opening of business February 21, 1966, and will conclude May 21, 1966.

The attention of members is directed to Section 25 of Article III of the Rules of Fair Practice, and to an interpretative memorandum beginning on Page G-35 of the Association's Manual relating to the manner in which the Rules of Fair Practice apply to transactions between members and a member who has been suspended or expelled.



Robert W. Haack  
President

NOTE: This notice is being sent to all registered branch offices of members and to newspaper financial editors (in accordance with the resolution appearing on Pages H-9 and 10 of the Association's Manual) with the exception of L. B. Securities Corporation.

*in file.*

# NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

888 SEVENTEENTH STREET N. W. WASHINGTON, D. C. 20006

March 15, 1966 #6

## NOTICE

To Members of the

National Association of Securities Dealers, Inc.

Your attention is directed to the following actions:

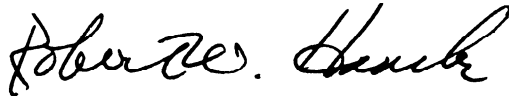
Investment Planning Group, Inc.  
East Orange, New Jersey

On March 7, 1966, Investment Planning Group, Inc. was expelled from membership in the Association for failure to pay the balance of the fine and costs assessed in connection with findings of violations of certain Association rules. This action was based on the provisions of Section 2 of Article V of the Rules of Fair Practice.

Opal Patterson  
Denver, Colorado

District Business Conduct Committee for District #3 revoked the registration of Opal Patterson on March 10, 1966, and fined her \$1,000 for violations of Section 1 of Article III of the Rules of Fair Practice. The penalties were based on findings that respondent Patterson, in her capacity as cashier, converted certain funds of her employer to her own use by executing transactions and thereafter making false entries in the employer's books to show payments.

The attention of members is directed to Section 25 of Article III of the Rules of Fair Practice and to an interpretative memorandum beginning on Page G-35 of the Association's Manual relating to the manner in which the Rules of Fair Practice apply to transactions between members and a member who has been suspended or expelled.



Robert W. Haack  
President

NOTE: This notice is being sent to all registered branch offices of members and to newspaper financial editors (in accordance with the resolution appearing on Pages H-9 and 10 of the Association's Manual).

*on file*

# NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

888 SEVENTEENTH STREET N. W. WASHINGTON, D. C. 20006

March 18, 1966 #7

## NOTICE

To Members of the

National Association of Securities Dealers, Inc.

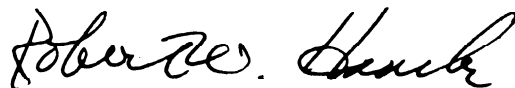
Your attention is directed to the following action:

Gateway Stock & Bond, Inc.  
Pittsburgh, Pennsylvania

The Board of Governors suspended Gateway Stock & Bond, Inc. from membership in the Association for ninety (90) days and fined it \$1,000; the registrations of James J. Kirsh and Charles R. Martin, officers and registered representatives, were also suspended for ninety (90) days and they were each fined \$1,000 for violations of Sections 1, 4 and 21 of Article III of the Rules of Fair Practice. In addition these respondents were assessed costs, jointly and severally. The penalties were based on findings that the member, Kirsh and Martin sold securities to customers at prices which were not fair in view of all relevant circumstances; and that they failed to time sales memoranda.

Order stayed by reason of appeal to the Securities and Exchange Commission.

The attention of members is directed to Section 25 of Article III of the Rules of Fair Practice and to an interpretative memorandum beginning on Page G-35 of the Association's Manual relating to the manner in which the Rules of Fair Practice apply to transactions between members and a member who has been suspended or expelled.



Robert W. Haack  
President

NOTE: This notice is being sent to all registered branch offices of members and to newspaper financial editors (in accordance with the resolution appearing on Pages H-9 and 10 of the Association's Manual).

*on file*

# NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

888 SEVENTEENTH STREET N. W. WASHINGTON, D. C. 20006

March 24, 1966 #8

## NOTICE

To Members of the

National Association of Securities Dealers, Inc.

Your attention is directed to the following actions:

Arthur E. Goodwin, Jr.  
Washington, D. C.

District Business Conduct Committee for District #10, on March 20, 1966, revoked the registration of Arthur E. Goodwin, Jr., for violations of Section 1 of Article III of the Rules of Fair Practice. The penalty was based on findings that Goodwin endorsed checks made payable to his employer and converted the funds to his own use.

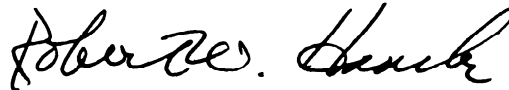
Joseph T. Lex  
Norfolk, Virginia

District Business Conduct Committee for District #10, on March 20, 1966, revoked the registration of Joseph T. Lex, fined him \$10,000 and assessed him one-third the total costs of the Committee's proceedings, for violations of Sections 1 and 19(a) of Article III of the Rules of Fair Practice. The penalties were based on findings that Lex converted customers' funds and securities to his own use.

George E. Powell, Jr.  
Norfolk, Virginia

District Business Conduct Committee for District #10, on March 20, 1966, revoked the registration of George E. Powell, Jr., fined him \$10,000 and assessed him one-third the total costs of the Committee's proceedings, for violations of Sections 1, 18, 19(a) and 27 of Article III of the Rules of Fair Practice. The penalties were based on findings that Powell converted customers' funds to his own use; induced the purchase of stock by means of deceptive and fraudulent devices; and in his capacity as a resident partner of his employer failed to supervise the activities of a registered representative.

The attention of members is directed to Section 25 of Article III of the Rules of Fair Practice and to an interpretative memorandum beginning on Page G-35 of the Association's Manual relating to the manner in which the Rules of Fair Practice apply to transactions between members and a member who has been suspended or expelled.



Robert W. Haack  
President

NOTE: This notice is being sent to all registered branch offices of members and to newspaper financial editors (in accordance with the resolution appearing on Pages H-9 and 10 of the Association's Manual).

# NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

888 SEVENTEENTH STREET N. W. WASHINGTON, D. C. 20006

March 31, 1966 #9

## NOTICE

To Members of the

National Association of Securities Dealers, Inc.

Your attention is directed to the following actions:

Jack L. Byram  
San Francisco, California

On March 26, 1966, District Business Conduct Committee for District #2N revoked the registration of Jack L. Byram, fined him \$1,000 and assessed costs for violations of Sections 1, 18 and 19(a) of Article III of the Rules of Fair Practice. The penalties were based on findings that Byram executed unauthorized transactions in customers' accounts; converted a customer's funds to his own use; and opened a fictitious account together with a customer to be used for Byram's own transactions.

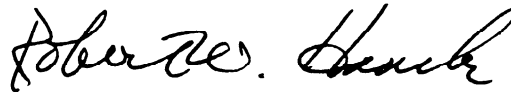
Elliot H. Rose  
Forest Hills, New York

On March 29, 1966, the registration of Elliot H. Rose was revoked for failure to pay the balance of the fine and costs assessed in connection with findings of violations of certain Association rules. This action was based on Section 2 of Article V of the Rules of Fair Practice.

Joseph Dean Turner  
Athens, Alabama

On March 27, 1966, District Business Conduct Committee for District #5 revoked the registration of Joseph Dean Turner and fined him \$500 for violations of Sections 1, 18 and 19(a) of Article III of the Rules of Fair Practice. The penalties were based on findings that Turner converted a customer's funds to his own use without the knowledge or consent of the customer.

The attention of members is directed to Section 25 of Article III of the Rules of Fair Practice and to an interpretative memorandum beginning on Page G-35 of the Association's Manual relating to the manner in which the Rules of Fair Practice apply to transactions between members and a member who has been suspended or expelled.



Robert W. Haack  
President

NOTE: This notice is being sent to all registered branch offices of members and to newspaper financial editors (in accordance with the resolution appearing on Pages H-9 and 10 of the Association's Manual).



# NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

888 SEVENTEENTH STREET N. W. WASHINGTON, D. C. 20006

April 5, 1966 #10

## NOTICE

To Members of the

National Association of Securities Dealers, Inc.

Your attention is directed to the following actions:

Roy L. Greene & Co.  
Cedar Rapids, Iowa

On March 4, 1966, the Securities and Exchange Commission revoked the broker-dealer registration of Roy L. Greene & Co., and found Roy L. Greene, its sole officer, to be a cause of the revocation (see Securities Exchange Act Release #7831). The penalty was based on findings that the firm willfully violated Section 17(a) of the Securities Act of 1933; Sections 10(b), 15(c)(1) and 15(c)(3) of the Securities Exchange Act of 1934 and Rules 10b-5, 15c1-2 and 15c3-1 thereunder.

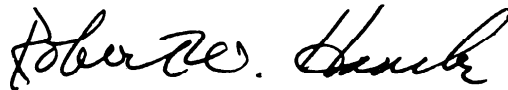
Fiduciary Investors, Inc.  
Hayward, California

On March 18, 1966, the Securities and Exchange Commission revoked the broker-dealer registration of Fiduciary Investors, Inc., and suspended John Bruce Aga, its president, from being associated with a broker or dealer for ninety (90) days (see Securities Exchange Act Release #7840). The penalties were based on findings that the member, aided and abetted by Aga and another officer, willfully violated Sections 15(b) and 15(c)(3) of the Securities Exchange Act of 1934 and Rules 15b-1, 15b-2, 15b-8 and 15c3-1 thereunder. The suspension of Aga commenced March 21, 1966.

Arthur J. Kennedy  
New York, New York

District Business Conduct Committee for District #12 on March 31, 1966, revoked the registration of Arthur J. Kennedy and fined him \$1,000 for violations of Sections 1, 18 and 19(a) of Article III of the Rules of Fair Practice. The penalties were based on findings that Kennedy converted customers' funds and securities to his own use.

The attention of members is directed to Section 25 of Article III of the Rules of Fair Practice and to an interpretative memorandum beginning on Page G-35 of the Association's Manual relating to the manner in which the Rules of Fair Practice apply to transactions between members and a member who has been suspended or expelled.



Robert W. Haack  
President

NOTE: This notice is being sent to all registered branch offices of members and regarding Arthur J. Kennedy only, to newspaper financial editors (in accordance with the resolution appearing on Pages H-9 and 10 of the Association's Manual).

# NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

888 SEVENTEENTH STREET N. W. WASHINGTON, D. C. 20006

April 8, 1966 #11

## NOTICE

To Members of the

National Association of Securities Dealers, Inc.

Your attention is directed to the following actions:

Amsbary, Allen & Morton, Inc.  
Pittsburgh, Pennsylvania

The Securities and Exchange Commission dismissed proceedings for review of disciplinary action taken by the Association (see Securities and Exchange Act Release #7834). Therefore, the Board of Governors decision stands as rendered, wherein Amsbary, Allen & Morton, Inc. is censured, suspended from membership in the Association for ninety (90) days and fined \$3,700; Hugh M. Casper, Larry A. Hirsh and Louis A. Moore, registered representatives and officers, are censured, their registrations are each suspended for ninety (90) days and all respondents are assessed costs, jointly and severally, for violations of Sections 1, 4 and 21 of Article III of the Rules of Fair Practice. The penalties were based on findings that the member, Casper, Hirsh and Moore sold securities to customers at prices which were not fair in view of all relevant circumstances; failed to time sales memoranda; failed to register an individual with the Association when his duties so required; and paid commissions to four individuals prior to their effective registrations with the Association.

The penalties have been stayed by the Securities and Exchange Commission pending determination of the petition for review to be filed in the United States Court of Appeals for the Third Circuit.

John W. Yeaman, Incorporated  
Martinsville, Virginia

On April 1, 1966, the Board of Governors expelled John W. Yeaman, Incorporated, from membership in the Association; revoked the registration of John W. Yeaman and assessed each respondent one-half the costs, for violations of Sections 1 and 18 of Article III of the Rules of Fair Practice. The penalties were based on findings that the member violated the SEC Net Capital Rule; and "parked" securities in Yeaman's personal account in order to circumvent the net capital rule. Respondent Yeaman was found to be responsible for these violations.

