

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

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

NOTICE

January 5, 1965 #18

To Members of the
National Association of Securities Dealers, Inc.

Your attention is directed to the following actions:

C. A. Benson and Co., Inc.
Pittsburgh, Pennsylvania

The Board of Governors, on December 18, 1964, denied a Request for Rehearing and Redetermination of its Decision rendered on September 10, 1964, wherein C. A. Benson and Co., Inc. was expelled from membership in the Association and fined \$2,500 for violations of Sections 1, 4 and 13 of Article III of the Rules of Fair Practice. The penalties were based on findings that the member published misleading sales literature, violated the SEC Net Capital Rule, failed to disclose the existence of common control and sold securities to customers at prices which were not fair and not reasonably related to the current market. The registrations of representatives Carl A. Benson and James H. Alm were revoked, they were censured and fined \$1,500 and \$750, respectively.

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

Costello, Russotto & Co.
Beverly Hills, California

The Board of Governors, in a Decision rendered on December 23, 1964, suspended Costello, Russotto & Co. from membership in the Association for a period of sixty (60) days for violations of Sections 1, 4 and 21 of Article III of the Rules of Fair Practice. The suspension was based on findings that the member failed to maintain and keep current proper books and records, sold securities to customers at prices which were not fair and not reasonably related to the current market and violated Sections 4(c)(2) and 4(c)(8) of Regulation T of the Federal Reserve Board. The registration of representative Frank A. Costello was suspended for 60 days and he was fined \$1,000.

The member and the representative have thirty (30) days from the date of the Decision to appeal this action to the Securities and Exchange Commission. Therefore, the above penalties shall not become effective and the suspensions shall not commence until the opening of business on Monday, January 25, 1965. In the event of an appeal, the matter will be stayed pending the outcome of Commission proceedings.

J. Brad David, Ltd.
New York, New York

District Business Conduct Committee for District #12 expelled J. Brad David, Ltd. from membership in the Association effective December 27, 1964, for violations of Section 1 of Article III of the Rules of Fair Practice. The expulsion was based on findings that the member failed to comply with formal written requests for information. The registration of representative Donald Hecht was revoked.

Fabrikant Securities Corp.
New York, New York

District Business Conduct Committee for District #12 expelled Fabrikant Securities Corp. from membership in the Association effective December 27, 1964, for violations of Section 1 of Article III of the Rules of Fair Practice. The expulsion was based on findings that the member failed to comply with formal written requests for information. The registration of representative Martin Fabrikant was revoked.

The C. H. Kahler Co.
Sayville, New York

District Business Conduct Committee for District #12 expelled Carl Henry Kahler, dba The C. H. Kahler Co., from membership in the Association effective December 27, 1964, for violations of Section 1 of Article III of the Rules of Fair Practice. The expulsion was based on findings that the member failed to comply with formal written requests for information.

G. H. Musekamp & Co.
Cincinnati, Ohio

The Board of Governors, in a Decision rendered on December 17, 1964, suspended G. H. Musekamp & Co. from membership in the Association for a period of thirty (30) days and fined it \$500 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 failed to maintain and keep current proper books and records. Representative George H. Musekamp, III was censured, fined \$500 and named a cause of the suspension.

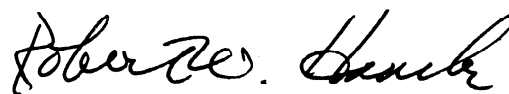
The member and the representative have thirty (30) days from the date of the Decision to appeal this action to the Securities and Exchange Commission. Therefore, the above penalties shall not become effective and the suspension shall not commence until the opening of business on Monday, January 18, 1965. In the event of an appeal, the matter will be stayed pending the outcome of Commission proceedings.

Pacific Coast Securities Company
San Francisco, California

The Board of Governors, in a Decision rendered on December 17, 1964, expelled Pacific Coast Securities Company from membership in the Association and fined it \$5,000 for violations of Sections 1, 4, 5, 13 and 18 of Article III of the Rules of Fair Practice. The penalties were based on findings that the member sold securities to customers at prices which were not fair and not reasonably related to the current market; failed to disclose to customers the existence of common control with two corporations of which Edward R. Bunting, registered representative and president of the member, was president; violated Section 4(c)(2) of Regulation T of the Federal Reserve Board; sold certain shares to another broker/dealer and repurchased them a few days later at a profit to the other broker/dealer, and utilized customers' accounts of certain corporations, all of which Bunting was in a controlling relationship with, in a like manner; caused to be published quotations which did not represent bona fide bids and offers of securities; and failed to furnish information as requested by the Association in that free-riding questionnaires submitted did not include sales to insiders. The registration of Bunting was revoked, he was fined \$5,000 and found to be a cause of the expulsion.

The member and the registered representative have thirty (30) days from the date of the Decision to appeal this action to the Securities and Exchange Commission. Therefore, the above penalties shall not become effective until January 18, 1965, and in the event of an appeal, the matter will be stayed pending the outcome of Commission proceedings.

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 Page H-10 of the Association's Manual).

on file

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

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

January 14, 1965 #1

NOTICE

To Members of the
National Association of Securities Dealers, Inc.

Your attention is directed to the following actions:

Blackford & Co., Inc.
Kansas City, Missouri

The Board of Governors, in a Decision rendered on December 30, 1964, suspended Blackford & Co., Inc. from membership in the Association for a period of ninety (90) days, censured and fined it \$2,500 for violations of Sections 1, 18 and 21 of Article III of the Rules of Fair Practice. The penalties were based on findings that the member and representatives Aaron Vincent Blackford and Elliot Mitchell Hollub sent confirmations to persons not firmly committed to purchase shares of a new issue; that the member and Blackford employed deceptive procedures to stimulate interest in the same issue by informing other broker/dealers and members of the public that the offering had been closed and that the stock was available for trading; that the member violated Section 4(c)(2) of Regulation T of the Federal Reserve Board and failed to maintain and keep current proper books and records. The registration of Blackford was suspended for 90 days and he was fined \$1,000. The registration of representative Hollub was suspended for 15 days.

The member and the representatives have thirty (30) days from the date of the Decision to appeal this action to the Securities and Exchange Commission. Therefore, the above penalties will not become effective and the suspensions will not commence until the opening of business on Monday, February 1, 1965. In the event of an appeal, the matter will be stayed pending the outcome of Commission proceedings.

Crow, Brouman & Chatkin, Inc.
Pittsburgh, Pennsylvania

The Board of Governors, in a Decision rendered on January 7, 1965, suspended Crow, Brouman & Chatkin, Inc. from membership in the Association for a period of thirty (30) days for violations of Sections 1 and 18 of Article III of the Rules of Fair Practice. The suspension was based on findings that the member and representatives Thomas S. Crow and Joseph S. Lenchner "parked" shares of the same security on two occasions with another member, with the result that the other member was defrauded of monies, and aided and abetted the vice president of the other member in defrauding his employer and aided in concealing the fraud which had been perpetrated. The registrations of representatives Crow and Lenchner were suspended for 30 days and they were each fined \$500.

The member and the representatives have thirty (30) days from the date of the Decision to appeal this action to the Securities and Exchange Commission. Therefore, the above penalties will not become effective and the suspensions will not commence until the opening of business on Monday, February 8, 1965. In the event of an appeal, the matter will be stayed pending the outcome of Commission proceedings.