Charters & Co., of Miami, Inc.  
Miami, Florida

On April 3, 1966, the Board of Governors expelled Charters & Co., of Miami, Inc. from membership in the Association; revoked the registrations of Arthur L. Kapplow, Hugh L. Strump and Michael F. Dermer and assessed all respondents costs, jointly and severally, for violations of Sections 1 and 12 of Article III of the Rules of Fair Practice. The penalties were based on findings that the member violated the SEC Net Capital Rule; failed to honor transactions with other members of the Association; violated Section 4(c)(1)(B) of Regulation T; failed to confirm properly dual agency trades or to disclose the amount of commission charged the other party. Kapplow, Strump and Dermer, principal officers and operating heads, were found to be causes of the aforementioned violations.

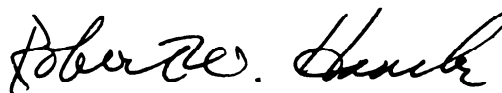
Thomas Brown, III  
Staten Island, New York

On April 3, 1966, the Board of Governors suspended the registration of Thomas Brown, III for three (3) months and assessed him costs for violations of Sections 1 and 18 of Article III of the Rules of Fair Practice. The penalties were based on findings that Brown, in his capacity as trader for his employer, interpositioned his employer and another broker-dealer between a customer and the best available market. The suspension of three (3) months will commence with the opening of business April 11, 1966, and will conclude July 10, 1966.

William M. Bohen  
East Orange, New Jersey

On April 6, 1966, the Board of Governors revoked the registration of William M. Bohen and assessed him costs for violations of Sections 1, 18 and 19(a) of Article III of the Rules of Fair Practice. The penalties were based on findings that Bohen, age twenty-nine, caused his employer to issue checks payable to a customer which he subsequently obtained possession of, endorsed the customer's name and converted the funds to his own use without the knowledge of the customer or his employer.

The attention of members is directed to Section 25 of Article III of the Rules of Fair Practice and to an interpretative memorandum beginning on Page G-35 of the Association's Manual relating to the manner in which the Rules of Fair Practice apply to transactions between members and a member who has been suspended or expelled.



Robert W. Haack  
President

NOTE: This notice is being sent to all registered branch offices of members and with the exception of Amsbary, Allen & Morton, Inc., to newspaper financial editors (in accordance with the resolution appearing on Pages H-9 and 10 of the Association's Manual).

# NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

888 SEVENTEENTH STREET N. W. WASHINGTON, D. C. 20006

April 13, 1966 #12

## NOTICE

To Members of the

National Association of Securities Dealers, Inc.

Your attention is directed to the following actions:

J. R. Williston & Beane, Incorporated  
New York, New York

On April 5, 1966, J. R. Williston & Beane, Incorporated was expelled from membership in the Association for failure to pay the costs assessed in connection with findings of violations of certain Association rules. This action was based on the provisions of Section 2 of Article V of the Rules of Fair Practice.

John W. Yeaman, Incorporated  
Martinsville, Virginia

Reference is made to "Notice to Members #11," wherein it was stated that John W. Yeaman, Incorporated had been expelled from membership in the Association and the registration of John W. Yeaman had been revoked.

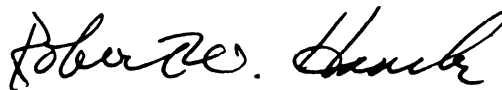
Order stayed by reason of appeal on April 7, 1966,  
to the Securities and Exchange Commission.

John G. Abruscato  
Merrick, New York

On April 6, 1966, the Board of Governors revoked the registration of John G. Abruscato and assessed him costs for violations of Section 1 of Article III of the Rules of Fair Practice. The penalties were based on findings that Abruscato, in his capacity as trader for his employer, entered into an arrangement with other broker-dealers whereby he "parked" shares of a security at prices in excess of the market under an arrangement to repurchase at higher prices and did so without recording the repurchase obligations in his employer's books, all without his employer's knowledge or consent; and executed a sale of securities to another dealer knowing that the transaction had not in fact been agreed to.

Order stayed by reason of appeal to the Securities and Exchange Commission.

The attention of members is directed to Section 25 of Article III of the Rules of Fair Practice and to an interpretative memorandum beginning on Page G-35 of the Association's Manual relating to the manner in which the Rules of Fair Practice apply to transactions between members and a member who has been suspended or expelled.



Robert W. Haack  
President

NOTE: This notice is being sent to all registered branch offices of members and to newspaper financial editors (in accordance with the resolution appearing on Pages H-9 and 10 of the Association's Manual).

# NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

888 SEVENTEENTH STREET N. W. WASHINGTON, D. C. 20006

April 19, 1966 #13

## NOTICE

To Members of the

National Association of Securities Dealers, Inc.

Your attention is directed to the following actions:

Triangle Investors Corporation  
New York, New York

On April 5, 1966, Triangle Investors Corporation was expelled from membership in the Association and the registrations of Elliot Alkow and Arthur Shawe were revoked for failure to pay the costs assessed, jointly and severally, in connection with findings of violations of certain Association rules. This action was based on the provisions of Section 2 of Article V of the Rules of Fair Practice.

Waldman & Co.  
New York, New York

On April 5, 1966, Waldman & Co. was expelled from membership in the Association and the registration of Seymour Waldman was revoked for failure to pay the balance of the fine assessed, jointly and severally, in connection with findings of violations of certain Association rules. This action was based on the provisions of Section 2 of Article V of the Rules of Fair Practice.



John P. Fox  
Mount Vernon, New York

On April 8, 1966, the Securities and Exchange Commission suspended John P. Fox, a sole proprietor, from membership in the Association for a period of thirty (30) days (see Securities Exchange Act Release #7854). The penalty was based on findings that Fox willfully violated Section 17(a) of the Securities Exchange Act of 1934 and Rule 17a-5 thereunder. The suspension of thirty (30) days commenced with the opening of business April 11, 1966.

C. A. Benson & Co., Inc.  
Monroeville, Pennsylvania

On April 8, 1966, the Securities and Exchange Commission affirmed the findings made and penalties imposed by the Association against C. A. Benson & Co., Inc. and Carl A. Benson, president, wherein the member is expelled from membership in the Association and fined \$2,500; the registration of Carl A. Benson is revoked and he is fined \$1,500; but reduced the penalties against James H. Alm, an officer, from revocation of his registration and a fine of \$750 to suspension of his registration for thirty (30) days and a fine of \$750 for violations of Sections 1, 4 and 13 of Article III of the Rules of Fair Practice (see Securities Exchange Act Release #7856). The penalties were based on findings that the member, Benson and Alm violated the SEC Net Capital Rule; published misleading advertising; failed to disclose to customers that the member and an issuer of securities sold by the member were under common control; and sold securities to customers at prices which were unfair and not reasonably related to the current market. The suspension of the registration of James H. Alm for thirty (30) days commenced with the opening of business April 11, 1966.

Edward A. Gallagher, dba  
Investors Planning Company  
Malone, New York

On April 11, 1966, the Securities and Exchange Commission suspended Edward A. Gallagher from being associated with any broker or dealer for thirty (30) days (see Securities Exchange Act Release #7858). The penalty was based on findings that Gallagher willfully violated Section 17(a) of the Securities Exchange Act of 1934 and Rule 17a-5 thereunder. The suspension of thirty (30) days commenced with the opening of business April 12, 1966.

Prendergast, Fahey & Co., Inc.  
New York, New York

On April 13, 1966, Prendergast, Fahey & Co., Inc. was expelled from membership in the Association for failure to pay the fine assessed in connection with findings of violations of certain Association rules. This action was based on the provisions of Section 2 of Article V of the Rules of Fair Practice.

Charters & Co., of Miami, Inc.  
Miami, Florida

Reference is made to "Notice to Members #11" wherein it was stated that Charters & Co., of Miami, Inc. had been expelled from membership in the Association and the registrations of Arthur L. Kapplow, Hugh L. Strump and Michael F. Dermer had been revoked.

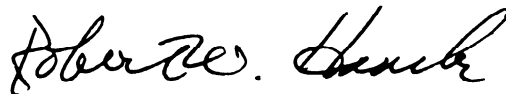
Order stayed by reason of appeal to the Securities and Exchange Commission.

Thomas Brown, III  
Staten Island, New York

Reference is made to "Notice to Members #11" wherein it was stated that the registration of Thomas Brown, III had been suspended for three (3) months.

Order stayed by reason of appeal to the Securities and Exchange Commission.

The attention of members is directed to Section 25 of Article III of the Rules of Fair Practice and to an interpretative memorandum beginning on Page G-35 of the Association's Manual relating to the manner in which the Rules of Fair Practice apply to transactions between members and a member who has been suspended or expelled.



Robert W. Haack  
President

NOTE: This notice is being sent to all registered branch offices of members and with the exception of John P. Fox, C. A. Benson & Co., Inc., and Edward A. Gallagher to newspaper financial editors (in accordance with the resolution appearing on Pages H-9 and 10 of the Association's Manual).

# NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

888 SEVENTEENTH STREET N. W. WASHINGTON, D. C. 20006

April 22, 1966 #14

## NOTICE

To Members of the

National Association of Securities Dealers, Inc.

Your attention is directed to the following actions:

Assurance Investment Company  
Van Nuys, California

On April 15, 1966, the Securities and Exchange Commission expelled Assurance Investment Company from membership in the Association; and suspended Harold M. Pelton and Paul A. Miller from being associated with any broker or dealer for a period of twelve (12) months (see Securities Exchange Act Release #7862), except that Miller may, after a period of six (6) months, become associated with a registered broker-dealer in a non-supervisory capacity upon an appropriate showing to the Commission's staff that he will engage solely in the sale of mutual fund shares under adequate supervision. The penalties were based on findings that respondents willfully violated Sections 5(a) and 5(c) of the Securities Act of 1933; Section 10b of the Securities Exchange Act of 1934 and Rule 10b-6 thereunder; and that the member, aided and abetted by Miller and Pelton willfully violated Sections 15(a), 15(b) and 15(c)(3) of the Securities Exchange Act of 1934 and Rules 15b3-1 and 15c3-1 thereunder.

Southern Securities, Inc.  
Jackson, Tennessee

The Board of Governors expelled Southern Securities, Inc. from membership in the Association; suspended for ninety (90) days the registrations of Carroll H. Little, Jr., president, and Walker Mooring Taylor; fined them \$750 and \$500 respectively and they were

each assessed one-half of the costs, for violations of Sections 1 and 21 of Article III of the Rules of Fair Practice. The penalties were based on findings that the member, Little and Taylor violated the SEC Net Capital Rule; and failed to maintain and keep current proper books and records by omitting to post to the general ledger certain liabilities and transactions. The suspensions of the registrations of Little and Taylor for ninety (90) days will commence with the opening of business April 25, 1966, and will conclude July 23, 1966.

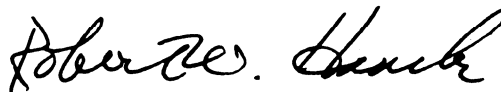
Robert Burns  
Pawtucket, Rhode Island

The Board of Governors revoked the registration of Robert Burns on April 17, 1966, and assessed him costs for violations of Sections 1 and 19(a) of Article III of the Rules of Fair Practice. The penalties were based on findings that Burns converted a customer's funds to his own use.

John Frederick Dulebohn, Jr.  
Phoenix, Arizona

District Business Conduct Committee for District #3 on April 17, 1966, revoked the registration of John Frederick Dulebohn, Jr. and fined him \$1,000 for violations of Sections 1, 18 and 19(a) of Article III of the Rules of Fair Practice. The penalties were based on findings that Dulebohn misused a customer's funds and effected unauthorized transactions by the use of deceptive means.

The attention of members is directed to Section 25 of Article III of the Rules of Fair Practice and to an interpretive memorandum beginning on Page G-35 of the Association's Manual relating to the manner in which the Rules of Fair Practice apply to transactions between members and a member who has been suspended or expelled.



Robert W. Haack  
President

NOTE: This notice is being sent to all registered branch offices of members, and with the exception of Assurance Investment Company, to newspaper financial editors (in accordance with the resolution appearing on Pages H-9 and 10 of the Association's Manual).

# NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

888 SEVENTEENTH STREET N. W. WASHINGTON, D. C. 20006

April 28, 1966 #15

## NOTICE

To Members of the

National Association of Securities Dealers, Inc.

Your attention is directed to the following actions:

J. R. Williston & Beane, Incorporated  
New York, New York

The membership of J. R. Williston & Beane, Incorporated was reinstated on April 21, 1966, (see "Notice to Members #12," dated April 13, 1966) upon payment of the costs assessed in connection with findings of violations of certain Association rules.

F. R. Burns & Company  
Oklahoma City, Oklahoma

On April 22, 1966, the Securities and Exchange Commission suspended F. R. Burns & Company from membership in the Association for ninety (90) days; and suspended Floyd R. Burns, president, from being associated with any broker-dealer for ninety (90) days without prejudice to his application after ninety (90) days for approval of such an association upon appropriate showing that such association would include safeguards to protect the public interest. The penalties were based on findings that the member, aided and abetted by Burns, willfully violated Section 15(c)(1) of the Securities Exchange Act of 1934 and Rules 15c1-2, 15c3-1, 17a-3 and 17a-5 thereunder; and Section 4(c)(2) of Regulation T of the Federal Reserve Board. The suspensions of ninety (90) days commenced April 25, 1966.

Thomas C. Christie  
Seattle, Washington

District Business Conduct Committee for District #1 on April 24, 1966, revoked the registration of Thomas C. Christie and fined him \$3,000 for violations of Sections 1, 18 and 19(a) of Article III of the

Rules of Fair Practice. The penalties were based on findings that Christie converted customers' funds and securities to his own use; effected unauthorized transactions in a customer's account; and prepared and delivered statements of customers' accounts and confirmations which contained false and misleading information.

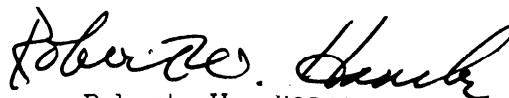
Thomas W. Stewart  
Atlanta, Georgia

District Business Conduct Committee for District #7 on April 24, 1966, revoked the registration of Thomas W. Stewart for violations of Sections 1, 18 and 19(a) of Article III of the Rules of Fair Practice. The penalties were based on findings that Stewart converted customers' funds and securities to his own use.

Lamont DuPont Stetzer  
San Leandro, California

District Business Conduct Committee for District #2N on April 22, 1966, revoked the registration of Lamont DuPont Stetzer, fined him \$1,000 and assessed him one-half the costs for violations of Sections 1 and 19(a) of Article III of the Rules of Fair Practice. The penalties were based on findings that Stetzer converted customers' funds to his own use.

The attention of members is directed to Section 25 of Article III of the Rules of Fair Practice and to an interpretive memorandum beginning on Page G-35 of the Association's Manual relating to the manner in which the Rules of Fair Practice apply to transactions between members and a member who has been suspended or expelled.



Robert W. Haack  
President

NOTE: This notice is being sent to all registered branch offices of members and with the exception of the notice relative to the suspension of F. R. Burns & Company and J. R. Williston & Beane, Incorporated, to newspaper financial editors (in accordance with the resolution appearing on Pages H-9 and 10 of the Association's Manual).

# NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

888 SEVENTEENTH STREET N. W. WASHINGTON, D. C. 20006

May 6, 1966 #16

## NOTICE

To Members of the

National Association of Securities Dealers, Inc.

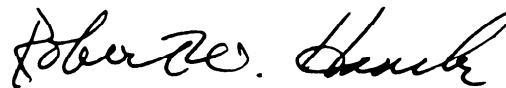
Your attention is directed to the following action:

James H. Price & Company, Inc.  
Coral Gables, Florida

On April 28, 1966, the Board of Governors suspended James H. Price & Company, Inc. from membership in the Association for ninety (90) days; suspended the registration of James H. Price, president, for ninety (90) days; they were fined \$4,000 and assessed costs, jointly and severally, for violations of Sections 1, 21 and 27(a) of Article III of the Rules of Fair Practice. The penalties were based on findings that the respondents violated the SEC Net Capital Rule; violated Section 4(c)(2) of Regulation T of the Federal Reserve Board; failed to evidence written endorsement of transactions; and failed to maintain and keep current proper books and records.

Order stayed by reason of appeal to the Securities and Exchange Commission.

The attention of members is directed to Section 25 of Article III of the Rules of Fair Practice and to an interpretive memorandum beginning on Page G-35 of the Association's Manual relating to the manner in which the Rules of Fair Practice apply to transactions between members and a member who has been suspended or expelled.



Robert W. Haack  
President

NOTE: This notice is being sent to all registered branch offices of members and to newspaper financial editors (in accordance with the resolution appearing on Pages H-9 and 10 of the Association's Manual).

# NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

888 SEVENTEENTH STREET N. W. WASHINGTON, D. C. 20006

May 13, 1966 #17

## NOTICE

To Members of the

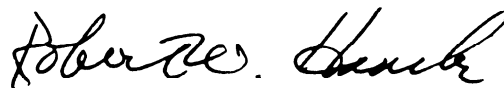
National Association of Securities Dealers, Inc.

Your attention is directed to the following action:

Mutual Funds Service of Florida, Inc.  
Hollywood, Florida

On May 3, 1966, the Securities and Exchange Commission dismissed proceedings for review of disciplinary action taken by the Association (see Securities Exchange Act Release #7880). Therefore, the Board of Governors decisions stand as rendered wherein Mutual Funds Service of Florida, Inc., is expelled from membership in the Association; the registration of Alan S. Rader, president, is revoked and they are assessed costs, jointly and severally. In two separate decisions the Association found violations of Sections 1, 19(a) and 21 of Article III of the Rules of Fair Practice. The penalties were based on findings that the member without equitable excuse or justification failed to honor a trade with another member of the Association; that the member and Rader failed to remit a dividend owed to a customer; and failed to maintain and keep current proper books and records.

The attention of members is directed to Section 25 of Article III of the Rules of Fair Practice and to an interpretive memorandum beginning on Page G-35 of the Association's Manual relating to the manner in which the Rules of Fair Practice apply to transactions between members and a member who has been suspended or expelled.



Robert W. Haack  
President

NOTE: This notice is being sent to all registered branch offices of members.



# NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

888 SEVENTEENTH STREET N. W. WASHINGTON, D. C. 20006

May 18, 1966 #18

## NOTICE

To Members of the

National Association of Securities Dealers, Inc.

Your attention is directed to the following actions:

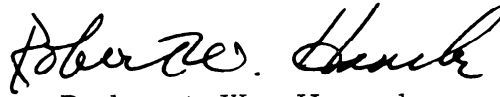
Joe K. Matheson  
Hickory, North Carolina

On April 29, 1966, Joe K. Matheson, sole proprietor, was expelled from membership in the Association for failure to pay the balance of the fine and costs assessed in connection with findings of violations of certain Association rules. This action was based on the provisions of Section 2 of Article V of the Rules of Fair Practice.

W. R. Reisch & Co., Inc.  
New York, New York

On May 11, 1966, the Securities and Exchange Commission revoked the broker-dealer registration of W. R. Reisch & Co., Inc.; expelled it from membership in the Association; and barred Leonard Reisch and Murray Gold, officers of the member, from being associated with any broker or dealer (see Securities Exchange Act Release #7884). The penalties were based on findings that respondents willfully violated Sections 5(a) and 5(c) of the Securities Act of 1933; and that the member together with or aided and abetted by Reisch and Gold, willfully violated Section 17(a) of the Securities Act of 1933; Sections 10(b) and 15(c)(1) of the Securities Exchange Act of 1934 and Rules 10b-5, 10b-6, 15c1-2 and 15c1-6 thereunder.

The attention of members is directed to Section 25 of Article III of the Rules of Fair Practice and to an interpretive memorandum beginning on Page G-35 of the Association's Manual relating to the manner in which the Rules of Fair Practice apply to transactions between members and a member who has been suspended or expelled.



Robert W. Haack  
President

NOTE:

This notice is being sent to all registered branch offices of members and with the exception of W. R. Reisch & Co., Inc., to newspaper financial editors (in accordance with the resolution appearing on Pages H-9 and 10 of the Association's Manual).

# NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

888 SEVENTEENTH STREET N. W. WASHINGTON, D. C. 20006

May 24, 1966 #19

## NOTICE

To Members of the

National Association of Securities Dealers, Inc.

Your attention is directed to the following actions:

Leifer, Joseph S.  
New York, New York

District Business Conduct Committee for District #12 revoked the registration of Joseph S. Leifer and fined him \$1,000 on May 19, 1966, for violations of Sections 1, 18 and 19(a) of Article III of the Rules of Fair Practice. The penalties were based on findings that Leifer converted customers' funds to his own use; effected unauthorized transactions in customers' accounts; used a customer's account to effect personal transactions without the knowledge of his employer; and prepared and transmitted to his employer and customers false confirmations, customers' account statements and deposit instructions.

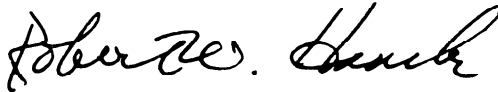
Martin, Robert Charles  
New York, New York

District Business Conduct Committee for District #12 revoked the registration of Robert Charles Martin and fined him \$1,000 on May 19, 1966, for violations of Sections 1, 18 and 19(a) of Article III of the Rules of Fair Practice. The penalties were based on findings that Martin converted customers' funds to his own use; and executed a transaction in a customer's account without the customer's knowledge or consent.

Taylor, Walker Mooring  
Jackson, Tennessee

District Business Conduct Committee for District #5 revoked the registration of Walker Mooring Taylor on May 20, 1966, for violations of Sections 1, 18 and 19(a) of Article III of the Rules of Fair Practice. The penalty was based on findings that Taylor converted customers' funds to his own use; and prepared false confirmations of purchases and sales in connection with the conversion.

The attention of members is directed to Section 25 of Article III of the Rules of Fair Practice and to an interpretive memorandum beginning on Page G-35 of the Association's Manual relating to the manner in which the Rules of Fair Practice apply to transactions between members and a member who has been suspended or expelled.



Robert W. Haack  
President

NOTE: This notice is being sent to all registered branch offices of members and to newspaper financial editors (in accordance with the resolution appearing on Pages H-9 and 10 of the Association's Manual).

# NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

888 SEVENTEENTH STREET N. W. WASHINGTON, D. C. 20006

June 8, 1966 #20

## NOTICE

To Members of the

National Association of Securities Dealers, Inc.

Your attention is directed to the following actions:

Abramowitz, Nathan  
New York, New York

The Securities and Exchange Commission has barred Nathan Abramowitz from being associated with any broker or dealer for sixty (60) days (see Securities Exchange Act Release #7891). The penalty was based on findings that Abramowitz willfully violated Section 17(a) of the Securities Act of 1933; Sections 10(b) and 15(c)(1) of the Securities Exchange Act of 1934 and Rules 10b-5 and 15c1-2 thereunder. The suspension of sixty (60) days commenced with the opening of business May 23, 1966.

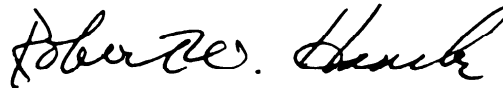
Anson, Jay  
Flushing, New York

On May 11, 1966, the Securities and Exchange Commission barred Jay Anson from being associated with any broker or dealer (see Securities Exchange Act Release #7885). The penalty was based on findings that Anson willfully violated Section 17(a) of the Securities Act of 1933; Section 10(b) of the Securities Exchange Act of 1934 and Rule 10b-5 thereunder.