G. E. C. Securities, Inc.
New York, New York

The Board of Governors, in a Decision rendered on January 8, 1965, expelled G. E. C. Securities, Inc. from membership in the Association for violations of Sections 1, 4, 18 and 19(a) of Article III of the Rules of Fair Practice. The expulsion was based on findings that the member and representatives Leonard Axelrad and Joel Glass engaged in a securities business while unable to meet current liabilities, violated the SEC Net Capital Rule, commingled certain securities of customers with the firm's securities in contravention of SEC Rule 15c2-1, sold securities to customers at prices which were not fair and not reasonably related to the current market and violated Section 4(c)(2) of Regulation T of the Federal Reserve Board. The registrations of representatives Axelrad and Glass were revoked.

The member and the representatives have thirty (30) days from the date of the Decision to appeal this action to the Securities and Exchange Commission. Therefore, the above penalties will not become effective until February 7, 1965 and, in the event of an appeal to the Commission, the matter will be stayed pending the outcome of Commission proceedings.

N. A. Hart & Company
Bayside, New York

The Securities and Exchange Commission on January 8, 1965, revoked the broker/dealer registration of N. A. Hart & Company and expelled it from membership in the Association (see SEC Release #7504), for willful violations of Sections 10(b), 15(c)(1), 15(c)(2), 15(c)(3) and 17(a) of the Exchange Act of 1934 and Rules 10b-5, 15c1-2, 15c2-1, 15c3-1, 17a-3 and 17a-4 thereunder. Norbert Hochschartner and Milton Cramer were each found a cause of such revocation and expulsion.

Pacific Coast Securities Company
San Francisco, California

The Securities and Exchange Commission on December 22, 1964, revoked the broker/dealer registration of Pacific Coast Securities Company (see SEC Release #7486), for willful violations of Sections 5(a), 5(c) and 17(a) of the Securities Act of 1933, Sections 7(c), 10(b), 15(c)(1) and 17(a) of the Exchange Act and Rules 10b-5, 10b-6, 15c1-2 and 17a-3 thereunder and Section 4(c) of Regulation T of the Federal Reserve Board. Edward R. Bunting, its president, was found to be a cause of the revocation.

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 Page H-10 of the Association's Manual).

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

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

January 26, 1965 #3

NOTICE

To Members of the
National Association of Securities Dealers, Inc.

Your attention is directed to the following actions:

Costello, Russotto & Co.
Beverly Hills, California

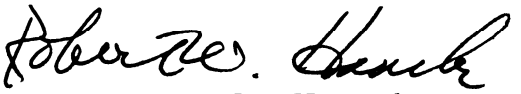
Reference is made to "Notice to Members #18" dated January 5, 1965, wherein it was stated that the Board of Governors had suspended Costello, Russotto & Co. from membership in the Association for a period of 60 days and suspended the registration of representative Frank A. Costello also for 60 days and fined him \$1,000 in a decision rendered on December 23, 1964.

Such action has been stayed by reason of appeal to the Securities and Exchange Commission.

R. B. Marx & Co., Inc.
Miami, Florida

Reference is made to "Notice to Members #17" dated December 29, 1964, wherein it was stated that the Board of Governors had expelled R. B. Marx & Co., Inc. from membership in the Association and revoked the registration of representative Richard B. Marx in a decision rendered December 10, 1964.

Such action has been stayed by reason of appeal to the Securities and Exchange Commission.


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

January 29, 1965 #4

NOTICE

To Members of the
National Association of Securities Dealers, Inc.

Your attention is directed to the following actions:

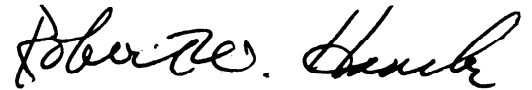
Managed Equities, Incorporated
Portland, Oregon

On January 22, 1965, the Securities and Exchange Commission suspended Managed Equities, Incorporated from membership in the Association for a period of four (4) weeks, commencing at the opening of business on February 1, 1965 and concluding February 28, 1965 (see SEC Release #7519), for willful violations of Sections 15(c)(3) and 17(a) of the Exchange Act and Rules 15c3-1 and 17a-3 thereunder. James I. Hessler, its president, was found to be a cause of such suspension.

H. A. Riecke & Co., Inc.
Philadelphia, Pennsylvania

District Business Conduct Committee for District #7 expelled H. A. Riecke & Co., Inc. from membership in the Association and fined it \$5,000 effective January 27, 1965, for violations of Sections 1, 2, 18 and 27(a) of Article III of the Rules of Fair Practice. The penalties were based on findings that the member recommended the purchase and sale of securities to customers, most of whom were elderly, retired widows, without having reasonable grounds for believing that the recommendations were suitable for the customers in view of their financial situation and needs; that the member and Roy C. Alloway, a registered representative in its Daytona Beach, Florida, branch office, recommended mutual fund switches to two customers without having reasonable grounds for believing that the recommendations were suitable; and that the member failed to supervise the transactions and correspondence of Alloway. The registration of Alloway was suspended for thirty (30) days, commencing at the opening of business February 8, 1965 and concluding March 9, 1965, and he was fined \$1,000.

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 Page H-10 of the Association's Manual).

FOREIGN COMMITTEE

File
to
on file

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

67 BROAD STREET, NEW YORK, NEW YORK 10004

February 9, 1965

To: Members of the National Association of Securities Dealers, Inc.
Re: Transactions in Foreign Securities

Information is desired as to whether your firm has had or has not had any transactions, as principal or agent, in foreign securities during the periods April 1, 1963 to July 1, 1963 inclusive, and October 1, 1964 to December 31, 1964 inclusive.

Would you please furnish this information in writing to Mr. Lee C. Monett, National Association of Securities Dealers, Inc., 67 Broad Street, New York, New York, 10004.

For the purpose of this information, the term "Foreign Securities" excludes all Canadian securities and excludes transactions in foreign securities on a United States Stock Exchange.


The SEC has asked our cooperation in ascertaining this information in connection with the drafting of regulations concerning foreign securities under the 1964 Securities Amendments Act.

Your reply should be received not later than February 19, 1965.

Very truly yours,



Henri L. Froy
Chairman, Foreign Committee
National Association of Securities Dealers, Inc.



NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

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

February 12, 1965

A N N O U N C E M E N T

To: Members of the National Quotations Committee
and the
Quotations Staff and District Secretaries

From: John H. Hodges, Jr., Secretary
National Quotations Committee

Re: Quotations Committee

As of Monday, February 15, 1965, Mr. Philip Y. Sardoff will become Assistant Secretary of the National Quotations Committee replacing Theodore T. Wdowiak.

Phil was a member of the Quotations staff between August, 1961, and July, 1964, and most recently has been an Examiner in the District No. 12 office.

Ted Wdowiak will be employed by a member firm of the Association in New York.

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

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

February 19, 1965 #5

NOTICE

To Members of the
National Association of Securities Dealers, Inc.

Your attention is directed to the following actions:

G. E. C. Securities, Inc.
New York, New York

Reference is made to "Notice to Members #1, dated January 14, 1965, wherein it was stated that the Board of Governors in a Decision rendered on January 8, 1964, had expelled G. E. C. Securities, Inc. from membership in the Association and revoked the registrations of representatives Leonard Axelrad and Joel Glass.

Such action has been stayed by reason of appeal to the Securities and Exchange Commission with respect to Respondent Member only. The penalties imposed against representatives Leonard Axelrad and Joel Glass stand as previously announced.