Portnoy, Bernard  
New York, New York

The Securities and Exchange Commission has barred Bernard Portnoy from being associated with any broker or dealer effective May 23, 1966 (see Securities Exchange Act Release #7891). The penalty was based on findings that Portnoy willfully violated Section 17(a) of the Securities Act of 1933; Sections 19(b) and 15(c)(1) of the Securities Exchange Act of 1934 and Rules 10b-5 and 15c1-2 thereunder.

The attention of members is directed to Section 25 of Article III of the Rules of Fair Practice and to an interpretive memorandum beginning on Page G-35 of the Association's Manual relating to the manner in which the Rules of Fair Practice apply to transactions between members and a member who has been suspended or expelled.



Robert W. Haack  
President

NOTE: This notice is being sent to all registered branch offices of members.

# NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

888 SEVENTEENTH STREET N. W. WASHINGTON, D. C. 20006

June 8, 1966 #21

## NOTICE

To members of the National Association of Securities Dealers, Inc.  
Your attention is directed to the following actions:

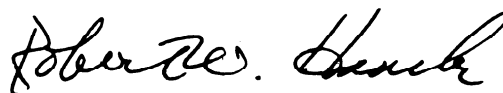
### Midwest Securities Corporation Oklahoma City, Oklahoma

On June 3, 1966, the Securities and Exchange Commission revoked the registration as a broker and dealer of Midwest Securities Corporation (see Securities Exchange Act Release #7898). The penalty was based on findings of willful violations of Sections 10(b); 15(c); 15(c)(3); and 17(a) of the Securities Exchange Act of 1934, and Rules 10b-5; 15c1-2; 15c3-1; and 17a-3 thereunder.

### Van Hoozer & Company, Inc. Kansas City, Missouri

On June 1, 1966, the Securities and Exchange Commission denied the withdrawal of the registration as a broker and dealer of Van Hoozer & Company, Inc. and revoked such registration, expelled it from membership in the Association and barred Thomas H. Van Hoozer from being associated with a broker or dealer ( see Securities Exchange Act Release #7897). The penalties were based on findings that the firm aided and abetted by Thomas H. Van Hoozer willfully violated Section 17(a) of the Securities Act of 1933 and Sections 10(b); 15(c)(1) and 15(c)(3) of the Securities Exchange Act of 1934 and Rules 10B; 15c1-2; 15c3-1 and 15c3-2 thereunder.

The attention of members is directed to Section 25 of the Article III of the Rules of Fair Practice and to an interpretive memorandum beginning on page G-35 of the Association's Manual relating to the manner in which the Rules of Fair Practice apply to transactions between members and a member who has been suspended or expelled.



Robert W. Haack  
President

# NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

888 SEVENTEENTH STREET N. W. WASHINGTON, D. C. 20006

June 14, 1966 #22

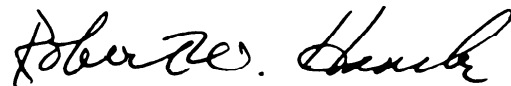
## NOTICE

To members of the National Association of Securities Dealers, Inc.  
Your attention is directed to the following action:

Leischner, Norman W.  
Billings, Montana

On June 7, 1966, the Securities and Exchange Commission barred Norman W. Leischner from being associated with any broker or dealer. The bar resulted from the acceptance by the Commission of a stipulation and consent submitted by Leischner in which, neither admitting nor denying allegations of willful violations of the Securities Act of 1933 in connection with the offer and sale of certain securities, he consented to the entry of an order barring him from association with any broker or dealer.

The attention of members is directed to Section 25 of the Article III of the Rules of Fair Practice and to an interpretive memorandum beginning on page G-35 of the Association's Manual relating to the manner in which the Rules of Fair Practice apply to transactions between members and a member who has been suspended or expelled.



Robert W. Haack  
President

NOTE: This notice is being sent to all registered branch offices of members.



# NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

888 SEVENTEENTH STREET N. W. WASHINGTON, D. C. 20006

June 23, 1966 #23

## NOTICE

To Members of the National Association of Securities Dealers, Inc.  
Your attention is directed to the following actions:

Ray Brogdon, dba  
Investors Service Co.  
Eugene, Oregon

On June 15, 1966, District Business Conduct Committee for District #1 expelled Investors Service Co., from membership in the Association; revoked the registration of Ray Brogdon, president, and fined him \$3,000 for violations of Sections 1, 18 and 19(a) of Article III of the Rules of Fair Practice. The penalties were based on findings that the member failed to comply with formal written requests by the Association for information concerning the settlement of certain securities transactions with customers; sold mutual funds shares to a customer without making an offsetting purchase and then converted to its own use the funds received from the customer in payment thereof and did further deliver to the customer a false confirmation of the purported transaction.

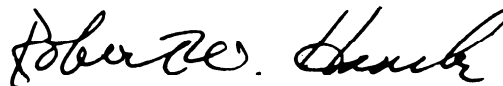
Surber, Hurshel Cameron  
Altoona, Iowa

On June 18, 1966, District Business Conduct Committee for District #8 revoked the registration of Hurshel Cameron Surber, censured and fined him \$1,000 for violations of Sections 1, 18 and 19 of Article III of the Rules of Fair Practice. The penalties were based on findings that Surber without the knowledge or consent of his employer effected transactions for his own account with and for customers; and entered into agreements with customers to borrow their securities for his own purposes.

Wexler, Emanuel  
Philadelphia, Pennsylvania

On June 16, 1966, District Business Conduct Committee for District #11 revoked the registration of Emanuel Wexler and fined him \$2,000 for violations of Sections 1 and 19(a) of Article III of the Rules of Fair Practice. The penalties were based on findings that Wexler converted funds and securities of customers and his employer to his own use.

The attention of members is directed to Section 25 of Article III of the Rules of Fair Practice and to an interpretive memorandum beginning on Page G-35 of the Association's Manual relating to the manner in which the Rules of Fair Practice apply to transactions between members and a member who has been suspended or expelled.



Robert W. Haack  
President

NOTE: This notice is being sent to all registered branch offices of members and to newspaper financial editors (in accordance with the resolution appearing on Pages H-9 and 10 of the Association's Manual).

# NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

888 SEVENTEENTH STREET N. W. WASHINGTON, D. C. 20006

July 8, 1966 #24

## NOTICE

To Members of the National Association of Securities Dealers, Inc.  
Your attention is directed to the following actions:

Bahr, Thomas E.  
Hamilton, Illinois

On June 30, 1966, District Business Conduct Committee for District #8 revoked the registration of Thomas E. Bahr for violations of Sections 1, 18 and 19 of Article III of the Rules of Fair Practice. The penalty was based on findings that Bahr without the knowledge or consent of his employer withheld and appropriated to his own use monies received from customers for the purchase of securities; and effected transactions in customers' accounts without their knowledge or consent.

Harnack, Ronald S.  
Los Angeles, California

On June 29, 1966, the Securities and Exchange Commission dismissed proceedings for review of disciplinary action taken by the Association (see Securities Exchange Act Release #7907). Therefore, the Board of Governors Decision stands as rendered wherein the registration of Ronald S. Harnack is suspended for sixty (60) days and he is fined \$250 for violations of Sections 1 and 21 of Article III of the Rules of Fair Practice. The penalties were based on findings that Harnack, acting in a managerial capacity for a member; violated the SEC Net Capital Rule; violated Sections 4(c)(2) and 4(c)(8) of Regulation T of the Federal Reserve Board; and failed to maintain and keep current proper books and records. The suspension of sixty (60) days will commence with the opening of business July 11, 1966 and will conclude at the closing of business September 8, 1966.

*use of fraudulent devices*

*unauthorized use of customer funds*

*late payment*

*foreign accounts*

*Books Records*

Jackman, Francis J.  
New York, New York

On July 3, 1966, District Business Conduct Committee for District #12 revoked the registration of Francis J. Jackman for violations of Sections 1 and 18 of Article III of the Rules of Fair Practice. The penalty was based on findings that Jackman effected unauthorized transactions in customers' accounts.

Keller, William B.  
Santa Ana, California

On July 2, 1966, District Business Conduct Committee for District #2S suspended the registration of William B. Keller for ninety (90) days, he was fined \$1,000 and assessed costs for violations of Section 1 of Article III of the Rules of Fair Practice. The penalties were based on findings that Keller gave a customer a written guarantee against loss. The suspension of ninety (90) days will commence with the opening of business July 11, 1966 and will conclude October 8, 1966.

Palmer, Stanley S.  
New York, New York

On July 3, 1966, District Business Conduct Committee for District #12 revoked the registration of Stanley S. Palmer and assessed him costs for violations of Sections 1, 18 and 19(a) of Article III of the Rules of Fair Practice. The penalties were based on findings that Palmer misused and converted customers' funds and that of a registered representative to his own use.

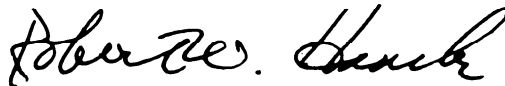
Saporta, Paul  
New York, New York

On June 20, 1966, the Securities and Exchange Commission barred Paul Saporta from being associated with any broker or dealer (see Securities Exchange Act Release #7902). The penalty was based on findings that Saporta aided and abetted his employer to willfully violate Section 17(a) of the Securities Act of 1933; Sections 10(b) and 15(c)(1) of the Securities Exchange Act of 1934 and Rules 10b-5 and 15c1-2 thereunder.

West, Frederick Lee  
Kansas City, Missouri

On June 26, 1966, District Business Conduct Committee for District #4 revoked the registration of Frederick Lee West for violations of Sections 1 and 18 of Article III of the Rules of Fair Practice. The penalty was based on findings that West purchased shares of a security when he did not have sufficient funds available for payment and thereafter sold the shares while the purchase price remained unpaid; that he deceived his employer into believing that such payment had been made and the subsequent delivery to him of said shares was appropriate.

The attention of members is directed to Section 25 of Article III of the Rules of Fair Practice and to an interpretive memorandum beginning on Page G-35 of the Association's Manual relating to the manner in which the Rules of Fair Practice apply to transactions between members and a member who has been suspended or expelled.



Robert W. Haack  
President

NOTE: This notice is being sent to all registered branch offices of members and with the exception of Ronald S. Harnack and Paul Saporta, to newspaper financial editors (in accordance with the resolution appearing on Pages H-9 and 10 of the Association's Manual).

# NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

888 SEVENTEENTH STREET N. W. WASHINGTON, D. C. 20006

July 22, 1966 #25

## NOTICE

To Members of the National Association of Securities Dealers, Inc.  
Your attention is directed to the following actions:

Amsbary, Allen & Morton, Inc.  
Pittsburgh, Pennsylvania

The Securities and Exchange Commission has dismissed proceedings for review of disciplinary action taken by the Association (see Securities Exchange Act Release #7834). Therefore, the Board of Governors decision stands as rendered, wherein Amsbary, Allen & Morton, Inc., is censured, suspended from membership in the Association for ninety (90) days and fined \$3,700; Hugh M. Casper, Larry A. Hirsh and Louis A. Moore, registered representatives and officers, are censured, their registrations are each suspended for ninety (90) days and all respondents are assessed costs, jointly and severally, for violations of Sections 1, 4 and 21 of Article III of the Rules of Fair Practice. The penalties were based on findings that the member, Casper, Hirsh and Moore sold securities to customers at prices which were not fair in view of all relevant circumstances; failed to time sales memoranda; failed to register an individual with the Association when his duties so required; and paid commissions to four individuals prior to their effective registrations with the Association. The suspensions of ninety (90) days will commence with the opening of business July 25, 1966 and will conclude October 22, 1966.