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

Reference is made to "Notice to Members #2", dated January 21, 1965, wherein it was stated that the Board of Governors had expelled H. C. Keister & Company from membership in the Association and revoked the registrations of Respondents Keister and Beerman in a decision rendered on January 13, 1965.

Such action as pertains to Respondent Member and Respondent Keister has been stayed by reason of appeal to the Securities and Exchange Commission.

Kerns, Bennett & Co., Inc.
New York, New York

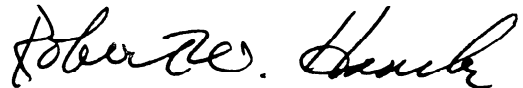
On February 8, 1965, Kerns, Bennett & Co., Inc. was expelled from membership in the Association for failure to pay a fine of \$1,000 imposed

upon it jointly and severally with representative Rubin J. Kaplan, by a decision of the Board of Governors in connection with findings of violations of Association Rules. The registration of representative Kaplan was revoked, also for failure to pay the fine. 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

On February 10, 1965 the Securities and Exchange Commission reduced the penalties of suspension from membership in the Association of John W. Yeaman Incorporated and John W. Yeaman for a period of four (4) months to censure. (See SEC Release #7527). The penalty was based on findings of violations of Section 1 of Article III of the Rules of Fair Practice in that the Respondents violated the SEC Net Capital Rule and Section 4(c)(2) of Regulation T of the Federal Reserve Board. Findings of violations of Sections 1 and 4 of Article III of the Rules of Fair Practice in that the Respondents sold securities to customers at prices which were not fair and not reasonably related to the current market, were dismissed.

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: With respect to Kerns, Bennett & Co., Inc. the notice of expulsion of the firm and the revocation of Rubin J. Kaplan will be sent to newspaper financial editors (in accordance with the resolution appearing on Page H-10 of the Association's Manual).

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

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

March 17, 1965 #6

NOTICE

To Members of the

National Association of Securities Dealers, Inc.

Your attention is directed to the following actions:

R. L. Colburn Company
Los Angeles, California

On March 9, 1965, the Securities and Exchange Commission suspended R. L. Colburn Company from membership in the Association for a period of thirty (30) days, commencing at the opening of business on March 15, 1965 and concluding at the closing of business on April 13, 1965 (see SEC Release #7547), for willful violations of Sections 11(d)(2) and 7(c) of the Exchange Act and Section 4(c)(2) of Regulation T. George J. Flach, Ray M. French and Norman Hudson were found to be a cause of the suspension.

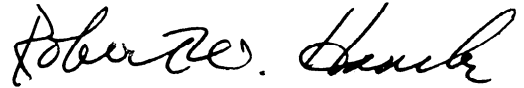
E. H. Farmer & Co., Inc.
Oshkosh, Wisconsin

On March 10, 1965, E. H. Farmer & Co., Inc. was expelled from membership in the Association for failure to pay the fine of \$1,000 imposed by a decision of District Business Conduct Committee for District #8 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.

Financial Security Inc.
Boise, Idaho

District Business Conduct Committee for District #3 suspended Financial Security Inc. from membership in the Association and fined it \$500 on February 11, 1965, for a violation of Section 1 of Article III of the Rules of Fair Practice. The suspension of fifteen (15) days becomes effective commencing at the opening of business on March 22, 1965 and concluding at the closing of business on April 5, 1965. The penalties were based on the finding that the member failed to keep its application for membership up to date.

In addition, the District Business Conduct Committee suspended the registrations of Howard G. Freiss, President, and Fred J. Snyder, Executive Vice-President, respectively, for a period of fifteen (15) days commencing at the opening of business on March 22, 1965 and concluding at the closing of business on April 5, 1965, and they were fined \$250.00 each for violations of Section 1 of Article III of the Rules of Fair Practice. These suspensions were based on findings that Freiss and Snyder improperly redeemed F.S.I. stock owned by them.



Robert W. Haack
President

NOTE: The notice of expulsion of E. H. Farmer & Co., Inc. and the suspension of Financial Security Inc. will be sent to newspaper financial editors in accordance with the resolution appearing on Page H-10 of the Association's Manual.

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

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

April 2, 1965 #7

NOTICE

To Members of the

National Association of Securities Dealers, Inc.

Your attention is directed to the following actions:

Broadwall Securities, Inc.
New York, New York

The registration of Broadwall Securities, Inc., as a broker and dealer was suspended by an order of the Securities and Exchange Commission dated March 12, 1965 (see SEC Release #7556) pending final determination of proceedings instituted pursuant to Sections 15(b) and 15A of the Securities Exchange Act of 1934.

Cramer, Detjen & Co.
Phoenix, Arizona

On March 23, 1965 the Securities and Exchange Commission revoked the broker/dealer registration of Cramer, Detjen & Co. and expelled it from membership in the Association for willful violations of the anti-fraud provision of Section 17(a) of the Securities Act of 1933 and Sections 10(b), 15(c)(1), 15(c)(3) and 17(a) of the Exchange Act and Rules 10(b)-5, 15c1-2, 15c3-1, 17a-3, 17a-4 and 17a-5 thereunder. Carlyle Lowy Detjen, President, Donald Lynn Cramer, Vice President and Lillian Christine Dirks (formerly Lillian Christine Beasley), Secretary-Treasurer, are each a cause of this order of revocation and expulsion (see SEC Release #7560).

On March 25, 1965 in a Decision of the Board of Governors, Cramer, Detjen & Co. was suspended from membership in the Association for a period of two (2) years for violations of Sections 1 and 21 of Article III of the Rules of Fair Practice. The suspension was based on findings that the member conducted business while unable to meet its current liabilities, violated the SEC Net Capital Rule and failed to keep and preserve records properly in that their contents were

erroneous and inadequate. The registrations of Carlyle L. Detjen, President, Donald L. Cramer, Vice President and Lillian C. Beasley, Secretary and Treasurer, were also suspended for a period of two (2) years.

The member and the representatives have thirty (30) days from the date of the Decision to appeal the Board of Governors' action to the Securities and Exchange Commission. In the event of an appeal, the Association's action will be stayed pending the outcome of the Commission's proceedings. This stay would not affect the Commission's own findings (see SEC Release #7560).

Guss & Stead Company
Salt Lake City, Utah

The Securities and Exchange Commission revoked the broker/dealer registration of Guss & Stead Company and expelled it from membership in the Association on March 12, 1965 (see SEC Release #7555) for willful violations of Sections 7(c), 10(a) and 17(a) of the Securities Exchange Act of 1934 and Rules 10a-1(b) and 17(a)-3 thereunder and Section 4(c) of Regulation T. Max Guss and H. Wayne Stead, Officers and Directors of Guss & Stead Company, were found to be a cause of such revocation and expulsion.

Midwest Planned Investments, Inc.
Minneapolis, Minnesota

On March 26, 1965 the Securities and Exchange Commission reduced the penalty of expulsion of Midwest Planned Investments, Inc. to a forty-five (45) day suspension from membership in the Association. The penalty was based on findings of violations of Sections 1 and 18 of Article III of the Rules of Fair Practice in that the member violated the SEC Net Capital Rule and failed to disclose a violation of the SEC Net Capital Rule in a prospectus used in the public offering of its own stock. The penalties of revocation of the registrations of Charles F. Wallander, Jr., President, and Myron O. Kirkeby, Executive Vice President, were also reduced to a suspension of their registrations for a period of forty-five (45) days. The revocation of the registration of Edward T. Johnston, Executive Vice President, was set aside.

The suspension of the firm and the registered representatives becomes effective commencing at the opening of business on April 2, 1965 and concluding at the closing of business on May 17, 1965.

Mutual Funds Service of Florida, Inc.
Hollywood, Florida

The Board of Governors in two separate Decisions rendered on March 25,

1965 expelled Mutual Funds Service of Florida, Inc. from membership in the Association. These decisions resulted from a complaint filed by a member of the Association and a complaint filed by the District Business Conduct Committee. The penalty of expulsion in the former decision was based on findings of violations of Section 1 of Article III of the Rules of Fair Practice in that the member failed to honor a trade in which it purchased securities from the complainant. The penalty of expulsion in the latter proceedings was based on findings of violations by the member and Allan S. Rader, President and Registered Representative of the member of Sections 1, 19(a) and 21 of Article III of the Rules of Fair Practice for failure to remit a dividend owed to a customer despite repeated requests by the customer and/or her attorney and violations of the books and records requirements because of improper recording of dividend receipts. The registration of Allan S. Rader was revoked.

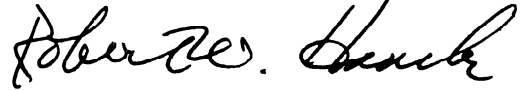
The member and the representative have thirty (30) days from the date of the Decision to appeal this action to the Securities and Exchange Commission. The above penalties will not, therefore, become effective until April 24, 1965. In the event of an appeal to the Securities Exchange Commission, imposition of the penalties will be stayed pending the outcome of the Commission's proceedings.

Nemrava & Company
Denver, Colorado

The Board of Governors in a Decision rendered on March 25, 1965, expelled Nemrava & Company from membership in the Association for violations of Sections 1, 12 and 21 of Article III of the Rules of Fair Practice. The expulsion was based on findings that the member sent misleading confirmations to customers in which neither the capacity in which it was acting nor commissions which were charged were properly disclosed; did not maintain books and records properly; violated Section 4(c) 2 and 4(c) 8 of Regulation "T"; "parked" securities in the accounts of principals of the member and their wives at the end of each month from October, 1963 through February 1964, and subsequently repurchased such securities after the month end; violated the SEC Net Capital Rule; submitted misleading financial statements to the Association and failed to register an individual prior to permitting him to perform duties which required registration. The aforementioned findings were made also as to Fred Hoerner, Steve Nemrava, B. F. Sedlak, and Lloyd Harty, Principals and Registered Representatives of the member. The registrations of Hoerner and Sedlak were revoked and the registrations of Nemrava and Harty were suspended for one (1) year.

The member and representatives have thirty (30) days to appeal this action to the Securities and Exchange Commission. The penalties will not, therefore, become effective until April 24, 1965, and the suspensions will not commence until the opening of business on Monday, April 26, 1965. In the event of an appeal to the Securities and Exchange Commission, imposition of the penalties will be stayed pending the outcome of the Commission's proceedings.

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: Notice will be sent to newspaper financial editors concerning the penalties imposed by the Board of Governors in its Decisions pertaining to Cramer, Detjen & Co., Mutual Funds Service of Florida, Inc. and Nemrava & Company.

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

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

April 15, 1965 #8

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 Board of Governors in a Decision rendered on April 5, 1965, suspended Amsbary, Allen & Morton, Inc. from membership in the Association for a period of ninety (90) days and fined it \$3700.00 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 Respondent Member and Hugh M. Casper, Larry A. Hirsh and Louis A. Moore, officers and registered representatives of the firm, sold securities to customers at prices which were not fair and not reasonably related to the current market; violated the books and records rule by failing to time sales memoranda; failed to register one individual as a representative with the Association and paid commissions to four individuals prior to their effective registration. The registrations of Respondents Casper, Hirsh and Moore were suspended for ninety (90) days.

The suspension of ninety (90) days of Amsbary, Allen & Morton, Inc., and Casper, Hirsh and Moore, will not become effective until May 6, 1965. In the interim the action is subject to review by the Securities and Exchange Commission or appeal by respondent to the Commission. Such a review or appeal will operate as a stay of the penalties imposed unless otherwise ordered by the Commission.

Thomas Jay, Winston & Co., Inc.
Beverly Hills, California

On April 2, 1965, Thomas Jay, Winston & Co., Inc. was expelled from membership in the Association for failure to pay the fine and costs imposed by a Decision of District Business Conduct Committee for District # 2

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.

Kettering, Frankel & Co., Inc.
Pittsburgh, Pennsylvania

The Board of Governors in a Decision rendered on April 5, 1965, suspended Kettering, Frankel & Co., Inc. from membership in the Association for a period of nine (9) months and fined it \$5000.00 for violations of Sections 1 and 4 of Article III of the Rules of Fair Practice. The penalties were based on findings that the Respondent Member and Oscar Frankel, a principal and registered representative, sold securities to customers at prices which were not fair and not reasonably related to the current market. The registration of Oscar Frankel was suspended for nine (9) months and he was fined \$5000.00.

The suspension of Kettering, Frankel & Co., Inc. and Oscar Frankel will not become effective until May 6, 1965. In the interim the action is subject to review by the Securities and Exchange Commission or appeal by respondents to the Commission. Such a review or appeal will operate as a stay of the penalties imposed unless otherwise ordered by the Commission.

J. E. Marken & Co., Inc.
New York, New York

District Business Conduct Committee for District # 12 expelled J. E. Marken & Co., Inc. from membership in the Association and fined it \$1000.00 jointly and severally with John E. Marken, president and registered representative of the firm, effective April 5, 1965, for violations of Section 1 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 for information. The registration of representative John E. Marken was revoked effective April 5, 1965.

G. H. Musekamp & Co.
Cincinnati, Ohio

On March 25, 1965, G. H. Musekamp & Co. was expelled from membership in the Association for failure to pay the fine of \$500.00 imposed by a Decision of District Business Conduct Committee for District # 9 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.

G. K. Shields & Co.
New York, New York

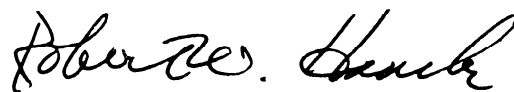
District Business Conduct Committee for District # 12 suspended G. K. Shields & Co. from membership in the Association for violations of Sections 1 and 18 of Article III of the Rules of Fair Practice. The suspension of one (1) year becomes effective commencing with the opening of business on April 12, 1965 and concludes with the closing of business on April 11, 1966. The penalties were based on the findings that the member engaged in a securities business while unable to meet current liabilities and violated the SEC Net Capital Rule. Respondent Garvin K. Shields was named as a cause of the suspension.

Strathmore Securities, Inc.
Pittsburgh, Pennsylvania

The Board of Governors in a Decision rendered on April 5, 1965, expelled Strathmore Securities, Inc. from membership in the Association and revoked the registration of Auldus H. Turner, Jr., vice president and registered representative of the member, and fined each \$1000.00 for violations of Sections 1 and 4 of Article III of the Rules of Fair Practice. The penalties were based on findings that the Respondent Member and Respondent Auldus H. Turner, Jr., sold securities to customers at prices which were not fair and not reasonably related to the current market and that Respondent Member violated Sections 4(c)(2) and 4(c)(8) of Regulation T of the Federal Reserve Board.