Don D. Anderson & Co., Inc.  
Oklahoma City, Oklahoma

On July 8, 1966, the Board of Governors suspended Don D. Anderson & Co., Inc., from membership in the Association for fifteen (15) days; suspended the registration of Don D. Anderson for fifteen (15) days; and they were fined \$1,000 and assessed costs, jointly and severally,

for violations of Section 1 of Article III of the Rules of Fair Practice. The penalties were based on findings that the member and Anderson violated the SEC Net Capital Rule; and Section 4(c)(2) of Regulation T of the Federal Reserve Board. The suspensions of fifteen (15) days will commence with the opening of business July 22, 1966 and will conclude at the closing of business August 5, 1966.

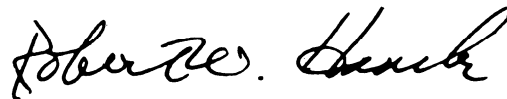
John W. Yeaman, Incorporated  
Martinsville, Virginia

On June 30, 1966, the Securities and Exchange Commission revoked the broker-dealer registration of John W. Yeaman, Incorporated, and barred John W. Yeaman, president, from being associated with any broker or dealer (see Securities Exchange Act Release #7909). The penalties were based on findings that the member, aided and abetted by Yeaman, violated Sections 8(c), 15(c)(2), 15(c)(3), and 17(a) of the Securities Exchange Act of 1934 and Rules 8c-1, 15c2-1, 15c3-1, 17a-3 and 17a-5 thereunder.

Von Ezdorf, Richard Robert  
Atherton, California

On July 10, 1966, District Business Conduct Committee for District #2N revoked the registration of Richard Robert Von Ezdorf, he was fined \$1,000 and assessed costs for violations of Sections 1 and 18 of Article III of the Rules of Fair Practice. The penalties were based on findings that Von Ezdorf effected unauthorized transactions in a customer's account.

The attention of members is directed to Section 25 of Article III of the Rules of Fair Practice and to an interpretive memorandum beginning on Page G-35 of the Association's Manual relating to the manner in which the Rules of Fair Practice apply to transactions between members and a member who has been suspended or expelled.



Robert W. Haack  
President

NOTE: This notice is being sent to all registered branch offices of members and with the exception of Amsbary, Allen & Morton, Inc., and John W. Yeaman, Incorporated to newspaper financial editors (in accordance with the resolution appearing on Pages H-9 and 10 of the Association's Manual).

# NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

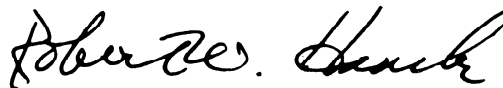
888 SEVENTEENTH STREET N. W. WASHINGTON, D. C. 20006

July 22, 1966

To: NASD Members and Branch Offices

The accompanying interpretation of Section 1, Article III of the Association's Rules of Fair Practice is designed to stop misuse of the withdrawal and reinstatement privilege extended to investors under certain methods of acquiring mutual fund shares.

It has been adopted by the Association's Board of Governors to become effective August 1, 1966, as to all such withdrawal and reinstatement privileges, including those available under single-payment, periodic-payment, or fully-paid contractual plans, regardless of when the plans involved were originally opened.



Robert W. Haack  
President



*J. L. B.*

# NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

888 SEVENTEENTH STREET N. W. WASHINGTON, D. C. 20006

August 5, 1966 #26

## NOTICE

To Members of the National Association of Securities Dealers, Inc.  
Your attention is directed to the following actions:

Atlantic Investment Securities, Inc.  
Ormond Beach, Florida

On July 22, 1966, the Securities and Exchange Commission revoked the broker-dealer registration of Atlantic Investment Securities, Inc., and expelled it from membership in the Association; Vernon Lee Norwood, president, was barred from being associated with any broker or dealer (see Securities Exchange Act Release #7922). The penalties were based on findings that the member, together with or aided and abetted by Norwood, willfully violated Section 17(a) of the Securities Act of 1933; Sections 8(c), 10(b), 15(c)(1) and 15(c)(2) of the Securities Exchange Act of 1934 and Rules 8c-1, 10b-5, 15c1-2, 15c1-4, 15c1-7 and 15c2-1 thereunder; and that the member, aided and abetted by Norwood, willfully violated Sections 7(a) and 7(c) of the Securities Exchange Act of 1934 and Rules 15b3-1 and 17a-3 thereunder.

Jones, Holman & Co.  
Portland, Maine

On July 31, 1966, the Board of Governors suspended Jones, Holman & Co., from membership in the Association for fifteen (15) days, fined it \$1,200 and assessed costs; the registration of Richard P. Knight, president, was also suspended for fifteen (15) days and he was found to be a cause of the suspension, for violations of Sections 1 and 4 of Article III of the Rules of Fair Practice. The penalties were based on findings that the member and Knight sold securities to customers at prices which were not reasonably related to the current market and which were not fair in view of all relevant circumstances. The suspensions of fifteen (15) days will commence with the opening of business August 8, 1966, and will conclude at the closing of business August 22, 1966.

Costello, Frank A.  
Beverly Hills, California

On July 15, 1966, the Securities and Exchange Commission barred Frank A. Costello from being associated with any broker or dealer. The penalty was based on findings that Costello willfully violated and willfully aided and abetted a member's violations of Section 17(a) of the Securities Act of 1933; Sections 10(b) and 15(c)(1) of the Securities Exchange Act of 1934 and Rules 10b-5 and 15c1-2 thereunder.

Fleischman, Martin A.  
Beverly Hills, California

On July 15, 1966, the Securities and Exchange Commission barred Martin A. Fleischman from being associated with any broker or dealer. The penalty was based on findings that Fleischman willfully violated and willfully aided and abetted a member's violations of Section 17(a) of the Securities Act of 1933; Sections 10(b) and 15(c)(1) of the Securities Exchange Act of 1934 and Rules 10b-5 and 15c1-2 thereunder.

Fotis, Peter  
New York, New York

On July 12, 1966, the Securities and Exchange Commission barred Peter Fotis from association with any broker or dealer. The penalty was based on findings that Fotis, with others, willfully violated and aided and abetted violations of Section 17(a) of the Securities Act of 1933; Sections 10(b) and 15(c)(1) of the Securities Exchange Act of 1934 and Rules 10b-5 and 15c1-2 thereunder.

Kantor, Jerold Irwin  
Beverly Hills, California

On July 15, 1966, the Securities and Exchange Commission barred Jerold Irwin Kantor from being associated with any broker or dealer for six (6) months. The penalty was based on findings that Kantor willfully violated and willfully aided and abetted a member's violations of Section 17(a) of the Securities Act of 1933; Sections 10(b) and 15(c)(1) of the Securities Exchange Act of 1934 and Rules 10b-5 and 15c1-2 thereunder. The suspension of six (6) months commenced with the opening of business July 25, 1966.

Littley, Kenneth G.  
Philadelphia, Pennsylvania

On July 28, 1966, the Board of Governors revoked the registration of Kenneth G. Littley and he was assessed costs for violations of Sections 1 and 19(a) of Article III of the Rules of Fair Practice. The penalties were based on findings that Littley converted a customer's funds to his own use.

Livingston, Bernard  
Beverly Hills, California

On July 15, 1966, the Securities and Exchange Commission barred Bernard Livingston from being associated with any broker or dealer for six (6) months. The penalty was based on findings that Livingston willfully violated and willfully aided and abetted a member's violations of Section 17(a) of the Securities Act of 1933; Sections 10(b) and 15(c)(1) of the Securities Exchange Act of 1934 and Rules 10b-5 and 15c1-2 thereunder. The suspension of six (6) months commenced with the opening of business July 25, 1966.

Lowry, Richard Dewey  
Oklahoma City, Oklahoma

On July 5, 1966, the Securities and Exchange Commission barred Richard Dewey Lowry from being associated with any broker or dealer (see Securities Exchange Act Release #7914). The penalty was based on findings that Lowry aided and abetted a member's willful violations of Sections 10(b), 15(c)(1), 15(c)(3) and 17(a) of the Securities Exchange Act of 1934 and Rules 10b-5, 15c1-2, 15c3-1 and 17a-3 thereunder.

Miller, Theodore  
Columbus, Ohio

On July 11, 1966, the Securities and Exchange Commission barred Theodore Miller from being associated with a broker or dealer for six (6) months, with the proviso that his return to the securities business after that period be subject to his making an appropriate showing to the Commission that his activities will be adequately supervised (see Securities Exchange Act Release #7915). The bar resulted from the acceptance by the Commission of a stipulation and consent submitted by Miller in which, neither admitting nor denying the allegations of willful violations of the Securities Act of 1933 in connection with the offer and sale of certain securities he consented to the entry of the order barring him from being associated with a broker or dealer.

Sherer, Irving  
New York, New York

On June 29, 1966, the Securities and Exchange Commission barred Irving Sherer from being associated with any broker or dealer (see Securities Exchange Act Release #7908). The penalty was based on findings that Sherer willfully violated or aided and abetted a member's willful violations of Section 17(a) of the Securities Act of 1933; Sections 10(b) and 15(c)(1) of the Securities Exchange Act of 1934 and Rules 10b-5 and 15c1-2 thereunder.

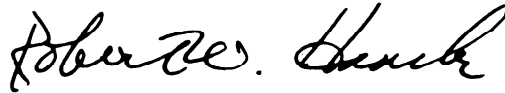
Simone, William V.  
New York, New York

On June 29, 1966, the Securities and Exchange Commission barred William V. Simone from being associated with any broker or dealer (see Securities Exchange Act Release #7908). The penalty was based on findings that Simone willfully violated or aided and abetted a member's willful violations of Section 17(a) of the Securities Act of 1933; Sections 10(b) and 15(c)(1) of the Securities Exchange Act of 1934 and Rules 10b-5 and 15c1-2 thereunder; and that Simone aided and abetted the member's willful violations of Sections 15(b) and 15(c)(3) of the Securities Exchange Act of 1934 and Rules 15b-2 and 15c3-1 thereunder; and he is permanently enjoined from aiding and abetting violations by the member of Section 15(c)(3) of the Securities Exchange Act of 1934 and Rules 15c3-1 thereunder.

Young, Robert E. S.  
Columbus, Ohio

On July 19, 1966, the Securities and Exchange Commission barred Robert E. S. Young from being associated with any broker or dealer (see Securities Exchange Act Release #7921). The bar resulted from the acceptance by the Commission of a stipulation and consent submitted by Young in which, either admitting nor denying the allegations of violations of Section 15(b) of the Securities Exchange Act of 1934 and Rule 15b-2 thereunder; willful violations of Sections 5(a), 5(c) and 17(a) of the Securities Act of 1933; Sections 10(b) and 15(c)(1) of the Securities Exchange Act of 1934 and Rules 10b-5 and 15c1-2 thereunder; and aiding and abetting willful violations by the member of Sections 15(c)(3) and 17(a) of the Securities Exchange Act of 1934 and Rules 15c3-1 and 17a-3, Young consented to the entry of an order barring him from being associated with a broker or dealer.

The attention of members is directed to Section 25 of Article III of the Rules of Fair Practice and to an interpretive memorandum beginning on Page G-35 of the Association's Manual relating to the manner in which the Rules of Fair Practice apply to transactions between members and a member who has been suspended or expelled.



Robert W. Haack  
President

NOTE: This notice is being sent to all registered branch offices of members and as it relates to Jones, Holman & Co., and Kenneth G. Littley, to newspaper financial editors (in accordance with the resolution appearing on Pages H-9 and 10 of the Association's Manual).

# NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

888 SEVENTEENTH STREET N. W. WASHINGTON, D. C. 20006

August 12, 1966 #27

## NOTICE

To Members of the National Association of Securities Dealers, Inc.  
Your attention is directed to the following actions:

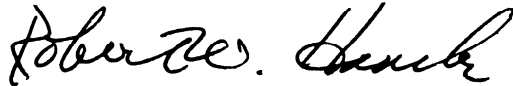
James H. Price & Company, Inc.  
Coral Gables, Florida

On August 4, 1966, James H. Price & Company, Inc., and James H. Price, president, withdrew their appeals to the Securities and Exchange Commission. Therefore, the Board of Governors decision stands as rendered wherein James H. Price & Company, Inc., is suspended from membership in the Association for ninety (90) days; the registration of James H. Price is suspended for ninety (90) days; they are fined \$4,000 and assessed costs, jointly and severally, for violations of Sections 1, 21 and 27(a) of Article III of the Rules of Fair Practice. The penalties were based on findings that the respondents violated the SEC Net Capital Rule; violated Section 4(c)(2) of Regulation T of the Federal Reserve Board; failed to evidence written endorsement of transactions; and failed to maintain and keep current proper books and records. The suspensions of ninety (90) days will commence with the opening of business August 15, 1966, and will conclude November 12, 1966.