Such action has been 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 newspaper financial editors in accordance with the resolution appearing on Page H-10 of the Association's Manual.

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

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

To: All Members and Branch Offices

Re: New Supervision and Record-keeping Procedures under Sections 15, 21 and 27 of Article III of the Rules of Fair Practice.

In October, the Association membership approved by mail vote amendments to Sections 15, 21 and 27 of Article III of the Rules of Fair Practice, authorizing certain changes in supervision procedures and in record-keeping requirements governing accounts of customers and activities of registered representatives and persons associated with members. The Board of Governors has set July 1, 1965, as the effective date of these changes.

A booklet providing guidelines in this area has been published by the Board of Governors to assist members in developing new supervision arrangements and to comply with these and other rules. This booklet is being sent to each main and branch office. Additional copies, in reasonable amounts, are available from the Executive Office.

The records required by Section 21(b) must be prepared and maintained, beginning at the following times:

- (1) For all new accounts, when opened on or after July 1, 1965.
- (2) For existing accounts with security or money balances, promptly after July 1.
- (3) For existing accounts with no balances (inactive accounts), when a new transaction takes place or funds are received into the accounts after July 1, 1965.

You will note that Section 27 calls for each member to establish one or more Offices of Supervisory Jurisdiction, as defined. A list of all such offices must be filed with the Executive Office in Washington as soon as possible after July 1, 1965, and should be promptly updated.

It is emphasized by the Board of Governors that the new "Guide to Supervision Procedures" is designed as a helpful means of illustrating to the membership how the revised rules may be complied with, as well as indicating in some detail various types of forms, records and procedures that many members have found useful for supervision, for the avoidance of violations in other areas, and for sound business purposes.

May 1, 1965

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

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

To: All Members and Branch Offices

Re: New Supervision and Record-keeping Procedures under Sections 15, 21 and 27 of Article III of the Rules of Fair Practice.

In October, the Association membership approved by mail vote amendments to Sections 15, 21 and 27 of Article III of the Rules of Fair Practice, authorizing certain changes in supervision procedures and in record-keeping requirements governing accounts of customers and activities of registered representatives and persons associated with members. The Board of Governors has set July 1, 1965, as the effective date of these changes.

A booklet providing guidelines in this area has been published by the Board of Governors to assist members in developing new supervision arrangements and to comply with these and other rules. This booklet is being sent to each main and branch office. Additional copies, in reasonable amounts, are available from the Executive Office.

The records required by Section 21(b) must be prepared and maintained, beginning at the following times:

- (1) For all new accounts, when opened on or after July 1, 1965.
- (2) For existing accounts with security or money balances, promptly after July 1.
- (3) For existing accounts with no balances (inactive accounts), when a new transaction takes place or funds are received into the accounts after July 1, 1965.

You will note that Section 27 calls for each member to establish one or more Offices of Supervisory Jurisdiction, as defined. A list of all such offices must be filed with the Executive Office in Washington as soon as possible after July 1, 1965, and should be promptly up-dated.

It is emphasized by the Board of Governors that the new "Guide to Supervision Procedures" is designed as a helpful means of illustrating to the membership how the revised rules may be complied with, as well as indicating in some detail various types of forms, records and procedures that many members have found useful for supervision, for the avoidance of violations in other areas, and for sound business purposes.

May 1, 1965

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

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

May 12, 1965 #10

NOTICE

To Members of the

National Association of Securities Dealers, Inc.

Your attention is directed to the following actions:

Amsbary, Allen & Morton, Inc.
Pittsburgh, Penna.

Reference is made to "Notice to Members #8," dated April 15, 1965, wherein it was stated that the Board of Governors had suspended Amsbary, Allen & Morton, Inc. from membership in the Association for ninety (90) days and fined it \$3700 and suspended the registration of Hugh M. Casper, Larry A. Hirsh and Louis A. Moore for ninety (90) days.

Such action has been stayed by reason of appeal to the Securities and Exchange Commission.

Edward Edison & Company
Santa Monica, California

District Business Conduct Committee for District #2 expelled Edward Edison & Company from membership in the Association on May 1, 1965, for a violation of Section 1 of Article III of the Rules of Fair Practice. The penalty was based on findings that the member and Donald R. Brophy, president and registered representative, violated the SEC Net Capital Rule. The registration of Donald R. Brophy was revoked.

Elizabeth Securities, Inc.
Elizabeth, New Jersey

On April 30, 1965, the Securities and Exchange Commission revoked the broker/dealer registration of Elizabeth Securities, Inc. and expelled it from membership in the Association for willful violations of Section 17(a) of the Securities Act of 1933 and of Sections 10(b) and 15(c)(1) of the Securities

Exchange Act of 1934 and Rules 10b-5 and 15c1-2 thereunder (see SEC Release #7589). Nathaniel J. Rothenberg, George Heller and George Getz were each found to be a cause of such revocation and expulsion.

First Securities of Golden, Inc.
Golden, Colorado

District Business Conduct Committee for District #3 expelled First Securities of Golden, Inc. from membership in the Association on May 6, 1965 for violations of Sections 1, 19(a) and 21 of Article III of the Rules of Fair Practice. The penalty was based on findings that the member and Peter H. Oliver, registered representative, failed to keep and preserve records properly; misused customers' funds and/or securities; and conducted a securities business while unable to meet current liabilities. The registration of Peter H. Oliver was revoked.

Kesselman & Co., Inc.
New York, N. Y.

District Business Conduct Committee for District #12 suspended Kesselman & Co., Inc. from membership in the Association for thirty (30) days and fined it \$6000.00, jointly and severally with L. Jerome Kesselman, principal and registered representative, for violations of Sections 1, 12, 18 and 21 of Article III of the Rules of Fair Practice. The suspension of thirty (30) days will commence with the opening of business May 17, 1965 and conclude at the close of business June 15, 1965. The penalties were based on findings that the member and L. Jerome Kesselman, engaged in a manipulative device in which while purporting to sell for customers accounts in the open market, did not so sell, but rather, by prearrangement with another broker/dealer repurchased the securities back into the firm account at the purported sale price to the customer and thereafter disposed of them in the true open market at prices in excess of the original purported sales price. The member and L. Jerome Kesselman were also found to have violated Sections 4(c)(2) and 4(c)(8) of Regulation T of the Federal Reserve Board. The District Business Conduct Committee also suspended the registration of L. Jerome Kesselman for thirty (30) days, commencing with the opening of business May 17, 1965 and concluding at the close of business June 15, 1965.

Verbryck, Laros and Co., Inc.
Long Beach, California

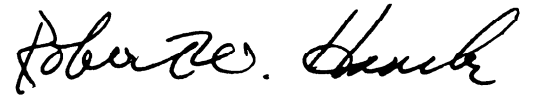
District Business Conduct Committee for District #2 expelled Verbryck, Laros and Co., Inc. from membership in the Association on May 1, 1965, for violations of Sections 1 and 21 of Article III of the Rules of Fair Practice. The penalty was based on findings that the member and George G. Verbryck, III president and registered representative, failed to comply with formal written requests for information and failed to keep and maintain books and records properly. The registration of George G. Verbryck, III was revoked and he was fined \$1000.00.

CORRECTION:

Ware & Company
Dallas, Texas

Please refer to "Notice to Members" #9 dated May 5, 1965, wherein it was stated that the Securities and Exchange Commission had revoked the broker/dealer registration of William A. Ware, doing business as Ware & Company and expelled him from membership in the Association. The correct address of Ware & Company is Dallas, Texas, not Pittsburgh, Pennsylvania as stated in the release.

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 newspaper financial editors in accordance with the resolution appearing on Page H-10 of the Association's Manual with the exception of Elizabeth Securities, Inc. and the correction pertaining to Ware & Company.

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

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

May 12, 1965

To: Members of the National Association of Securities Dealers, Inc.

Re: SEC Rule 15c3-2

Members were advised on June 16, 1964 that the Securities and Exchange Commission had adopted Rule 15c3-2, which became effective August 3, 1964. In essence, the rule requires that broker-dealers who use funds arising from any free credit balance must inform the customer in writing at least every three months, (a) the amount of the balance due, (b) that the funds are not segregated and may be used by the firm in the operation of its business, and (c) that the funds are payable on demand.

As a result of inquiries from the membership, the Association requested the Commission to reconsider the provisions of this rule as they apply to firms who liquidate free credit balances promptly, and who have not made a practice of sending periodic statements to customers. It was pointed out that it might be unnecessarily burdensome to require such firms to send quarterly statements to all customers for whom they held free credit balances within the quarter, when the balances had been eliminated promptly and before the end of the quarter.

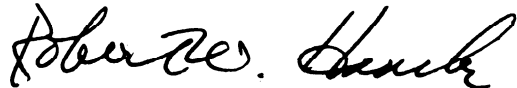
Following is an extract from the Commission's reply to our request:

"As you know, one of the purposes of Rule 15c3-2 is to put customers on notice that their free credit balances may be used in the operation of the broker-dealer's business. Consequently we have taken the position that whenever any free credit balance is carried by a broker-dealer for

the account of a customer the statement required by the rule must be sent at least quarterly, it must show the amount of the free credit balance carried for the account of the customer as of the date of the statement (or that there is no free credit balance on that date if that is the fact), and it must contain or be accompanied by the notice required by the rule. However, we would not be inclined to raise any objection because a broker-dealer does not send a customer the statement and notice required by Rule 15c3-2, if free credit balances due to such customer for any reason are always transmitted to such customer promptly, (under ordinary circumstances, within three business days) and the broker-dealer does not carry a margin account for, or otherwise hold funds or securities for or owe money or securities to, such customer." (Underlining ours.)

Therefore, in situations meeting the conditions described in the underlined text above, it will not be necessary for members to send periodic statements and notices which otherwise would be required.

Very truly yours,



Robert W. Haack
President



SPECIAL REPORT

SR-6

TO: NASD Members

RE: Change in Assessment Basis

As mentioned in previous communications, the Board of Governors has adopted a new and more simplified basis for computing members' annual assessments that will eliminate the costly and time-consuming accumulation of information required by the assessment basis now in effect. The new assessment method will also provide for a more equitable allocation of dues among members and fairness to all segments of the business.

The relatively short period remaining before the next assessment reporting date, however, does not allow sufficient time for an immediate change, so that reporting requirements currently in effect will continue through June 30, 1965. Thereafter, the new assessment basis as outlined below will be used for the next reporting year beginning July 1, 1965, and ending June 30, 1966. This announcement is being made now so that members may adjust their accounting procedures, if necessary, to provide the new information after July 1, 1965 and to discontinue the accumulation of information that will not be required thereafter.

In 1966, members will be assessed on gross income as explained in the accompanying definition. In addition to the new gross income factor, assessments will continue to include a basic fee and an assessment based on personnel as in past years. Members will not be required in 1966 to report the gross dollar amount of over-the-counter sales of securities or underwritings. This will eliminate an assessment based on each member's gross amount of business without consideration as to the profitability of such business.

It is expected that members will be able to determine gross income, as defined, directly from their accounting records with little or no change in their accounting procedures. Please bring this notice to the attention of your accounting department.

Sincerely,

Robert W. Haack
President

May 24, 1965

DEFINITION OF GROSS INCOME

Gross income from over-the-counter transactions in securities is defined for assessment purposes as the gross dollar amount of profits, commissions, concessions, fees, discounts, allowances and other income subject to deductions and exclusions listed below but without any deductions for salaries, wages or other operating and overhead expenses.

INCLUDE in the amount to be reported as gross income:

Profits and/or commissions from principal and agency transactions; from over-the-counter transactions in listed securities; from participations in distributions as underwriters or as members of selling groups; from private placement fees; from proportionate interests in joint trading accounts; from transactions cleared through other firms acting as clearing agents; from transactions in warrants, rights, options, bonds and stocks; and from sales of shares of investment companies, including contractual plans, real estate investment trusts and real estate syndicates.

Gross income from sales of shares of investment companies shall include gross income from any shares repurchased and later redistributed and from sales of shares by said member represented by reinvestment of income dividends. In any case where gross income, net of deductions described below, from sales of investment company shares by a member acting as sponsor or underwriter (excluding sales to another member who is an underwriter or sponsor of a contractual plan for such shares) is less than 1.75% of such sales, then this amount shall be included as the minimum amount of gross income for the purpose of the assessment.

Profits from transactions in securities held primarily for sale to customers and other broker-dealers, may be determined and may reflect profits and losses from inventory valuations on the basis shown by the member's books of account provided that the method of reporting is consistent from year to year.

DEDUCTIONS from the amount to be reported:

- 1 Any commissions, concessions or other allowances paid to another member in connection with the execution or clearance of such transactions. For example, a member acting as a clearing agent for another member shall deduct from its gross income net amounts allowed to the non-clearing member. The non-clearing member shall include in gross income the amount of such allowances.
- 2 Losses from underwritings and over-the-counter trading transactions (as opposed to transactions in investments referred to in Item 7 under "Exclusions") may be deducted from underwritings and trading profits to the extent of such profits but not in excess thereof.

EXCLUSIONS from the amount to be reported:

- 1 Interest and dividends.
- 2 Advisory fees, investment management fees and finders fees not directly involving the offering of securities, proxy fees, vault service fees, safekeeping fees and transfer fees.
- 3 Commissions derived from transactions executed on a registered national securities exchange or a foreign securities exchange.
- 4 Profits or losses derived from transactions of which *both* the purchase and sale are executed on a registered national securities exchange or outside the territorial limits of the United States.
- 5 Profits and losses derived from transactions in exempted securities, which are defined in Section 3(a)(12) of the Securities Exchange Act of 1934 as those securities which are direct obligations of or are obligations guaranteed as to principal or interest by the United States, States, political subdivisions and municipalities or their agencies or instrumentalities.
- 6 Profits and losses derived from transactions in commercial bank time certificates of deposit and commercial paper, which is defined to include drafts, bills of exchange, and bankers acceptances having maturities at the time of issuance of not exceeding one year.
- 7 Profits and losses derived from transactions in securities held for investment purposes, which are described in Section 1236 of the Internal Revenue Code as those securities designated within 30 days of acquisition and clearly identified in the dealer's records as being held specifically for investment and not primarily for sale to customers in the ordinary course of business.

File

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

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

May 25, 1965 #11

NOTICE

To Members of the

National Association of Securities Dealers, Inc.