Anderson, Kenneth Martin  
Eureka, California

On August 6, 1966, District Business Conduct Committee for District No. 2 revoked the registration of Kenneth Martin Anderson, he was fined \$1,000 and assessed costs for violations of Sections 1 and 19 of Article III of the Rules of Fair Practice. The penalties were based on findings that Anderson converted a customer's funds to his own use.

The attention of members is directed to Section 25 of Article III of the Rules of Fair Practice and to an interpretive memorandum beginning on Page G-35 of the Association's Manual relating to the manner in which the Rules of Fair Practice apply to transactions between members and a member who has been suspended or expelled.



Robert W. Haack  
President

NOTE: This notice is being sent to all registered branch offices of members and with the exception of James H. Price & Company, Inc. , to newspaper financial editors (in accordance with the resolution appearing on Pages H-9 and 10 of the Association's Manual).

# NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

888 SEVENTEENTH STREET N. W. WASHINGTON, D. C. 20006

August 31, 1966 <sup>28</sup> #27

## NOTICE

To Members of the National Association of Securities Dealers, Inc.  
Your attention is directed to the following actions:

Parker-Hayes & Co.  
Billings, Montana

On August 10, 1966, the Securities and Exchange Commission revoked the broker-dealer registration of Parker-Hayes & Co., and expelled it from membership in the Association (see Securities Exchange Act Release #7933). The penalty was based on findings that the member, Charles E. Hayes, C. William Parker, James R. O'Brien, Alfred N. Timberman and Albert Berndt, Jr., willfully violated Sections 5(a) and 5(c) of the Securities Act of 1933; that the member, together with or aided and abetted by Hayes, Parker, O'Brien, Timberman and Berndt, willfully violated Section 17(a) of the Securities Act of 1933; Sections 10(b), 15(c)(1) and 17(a) of the Securities Exchange Act of 1934 and Rules 10b-5, 15c1-2, 15c1-4 and 17a-3 thereunder. Hayes, O'Brien and Berndt were barred from association with any broker or dealer; Parker was suspended from association with a broker or dealer for a period of twelve (12) months, which commenced August 10, 1966, with the proviso that he shall thereafter obtain the consent of the Commission before being associated with a broker or dealer; and Timberman was suspended from being associated with a broker or dealer for thirty (30) days, which also commenced August 10, 1966.

Universal Sales, Incorporated  
Waycross, Georgia

On August 12, 1966, the Securities and Exchange Commission revoked the broker-dealer registration of Universal Sales, Incorporated, and expelled it from membership in the Association (see Securities Exchange Act Release #7936). The penalty was based on findings that the member, together with or aided and abetted by Matthew Jackson Carswell, II, and Carson Fambrough Jacks, willfully violated Section 17(a) of the Securities



Act of 1933; Sections 10(b), 15(b), 15(c)(1), 15(c)(3) and 17(a) of the Securities Exchange Act of 1934 and Rules 10b-5, 15b3-1, 15c1-2, 15c3-1, 17a-3, 17a-4 and 17a-5 thereunder. Carswell and Jacks were barred from association with any broker or dealer.

Berry, Gale  
Phoenix, Arizona

On August 26, 1966, District Business Conduct Committee for District #3, barred Gale Berry from being associated with any member for violations of Section 1 of Article III of the Rules of Fair Practice. The penalty was based on findings that Berry, president of a member, failed and refused to comply with formal written requests for monthly financial statements; failed to register as a registered representative with the Association as required; and failed to comply with written requests for an amended application for membership to reflect all changes in ownership and control.

Perlow, Jack  
New York, New York

On August 19, 1966, the Securities and Exchange Commission barred Jack Perlow from being associated with a broker or dealer (see Securities Exchange Act Release #7939). The penalty was based on findings that Perlow willfully violated and aided and abetted a broker-dealer's willful violations of Section 17(a) of the Securities Act of 1933; Sections 10(b) and 15(c)(1) of the Securities Exchange Act of 1934 and Rules 10b-5 and 15c1-2 thereunder.

The attention of members is directed to Section 25 of Article III of the Rules of Fair Practice and to an interpretive memorandum beginning on Page G-35 of the Association's Manual relating to the manner in which the Rules of Fair Practice apply to transactions between members and a member who has been suspended or expelled.



Robert W. Haack  
President

NOTE: This notice is being sent to all registered branch offices of members and as it relates to Gale Berry to newspaper financial editors (in accordance with the resolution appearing on Pages H-9 and 10 of the Association's Manual).

Tankleff, Seymour  
New York, New York

On August 22, 1966, the Securities and Exchange Commission barred Seymour Tankleff from further association with any broker or dealer for violations of Sections 5(a), 5(c) and 17(a) of the Securities Act of 1933; Sections 10(b), 15(c)(1), 15(c)(3) of the Securities Exchange Act of 1934 and Rules 10b-5, 15c1-2 and 15c3-1 thereunder (see Securities Exchange Act Release #7940). The penalty was based on findings that Tankleff participated in a scheme to defraud investors in the offering and sale of securities by means of a fraudulent offering circular and oral predictions and representations concerning, among other things, a predecessor of the issuer, orders and market for issuer's product and cost of its manufacture, and future market price and listing of securities. He was also found to have aided and abetted a member's failure to comply with the SEC net capital rule.

The attention of members is directed to Section 25 of Article III of the Rules of Fair Practice and to an interpretive memorandum beginning on Page G-35 of the Association's Manual relating to the manner in which the Rules of Fair Practice apply to transactions between members and a member who has been suspended or expelled.



Robert W. Haack  
President

NOTE: This notice is being sent to all registered branch offices of members and as it relates to William H. Bodfish and Alan Moses to newspaper financial editors (in accordance with the resolution appearing on Pages H-9 and 10 of the Association's Manual).

# NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

888 SEVENTEENTH STREET N. W. WASHINGTON, D. C. 20006

September 15, 1966 #29

## NOTICE

To Members of the National Association of Securities Dealers, Inc.  
Your attention is directed to the following actions:

Bodfish, William H.  
Philadelphia, Pennsylvania

On September 9, 1966, District Business Conduct Committee for District #11 revoked the registration of William H. Bodfish for violations of Sections 1 and 18 of Article III of the Rules of Fair Practice. The penalty was based on findings that Bodfish effected the sale of counterfeit bonds through his employer by means of deceptive devices.

Davis, Stuart  
New York, New York

On August 25, 1966, the Securities and Exchange Commission barred Stuart Davis from further association with any broker or dealer for violations of Section 17(a) of the Securities Act of 1933; Section 10(b) of the Securities Exchange Act of 1934 and Rule 10b-5 thereunder (see Securities Exchange Act Release #7943). The penalty was based on findings that Davis violated the anti-fraud provisions of the Federal securities laws in the sale of "unseasoned and speculative" common stocks, in that, among other things, Davis engaged in high pressure sales efforts and made materially false and misleading statements concerning the issuer's business activities and prospects, earnings, dividend policies and merger and acquisition plans. Davis was also found to have "reloaded" investors with such stocks, induced purchases at excessive prices; sent confirmations of sales to persons who had not agreed to purchase; made inconsistent contemporaneous recommendations with respect to purchase and sale and improperly switched customers from one stock to another.

Harper, Ford David  
Oklahoma City, Oklahoma

On August 31, 1966, the Securities and Exchange Commission barred Ford David Harper from further association with any broker or dealer for violations of Sections 10(b), 15(c)(1), 15(c)(3) and 17(a) of the Securities Exchange Act of 1934 and Rules 10b-5, 15c1-2, 15c3-1 and 17a-3 thereunder (see Securities Exchange Act Release #7944). The penalty was based on findings that Harper violated the anti-fraud provisions of the Federal securities laws and aided and abetted a registrant in violating such provisions by causing it to appropriate for its own use money and securities deposited with it by customers and to engage in business without disclosing to customers that it was insolvent. It was also found that Harper aided and abetted the firm's violations of the SEC net capital rule and record-keeping rule.

Lazaroff, Leonard  
(now Leonard Laurence)  
New York, New York

On August 22, 1966, the Securities and Exchange Commission barred Leonard Lazaroff from further association with any broker or dealer for violations of Sections 5(a), 5(c) and 17(a) of the Securities Act of 1933; Sections 10(b), 15(c)(1), 15(c)(3) of the Securities Exchange Act of 1934 and Rules 10b-5, 15c1-2 and 15c3-1 thereunder (see Securities Exchange Act Release #7940). The penalty was based on findings that Lazaroff participated in a scheme to defraud investors in the offering and sale of securities by means of a fraudulent offering circular and oral predictions and representations concerning, among other things, a predecessor of the issuer, orders and market for issuer's product and cost of its manufacture, and future market price and listing of securities. He was also found to have aided and abetted a member's failure to comply with the SEC net capital rule.

Moses, Alan  
Philadelphia, Pennsylvania

On September 4, 1966, District Business Conduct Committee for District #11 revoked the registration of Alan Moses and he was assessed costs for violations of Section 1 of Article III of the Rules of Fair Practice. The penalty was based on findings that Moses converted funds and securities of his employer to his own use.

# IMPORTANT NOTICE TO BROKERS

# MISSING SECURITIES



**INSURANCE BY NORTH AMERICA**

Insurance Company of North America

New York Office

79 John Street, New York, N. Y. 10038

September 23, 1966

## LIST OF MISSING SECURITIES

5,000 Shares International Business Machine Corporation Capital Stock,  
all registered in the name of Hayden, Stone Incorporated.  
Certificate Nos. :

M 257228/37	M 468165/76
M 257255	M 483541/42
M 257259/67	N 548664/65
N 422897	N 548753
M 457622	N 571552/59
M 468142	N 572202/03

for 100 shares each.

Please take notice that on or about August 26, 1966, the securities listed above were found to be missing from Hayden, Stone Incorporated of New York City.

The transfer agent and registrar have put "stops" on transferring any of these securities.

We are advising you of this fact so that you may alert your staff against purchasing any of these securities or accepting them as collateral for loans.

Should any of these certificates be presented to you, please notify your local police, the FBI, Hayden, Stone Incorporated at 25 Broad Street, New York City, and this Company.

INSURANCE COMPANY OF NORTH AMERICA

# NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

888 SEVENTEENTH STREET N. W. WASHINGTON, D. C. 20006

October 20, 1966 #30

## NOTICE

To Members of the National Association of Securities Dealers, Inc.  
Your attention is directed to the following actions:

Acmerge Securities Company, Incorporated  
Staten Island, New York

On September 26, 1966, the Securities and Exchange Commission revoked the broker-dealer registration of Acmerge Securities Company, Incorporated and expelled it from membership in the Association for violations of Sections 10(b), 15(c)(1) and 17(a) of the Securities Exchange Act of 1934 and Rules 10b-5, 15c1-2 and 17a-3 thereunder (see Securities Exchange Act Release #7962). The penalty was based on findings that the firm, together with or aided and abetted by John Zullo, president, solicited orders and accepted funds and securities of customers upon the fraudulent representation that the firm could meet its obligations in the ordinary course of business and without disclosing that its books and records were not current and therefore it could not ascertain its financial condition; and failed to make and keep current blotters and ledgers. John Zullo was barred from being associated with any broker or dealer.

Seaboard Securities Corp.  
New York, New York

On September 30, 1966, the Securities and Exchange Commission revoked the broker-dealer registration of Seaboard Securities Corp., and expelled it from membership in the Association; and barred Leon Nash and Harold Ignatoff from being associated with any broker or dealer for violations of Section 17(a) of the Securities Act of 1933; Sections 10(b) and 15(c)(1) of the Securities Exchange Act of 1934 and Rules 10b-5 and 15c1-2 thereunder (see Securities Exchange

Act Release #7967). The penalties were based on findings that the member, Nash and Ignatoff engaged in a high pressure campaign to sell a security through intensive telephone solicitations, in the course of which false and misleading representations were made concerning substantial increases in the price of the stock within a short time, its listing on a national securities exchange, and the prospects, financial condition, earnings and dividends of the issuer and customers were advised to sell other securities they owned in order to purchase this security and urged to make repeated purchases of the stock. Further, the member and Nash sold the same securities to customers at prices which were unfair and not reasonably related to the prevailing market prices.

Baron, Joseph  
Los Angeles, California

On September 22, 1966, the Securities and Exchange Commission suspended Joseph Baron from being associated with a broker or dealer for six (6) months for violations of Section 17(a) of the Securities Act of 1933; Sections 10(b) and 15(c)(1) of the Securities Exchange Act of 1934 and Rules 10b-5 and 15c1-2 thereunder (see Securities Exchange Act Release #7959). The penalty was based on findings that Baron made misleading representations of or omitted material facts concerning the earnings and prospects of the issuing companies as well as the future market prices of their securities. The suspension of six (6) months commenced with the opening of business September 26, 1966.

Baumgartner, Robert M.  
Grand Forks, North Dakota

On September 28, 1966, District Business Conduct Committee for District #1 revoked the registration of Robert M. Baumgartner and fined him \$3,000 for violations of Sections 1, 18 and 19(a) of Article III of the Rules of Fair Practice. The penalties were based on findings that Baumgartner permitted the execution of unauthorized sales transactions in a customer's account; received the proceeds checks with a customer's endorsement which he knew or should have known was fictitious and thereafter he negotiated the checks and transmitted the funds to another individual, since deceased.

Keller, William B.  
Santa Ana, California

On September 30, 1966, the Board of Governors revoked the registration of William B. Keller for failure to pay the fine and costs assessed in connection with findings of violations of Association rules. This action was based on the provisions of Section 2 of Article V of the Rules of Fair Practice.

O'Gorman, Floyd Earl  
Los Angeles, California

On September 22, 1966, the Securities and Exchange Commission suspended Floyd Earl O'Gorman from being associated with a broker or dealer for six (6) months for violations of Section 17(a) of the Securities Act of 1933; Sections 10(b) and 15(c)(1) of the Securities Exchange Act of 1934 and Rules 10b-5 and 15c1-2 thereunder (see Securities Exchange Act Release #7959). The penalty was based on findings that O'Gorman made misleading representations of or omitted material facts concerning the earnings and prospects of the issuing companies as well as the future market prices of their securities. The suspension of six (6) months commenced with the opening of business September 26, 1966.

Shilling, John J.  
San Marion, California

On September 30, 1966, the Board of Governors revoked the registration of John J. Shilling for failure to pay the fine assessed in connection with findings of violations of Association rules. This action was based on the provisions of Section 2 of Article V of the Rules of Fair Practice.

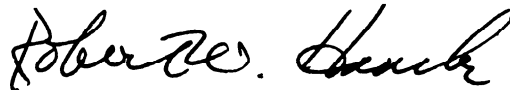
Urich, Glen P.  
Belmont, California

On September 27, 1966, the Securities and Exchange Commission barred Glenn P. Urich from being associated with any broker or dealer (see Securities Exchange Act Release #7963A). Urich, who submitted a stipulation in which he waived a hearing and without admitting or denying the allegations of violations of Sections 5(a), 5(c) and 17(a) of the Securities Act of 1933; Section 10(b) of the Securities Exchange Act of 1934 and Rule 10b-5 thereunder, he consented to the entry of an



order barring him from being associated with a broker or dealer. The order for proceedings alleged that Urich offered, sold and delivered fractional undivided interests in mineral rights when no registration statement had been filed or was in effect with respect to such securities; failed to complete payment for such securities and to deliver the securities to customers who had paid for them, purchased and sold such securities while a petition for bankruptcy filed by him was pending, and made certain materially false and misleading statements to purchasers.

The attention of members is directed to Section 25 of Article III of the Rules of Fair Practice and to an interpretive memorandum beginning on Page G-35 of the Association's Manual relating to the manner in which the Rules of Fair Practice apply to transactions between members and a member who has been suspended or expelled.



Robert W. Haack  
President

NOTE: This notice is being sent to all registered branch offices of members and as it relates to Robert M. Baumgartner and William B. Keller to newspaper financial editors (in accordance with the resolution appearing on Pages H-9 and 10 of the Association's Manual).

# NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

888 SEVENTEENTH STREET N. W. WASHINGTON, D. C. 20006

November 7, 1966 #31

## NOTICE

To Members of the National Association of Securities Dealers, Inc.  
Your attention is directed to the following actions:

Regina Dlugash, dba  
Douglas Enterprises  
Brooklyn, New York

On October 10, 1966, the Securities and Exchange Commission revoked the broker-dealer registration of Regina Dlugash, dba Douglas Enterprises and expelled her from membership in the Association for violations of Section 17(a) of the Securities Act of 1933; Sections 10(b) and 15(c)(1) of the Securities Exchange Act of 1934 and Rules 10b-5, 10b-6 and 15c1-2 thereunder (see Securities Exchange Act Release #7972). The penalties were based on findings that Regina Dlugash, Jack Dlugash and Marvin Abel, registered representatives, made false and misleading statements in the sale of stock; and Douglas aided and abetted another firm's violations by placing bids for and purchasing stock while also engaged in its distribution. Jack Dlugash and Abel were found to be causes of the revocation of the firm's broker-dealer registration.

Kamen & Company  
New York, New York

On September 29, 1966, the Securities and Exchange Commission suspended Kamen & Company from membership in the Association for ten (10) business days; suspended Abraham Kamen, its managing partner, from association with any broker or dealer for ninety (90) days; barred Brian Barrabee from further association with any broker or dealer (see Securities Exchange Act Release #7965). The penalties were based on findings of conduct involving among other things a "manipulative scheme" wherein a group of registered representatives and others induced numerous non-exchange members to place their exchange business in listed securities with another broker-dealer and later with Kamen & Company on the representation that

those two firms would reciprocate by furnishing over-the-counter business. The reciprocation was furnished in the form of contrived transactions in the stock of another broker-dealer which was passed from one firm to another at successively higher prices dictated by the group in such a way as to permit each firm to realize profits in varying amounts. The Commission found that while Kamen & Company and Kamen were not active participants in the scheme it was determined that they pursued a policy of non-interference and thereby failed to discharge their responsibilities to institute and maintain reasonable supervisory procedures designed to prevent violations of the securities acts and regulations, and that such failure on their part is a basis for remedial action against them. Barrabee was found to have aided and abetted a scheme which he knew was fraudulent, as many of the circuits in the contrived transactions began and ended at the firm with which Barrabee was associated. The suspension of Kamen & Company for ten (10) business days commenced October 31, 1966, and will conclude November 11, 1966; the suspension of Abraham Kamen for ninety (90) days also commenced October 31, 1966.

On September 29, 1966, in a separate decision the Securities and Exchange Commission set aside the action taken by the Association against the firm and Abraham Kamen because the Association's action was based on the same activities as those involved in the Commission's proceedings (see Securities Exchange Act Release #7966).

Langley-Howard, Inc.  
Pittsburgh, Pennsylvania

On October 26, 1966, the Securities and Exchange Commission affirmed the findings and penalties imposed by the Association against Langley-Howard, Inc., and John A. Howard (see Securities Exchange Act Release #7986). Therefore, the Board of Governor's decision stands as rendered wherein Langley-Howard, is expelled from membership in the Association and fined \$3,000; the registration of John A. Howard is revoked and he is fined \$5,000 and they are assessed costs, jointly and severally, for violations of Sections 1 and 4 of Article III of the Rules of Fair Practice. The penalties were based on findings that the firm and Howard sold securities to customers at prices which were not fair and not reasonably related to the current market. The Commission set aside the action taken by the Association against five registered representatives for selling securities at unfair prices because the record did not support the Association's findings that the registered representatives should have known that the prices were unfair.

W. J. Meehan & Co.  
Phoenix, Arizona

On October 28, 1966, the Board of Governors expelled W. J. Meehan & Co., from membership in the Association for failure to pay the fine and costs assessed in connection with findings of violations of Association rules. This action was based on the provisions of Section 2 of Article V of the Rules of Fair Practice.

Reuben Rose & Co., Inc.  
New York, New York

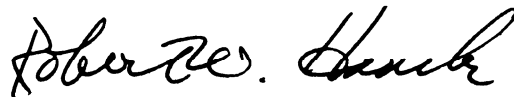
On October 10, 1966, the Securities and Exchange Commission suspended Reuben Rose & Co., Inc., from membership in the Association for sixty (60) days and barred William Rosenthal from continuing in or re-entering the securities business as an associated person of any broker or dealer without the permission of the Commission (see Securities Exchange Act Release #7972). The penalties were based on findings that the member together with or aided and abetted by Rosenthal willfully violated Section 17(a) of the Securities Act of 1933; Sections 10(b) and 15(c)(1) of the Securities Exchange Act of 1934 and Rules 10b-5 and 15c1-2 thereunder, in that Rosenthal as trader for Reuben Rose & Co., Inc., placed quotations in the "pink sheets" pursuant to the instructions of an employee of another firm and thereby assisted the latter in the creation of an artificial market. The Commission found that Reuben Rose & Co., Inc., failed to supervise properly the day-to-day activities of Rosenthal, who was named a cause of the firm's suspension. The suspension of sixty (60) days commenced October 24, 1966.

On September 29, 1966, in a separate decision the Securities and Exchange Commission set aside the action taken by the Association against Reuben Rose & Co., Inc., as previously reported in the Association's Manual. The Commission reversed findings that the failure of the member's management to discover a fraudulent scheme of its employees placed the firm and its management in violation of Association rules since the scheme was devious, was concealed from management, and where management dismissed employee within a short time after the scheme had been put into effect. (see Securities Exchange Act Release #7964).

Pat Denardo                      Earl Sheets  
Harrell J. Moore                Eugene Smith  
Columbus, Ohio

On October 6, 1966, the Securities and Exchange Commission suspended Pat Denardo, Harrell J. Moore, Earl Sheets and Eugene Smith from being associated with any broker or dealer for a period of six (6) months effective October 6, 1966, with their future return to the securities business being subject to an appropriate showing that they will be adequately supervised. The Commission alleged in its order for proceedings that the individuals violated and aided and abetted a broker-dealer's violations of the anti-fraud provisions of the Federal securities laws in the sale of Certified Credit and Thrift Corp., in that they made false and misleading representations concerning, among other things, the identity of Certified as the issuer of the securities being offered, the inter-relationship with other companies including the broker-dealer, the business and financial history and experience of Certified and its management and of another company and the comparison of Certified with established and highly successful companies, and the market and growth potential of Certified stock. It was alleged that these acts constituted violations of Section 17(a) of the Securities Act of 1933; Sections 10(b) and 15(c)(1) of the Securities Exchange Act of 1934 and Rules 10b-5 and 15c1-2 thereunder (see Securities Exchange Act Release #7970). Without admitting or denying the allegations the individuals consented to the entry of the bar order.

The attention of members is directed to Section 25 of Article III of the Rules of Fair Practice and to an interpretive memorandum beginning on Page G-35 of the Association's Manual relating to the manner in which the Rules of Fair Practice apply to transactions between members and a member who has been suspended or expelled.



Robert W. Haack  
President

NOTE:                      This notice is being sent to all registered branch offices of members.