Your attention is directed to the following action:

Singer, Bean & Mackie, Inc.
New York, New York

Torpie & Saltzman, Inc.
New York, New York

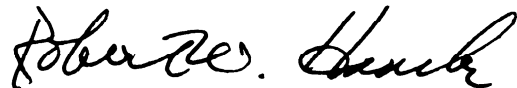
George Heinze
Registered Representative

The Board of Governors rendered a decision on May 13, 1965 wherein Singer, Bean & Mackie, Inc., is suspended for a period of one (1) day and fined \$15,000, and Torpie & Saltzman, Inc., is suspended for a period of one (1) day and fined \$10,000 for violations of Sections 1, 10 and 28 of Article III of the Rules of Fair Practice. The suspensions will commence with the opening of business May 28, 1965 and conclude at the close of business the same day.

The penalties were based on findings that both members maintained accounts in the name of George Heinze, registered representative of another member, and his mother, and that these accounts were used for trading purposes which resulted in profits constituting improper remuneration, at least indirectly, to Heinze without the knowledge of his employer. The penalties were also based on findings that the members opened accounts for various partners or registered representatives of other broker-dealers and thereafter executed transactions of purchase and sale of securities in such accounts without using reasonable diligence to determine that the executions of such transactions would not adversely effect the interest of the employing members.

In the same decision by the Board of Governors, the registration of George Heinze, registered representative of another member, is ordered suspended for a period of thirty (30) days and he is fined \$1,000 for violations of Section 1 of Article III of the Rules of Fair Practice. The suspension of thirty (30) days will commence with the opening of business May 28, 1965 and will conclude June 26, 1965. The penalties were based on findings that George Heinze caused his account and that of his mother to be opened on the books of Singer, Bean & Mackie, Inc. and Torpie & Saltzman, Inc., and that he was the recipient of improper remuneration, at least indirectly, of profits in the accounts.

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.



R o b e r t W. H a a c k
P r e s i d e n t

NOTE: This notice is being sent to newspaper financial editors in accordance with the resolution appearing on Page H-10 of the Association's Manual.

File

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

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

June 2, 1965 #12

NOTICE

To Members of the

National Association of Securities Dealers, Inc.

Your attention is directed to the following actions:

Albert J. DiGiacomo, dba
Albert James Company
Bridgeport, Pennsylvania

The Securities and Exchange Commission has suspended the broker-dealer registration of Albert J. DiGiacomo, dba Albert James Company for one hundred and twenty (120) days for willful violations of Sections 5 and 17(a) of the Securities Act of 1933 and 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 SEC Release #7572). The suspension will conclude at the close of business August 9, 1965.

Wisconsin-Continental, Inc.
Milwaukee, Wisconsin

On May 18, 1965 Wisconsin-Continental, Inc. was expelled from membership in the Association for failure to pay the fines of \$2975 imposed by two Decisions of District Business Conduct Committee for District #8. This action was based on Section 2 of Article V of the Rules of Fair Practice.

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

Robert W. Haack
President

NOTE: This notice is being sent to newspaper financial editors in accordance with the Resolution appearing on Page H-10 of the Association's Manual, with the exception of Albert J. DiGiacomo, dba Albert James Company.

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

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

June 18, 1965 #14

NOTICE

To Members of the

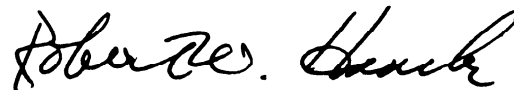
National Association of Securities Dealers, Inc.

Your attention is directed to the following action:

Schweickart & Co.
New York, New York

The Securities and Exchange Commission has suspended the broker-dealer registration of Schweickart & Co. from membership in the Association for a period of fifteen (15) days, commencing with the opening of business June 21, 1965, for willful violations of Section 7(c) of the Securities Exchange Act of 1934 and Section 7(a) of Regulation T (see SEC Release #7623). Winfield H. Schweickart, Harry Glatzer, Arnold Klugman, Joan M. Zarlenga, Abe M. Cleeman, Ourania Papadopoulos, Joseph Schwarz and Vernon E. Gilman were each found to be a cause of this suspension, however, under the circumstances, the Commission stated that the findings should not in and of themselves affect their continued or future employment in the securities business.

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

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

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

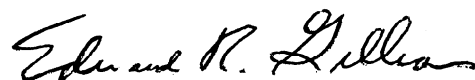
TO: Members of the National Association of
Securities Dealers, Inc.

RE: Registered Representatives' Signatures
on Existing Account Cards under Amended
Section 21(b) of Article III of the Rules of
Fair Practice.

Members have inquired whether it is necessary to obtain signatures of registered representatives on cards covering customers' accounts opened prior to July 1, 1965, on which date the new supervision and record-keeping rules (Sections 15, 21 and 27) become effective.

Some firms, particularly those with many branch offices, have indicated it may be impractical and an unnecessary hardship on members to require recirculation of such account cards for this purpose. It has therefore been decided that registered representatives' signatures or initials will not be required on account cards prepared prior to July 1, 1965.

However, all new accounts accepted after July 1, 1965 must show such signatures or initials, as well as the name and address of the customer, whether legally of age, and the signature or initials of the member or of the partner, officer or manager accepting the account for the member.



Edward R. Gilleran, Director
District Secretaries and Examiners

June 18, 1965

our file

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

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

June 28, 1965

TO: NASD Members

RE: Assessment Reports

An Assessment Report Form to be completed as of June 30, 1965 is enclosed as a basis for your assessment for our next fiscal year pursuant to the provisions of Article III of the By-Laws.

The prompt return of completed Assessment Reports is essential to the accurate determination of assessment rates. Your completed report should be returned to this office no later than July 30, 1965.

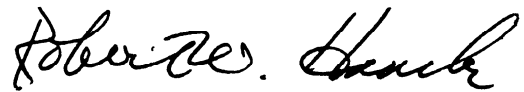
In a recent letter you were informed that this will be the last time that you will be asked to furnish information concerning the gross dollar amount of underwritings and other over-the-counter sales of securities. This report requests such information for the twelve months ended June 30, 1965.

Personnel as of June 30, 1965 is also to be reported. Similar information concerning personnel will be requested in future years.

Assessments will be lower this year as the result of a Board decision to reduce the Association's surplus funds.

Please return your completed report by July 30, 1965.

Sincerely,



Robert W. Haack
President

Enclosure

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.
888 17th STREET, N. W., WASHINGTON, D. C. 20006

REPORT OF:

Firm Name

Street Address

City and State

ASSESSMENT REPORT FORM

Instructions and definitions are printed on the reverse side of the duplicate copy of this form.

PERSONNEL—Report of total personnel and assessable personnel as of June 30, 1965. Firms applying for membership after June 30, 1965 should report personnel as of the date of application for membership.

	Total Personnel	Assessable Personnel
Partners, officers or sole proprietor
Registered Representatives, excluding those listed above
All other personnel
Total	=====	=====

UNDERWRITINGS—Report gross dollar amount of participations in underwritings for the year ended June 30, 1965. If no underwritings insert "none" on the total line.

	Bonds <i>(At Face Amount)</i>	Preferred Stock <i>(At Gross Proceeds)</i>	Common Stock <i>(At Gross Proceeds)</i>
Registered with S.E.C. \$.....	\$.....	\$.....	\$.....
Regulation "A" filings with S.E.C.
Registered with I.C.C. (Rails, Equipment Trusts, etc.)
Private Placements
All Other
Totals	=====	=====	=====

SALES OF SHARES OF INVESTMENT COMPANIES BY UNDERWRITERS OR SPONSORS—Report sales of shares for the year ended June 30, 1965. Do not report in this section if you act as a dealer only.

Gross dollar amount of sales \$.....