# IMPORTANT NOTICE TO BROKERS

# STOLEN SECURITIES



**INSURANCE BY NORTH AMERICA**

Insurance Company of North America

New York Office

79 John Street, New York, N. Y. 10038

November 9, 1966

Please take notice that on or about October 25, 1966 the Bonds and Securities listed below were found to be missing from Newburger, Loeb & Co., New York City.

### LIST OF MISSING BONDS AND SECURITIES

<u>Total Value</u>	<u>Description</u>	<u>Bond Numbers</u>
\$100,000	U. S. Treasury Bearer Bond 3 1/2% Due 11/15/98 with 11/15/66 A. S. C. A.	12309
\$100,000	U. S. Treasury Bearer Bond 3 1/2% Due 11/15/98 with 11/15/66 A. S. C. A.	4182
\$100,000	Commonwealth of Puerto Rico Bearer Bonds 3 1/4% Due 7/1/70 with 1/1/67 A. S. C. A. dated 1/1/67 Series B - \$5,000 ea.	1161/1180
\$100,000	U. S. Treasury Bill Due 1/12/67	6911201
\$100,000	U. S. Treasury Bill Due 1/12/67	2062429

<u>Total Value</u>	<u>Description</u>	<u>Bond Numbers</u>
\$100,000	U. S. Treasury Bill Due 12/8/66	6875192
\$100,000	Banks for Cooperatives Debentures 5.40% Due 12/1/66 dated 6/1/66	CM54346
\$100,000	N. Y. S. Dormitory Authority 3.70% Due 7/1/94, St. Lawrence College - \$5,000 ea.	1665/1680 1683/1686
\$ 50,000	N. Y. S. Dormitory Authority (Elmira) 3.90% Due 7/1/90 Issued 7/1/65 - \$5,000 ea.	454/455 458/465
\$ 60,000	N. Y. S. Dormitory Authority (University of State of NY) 3.30% Due 7/1/90 issued of 12/1/62 - \$5,000 ea.	7170/7181
\$ 25,000	N. Y. S. Thruway General Revenue Bonds 2-3/8% Due 1/1/75 issue of 1954 Series B - \$1,000 ea.	651/75
\$ 30,000	N. Y. S. Thruway General Revenue Bonds, 6% Due 1/1/70 issue of 1962 Series D - \$1,000 ea.	666/75 626/35 61/69
\$ 25,000	N. Y. S. Thruway Guarantee Bonds 2 1/2% 2nd issue of 1953 \$1,000 ea.	35166/75 36812/26
\$100,000	N. Y. C. Bonds 4.90% Due 2/15/69, Series 108, Dated 8/15/66 - \$5,000 ea.	2302/22
\$ 40,000	N. Y. C. Bonds 4.90% Series 108, Due 2/15/80, dated 8/15/65 - \$5,000 ea.	1447/1454

<u>Total Value</u>	<u>Description</u>	<u>Bond Numbers</u>
\$100,000	N. Y. C. Bonds 3.60% Due 2/1/69 Issued 8/1/65, Series 94 - \$5,000 ea.	3403/20 961/962
\$ 40,000	Greenburgh Mount Pleasant U. F. S. D. # 1, 3.40%, issue of 1964 Due 7/1/87 - \$5,000 ea.	207/214
\$ 40,000	Greenburgh Mount Pleasant U. F. S. D. # 1, 3.40%, issue of 1964 Due 7/1/67 - \$5,000 ea.	22/29
\$ 10,000	Greenburgh U. F. S. D. # 9, 3.20%, issue of 1963 Due 8/1/72 - \$5,000 ea.	28/29
\$ 50,000	The Turnpike Authority of Kentucky. Central Kentucky Toll Road Revenue Bonds dated 1/1/63 4.10% due 7/1/2002 \$5,000 ea.	108/112 2387 3201/4

MISSING SECURITIES

<u>Total Value</u>	<u>Description</u>	<u>Ctf. Numbers</u>
\$ 64,000	1000 shs. of ITEK Corp. r/i/n/o Newburger, Loeb & Co. - 100 shs. ea.	NC3062/3 NC3072 NC3183 NC3481 NC4331/5
\$540,000	12000 shs. of Radio Corp. of America r/i/n/o Newburger, Loeb & Co. - 100 shs. ea. (20) - 1000 shs. ea. (10)	S-316102/3      S-299146 S-316865/6      S-304593/94 S-317559/60      S-304787 S-60763            S-305742 S-60766/70        S-393850 RM4879/88-1000 shs. ea. S-263797 S-275407



<u>Total Value</u>	<u>Description</u>	<u>Ctf. Numbers</u>
\$ 66,000	200 shs. of IBM r/i/n/o Newburger, Loeb & Co. 25 shs. ea.	551706 582923 582925 617160 689677/8 689680 169127

The Trustees, Transfer Agents and Registrars have put "stops" on transferring any of these Bonds or Securities.

We are advising you of this fact in order that you might alert your staff against purchasing any of these Securities or accepting them as collateral for loans.

Should any of the Bonds or Certificates be presented to you, please notify your local Police, the FBI, Newburger, Loeb & Co. at 5 Hanover Square, New York City and this Company.

INSURANCE COMPANY OF NORTH AMERICA

ATTENTION NASD MEMBERS

\$100,000 Treasury Bill Missing

*in file*

The NASD has been advised of the disappearance from a member's vault of a \$100,000 U. S. Treasury Bill issued March 10, 1966, and due September 8, 1966. The serial number on the Bill is #6695992.

Members are requested to advise the Executive Office of the Association if any information relating to this specific treasury bill comes to their attention.

# NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

888 SEVENTEENTH STREET N. W. WASHINGTON, D. C. 20006

November 16, 1966 #32

## NOTICE

To Members of the National Association of Securities Dealers, Inc.  
Your attention is directed to the following actions:

H. C. Keister & Company  
New York, New York

On November 1, 1966, the Securities and Exchange Commission affirmed the findings and penalties taken by the Association against H. C. Keister & Company and H. C. Keister, but modified the penalty as to another partner of the firm (see Securities Exchange Act Release #7988). Therefore, the Board of Governors Decision stands as rendered wherein H. C. Keister & Company is expelled from membership in the Association; the registration of H. C. Keister is revoked and they are assessed costs equally, for violations of Sections 1, 10 and 18 of Article III of the Rules of Fair Practice and violations of Section 21 of Article III by the firm. The penalties were based on findings that the firm at the instigation of its trader, interposed itself between another firm and the best available market in the execution of the other firm's customers' orders; made payments to an employee of the other firm to influence and reward him in placing orders with Keister without the knowledge or consent of the employer member; maintained a fictitious account for payment to the employee of the other firm; and failed to register an individual with the Association as required.

Robbins, Clark & Co., Inc.  
New York, New York

On October 30, 1966, District Business Conduct Committee for District #12 expelled Robbins, Clark & Co., Inc., from membership in the Association and revoked the registration of Arthur Clark for violations of Sections 1, 18, 19(a) and 21 of Article III of the Rules of Fair Practice. The penalties were based on findings that the firm and Clark, president and operating head of the firm, violated the SEC Net Capital Rule; made entries on the books and records reflecting deliveries and payments of sale proceeds to customers when in fact neither deliveries nor payments were made.

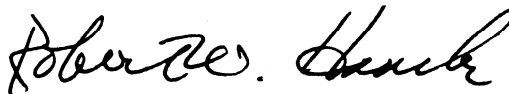
Enzor, William W.  
Orlando, Florida

On October 30, 1966, District Business Conduct Committee for District #7 revoked the registration of William W. Enzor and he was assessed costs for violations of Sections 1, 18 and 19 of Article III of the Rules of Fair Practice. The penalties were based on findings that Enzor effected unauthorized transactions in customers' accounts and converted the proceeds to his own use.

Karp, Charles Daniel  
New York, New York

On October 30, 1966, District Business Conduct Committee for District #12 revoked the registration of Charles Daniel Karp and fined him \$1,000 and barred him from further association with any member for violations of Sections 1 and 18 of Article III of the Rules of Fair Practice. The penalties were based on findings that Karp, concealing his affiliation with his employer, caused another member to open customer accounts and therewith caused the member to effect sale transactions for the accounts upon the representation that the customers owned the securities being sold when in fact, the sales were "short" sales requiring their repurchase by the executing member at a loss; and caused his employer to carry an unsecured debit balance in his margin account which he failed and neglected to meet.

The attention of members is directed to Section 25 of Article III of the Rules of Fair Practice and to an interpretive memorandum beginning on Page G-35 of the Association's Manual relating to the manner in which the Rules of Fair Practice apply to transactions between members and a member who has been suspended or expelled.



Robert W. Haack  
President

NOTE: This notice is being sent to all registered branch offices of members and with the exception of H. C. Keister & Company to newspaper financial editors (in accordance with the resolution appearing on Pages H-9 and 10 of the Association's Manual).



# NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

888 SEVENTEENTH STREET N. W. WASHINGTON, D. C. 20006

November 21, 1966

TO: Members of the Association

Members who act as brokers for customers in transactions in listed securities in the "third market", and members who make markets in such securities, have sought clarification and uniformity regarding the disclosures to be made to customers in situations in which the third market firms had confirmed to the retailing member plus or minus a differential, e. g., "20 plus 1/8" or "20 minus 1/8". In some such cases the confirmation from the retailing member to the customer has indicated that the transaction was effected for the customer at a price of 20 and that the total commission paid by the customer was received by the retailing member, and it failed to disclose that the retailing member, in effect, absorbed the 1/8 differential charged by the third market firm.

In cases such as those described above, where the retailing member effects an agency transaction for his customer with a third market firm at a price which is in line with the then current price on the exchange plus or minus a differential, with the retailer absorbing the differential charged by the third market firm, the following legends should be used by the retailing member to insure adequate disclosure on the confirmation to the customer:

In a case of a purchase for the customer

This security was purchased from a dealer who confirmed the transaction at a price of 20 plus 1/8. However the 1/8, or \$12.50, is paid by us out of our commission.

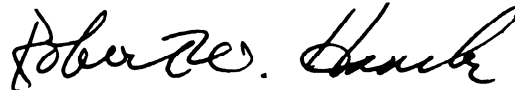
In a case of a sale for the customer

This security was sold to a dealer who confirmed the transaction at a price of 20 minus 1/8. However the 1/8, or \$12.50, is paid by us out of our commission.

It should be noted that the dollar amount as well as the fractional differential must be shown, and the dollar amount must be the total amount absorbed by the retailing member.

Failure to send an appropriate confirmation in these situations may involve not only conduct inconsistent with high standards of commercial honor and just and equitable principles of trade, but also violations of rules of the Securities and Exchange Commission, particularly the confirmation rule.

Very truly yours,

A handwritten signature in cursive script, reading "Robert W. Haack". The signature is written in dark ink and is positioned above the printed name.

Robert W. Haack  
President

# NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

888 SEVENTEENTH STREET N. W. WASHINGTON, D. C. 20006

November 21, 1966 #33

## NOTICE

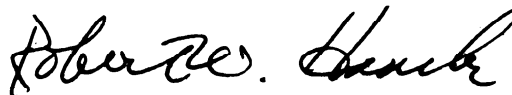
To Members of the National Association of Securities Dealers, Inc.  
Your attention is directed to the following action:

Regina Dlugash, dba  
Douglas Enterprises  
Brooklyn, New York

Reference is made to Notice to Members #31, dated November 7, 1966, wherein it was stated that the broker-dealer registration of Regina Dlugash, dba Douglas Enterprises had been revoked and expelled from membership in the Association; and Jack Dlugash and Marvin Abel were found to be causes of the revocation.

Such action has been stayed pending an appeal to the Court of Appeals.

The attention of members is directed to Section 25 of Article III of the Rules of Fair Practice and to an interpretive memorandum beginning on Page G-35 of the Association's Manual relating to the manner in which the Rules of Fair Practice apply to transactions between members and a member who has been suspended or expelled.



Robert W. Haack  
President

NOTE: This notice is being sent to all registered branch offices of members.