ALL OTHER OVER-THE-COUNTER SALES OF SECURITIES—Report sales, including retail sales of mutual funds, for the year ended June 30, 1965.

Gross dollar amount of sales \$.....

SIGNATURE OF AUTHORIZED REPRESENTATIVE

.....
 (Date)

.....
 (Signature)

 (Title)

DO NOT WRITE IN THIS SPACE

	A	B	C	D	E
Basis
Amount

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.
888 17th STREET, N. W., WASHINGTON, D. C. 20006

DUPLICATE—
To Be Retained By Member

REPORT OF:

Firm Name

Street Address

City and State

ASSESSMENT REPORT FORM

Instructions and definitions are printed on the reverse side of the duplicate copy of this form.

PERSONNEL—Report of total personnel and assessable personnel as of June 30, 1965. Firms applying for membership after June 30, 1965 should report personnel as of the date of application for membership.

	Total Personnel	Assessable Personnel
Partners, officers or sole proprietor
Registered Representatives, excluding those listed above
All other personnel
Total	=====	=====

UNDERWRITINGS—Report gross dollar amount of participations in underwritings for the year ended June 30, 1965. If no underwritings insert "none" on the total line.

	Bonds <i>(At Face Amount)</i>	Preferred Stock <i>(At Gross Proceeds)</i>	Common Stock <i>(At Gross Proceeds)</i>
Registered with S.E.C. \$.....	\$.....	\$.....	\$.....
Regulation "A" filings with S.E.C.
Registered with I.C.C. (Rails, Equipment Trusts, etc.)
Private Placements
All Other
Totals	=====	=====	=====

SALES OF SHARES OF INVESTMENT COMPANIES BY UNDERWRITERS OR SPONSORS—Report sales of shares for the year ended June 30, 1965. Do not report in this section if you act as a dealer only.

Gross dollar amount of sales \$.....

ALL OTHER OVER-THE-COUNTER SALES OF SECURITIES—Report sales, including retail sales of mutual funds, for the year ended June 30, 1965.

Gross dollar amount of sales \$.....

SIGNATURE OF AUTHORIZED REPRESENTATIVE

.....
(Signature)

.....
(Title)

.....
(Date)

DO NOT WRITE IN THIS SPACE

	A	B	C	D	E
Basis
Amount

INSTRUCTIONS AND DEFINITIONS

ASSESSABLE PERSONNEL

Assessable personnel of a member of the Association includes an individual proprietor, all partners, officers, registered representatives and other employees (including, but not limited to, bookkeepers, stenographers, typists, etc.) of the principal office and all branch offices who devote any time whatsoever to the over-the-counter securities business. Exclude only:

- 1—Those persons who devote all of their time to transactions in “exempted securities” (see Note);
- 2—Those persons who devote all of their time to transactions executed on a registered national securities exchange and are employed by a member of such exchange; and
- 3—Those persons who devote all of their time to commodities, insurance and other types of business that are not part of the over-the-counter securities business.

GROSS DOLLAR CALCULATIONS

For purposes of this report, members are to report their gross dollar amount of over-the-counter *sales* of securities in three categories (1—Underwritings; 2—Sales of Shares of Investment Companies by Underwriters or Sponsors; and 3—All other Over-the-Counter Sales of Securities) which are described in the following paragraphs. Gross sales are defined as *all sales* in which the member acts as principal and *all sales for* the account of customers and dealers in which the reporting member acts as agent. Securities purchased for the account of a customer and securities purchased for a member's own trading account are not defined as sales.

Exclude from the amounts to be reported, sales of “exempted securities” (see Note); sales of securities executed on a registered national securities exchange or a foreign securities exchange; sales originating in branch offices domiciled outside the territorial limits of the United States; redemptions of shares of investment companies and matured or called bonds handled for customers; and transactions in commercial paper.

UNDERWRITINGS—Report total participations in distributions as an underwriter. Include in the report of underwritings, both registered and unregistered issues including issues of foreign governments; churches, schools and charitable institutions; private placements, which are defined as underwritings for the purpose of this report; secondary offerings; intrastate and interstate offerings; the amount of “best effort” issues sold; and that portion of issues for which you were paid a “stand-by” fee. With regard to a “stand-by” agreement, (A) report sales to stockholders by the issuer at the “price to stockholders” if a “stand-by” fee was received on such sales; and (B) report sales to other than stockholders at the “public offering price.” Sales to the public of partnership interests in real estate syndications, both intrastate and interstate, are to be included in your report of underwritings. Do not report underwritings of “exempted securities” (see Note).

SALES OF SHARES OF INVESTMENT COMPANIES BY UNDERWRITERS OR SPONSORS—Report gross sales of shares (including shares of real estate investment trusts) for which you acted as sponsor or underwriter. Include any shares repurchased and later redistributed to dealers and sales of shares represented by reinvestments of income dividends. Underwriters should exclude from their report the gross dollar amount sold to sponsors of contractual plans. Sponsors of contractual plans should report sales on the basis of payments received and not on the face amount of contracts.

ALL OTHER OVER-THE-COUNTER SALES OF SECURITIES—Report all other over-the-counter sales (see definition under “Gross Dollar Calculations,” above) of securities except those amounts reported in the two preceding categories. Include selling group participations; sales of shares of investment companies by retail dealers (include actual payments for contractual plans, not the full face value of contracts; but exclude those sales represented by reinvestments of dividends and capital gains distributions regardless of whether a commission is received); over-the-counter sales of listed securities; sales of foreign securities; proportionate interests in sales effected through a joint trading account; sales in arbitrage transactions; sales cleared through another firm acting as clearing agent; and sales of obligations of non-profit institutions not owned or controlled by the United States or political subdivisions or their agencies or instrumentalities.

Note: The term “exempted securities,” as defined in Section 3(a)(12) of the Securities Exchange Act of 1934, means those securities which are direct obligations of or are obligations guaranteed as to principal or interest by the United States, States, political subdivisions and municipalities or their agencies or instrumentalities.

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

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

July 13, 1965 #16

NOTICE

To Members of the

National Association of Securities Dealers, Inc.

Your attention is directed to the following actions:

Broadwall Securities, Inc.
New York, New York

On July 2, 1965 the Securities and Exchange Commission revoked the broker-dealer registration of Broadwall Securities, Inc. and expelled it from membership in the Association for 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 (see SEC Release #7638). Arnold Mahler, president, and Jack Einiger, Stanley Miller and Alexander Lapidus are barred from being associated with any broker or dealer.

Lester D. Brown, dba
L. D. Brown Co.
New York, New York

District Business Conduct Committee for District #12 expelled Lester D. Brown, dba L. D. Brown Co. from membership in the Association on July 4, 1965 for violations of Section 1 of Article III of the Rules of Fair Practice. The penalty was based on findings that the member and Lester D. Brown, principal and registered representative, violated the SEC Net Capital Rule; failed to comply with a formal written request by the Association for supporting schedules of the firm's financial statement; and conducted a securities business while failing to institute appropriate accounting practices and maintain properly the firm's books and records in order to ensure accuracy in calculating the firm's financial status. The registration of Lester D. Brown was revoked.

Clemens & Co. , Inc.
Chapel Hill, North Carolina

On July 2, 1965 the Securities and Exchange Commission revoked the broker-dealer registration of Clemens & Co. , Inc. and expelled it from membership in the Association for willful violations of Section 17(a) of the Securities Act of 1933 and 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, 17a-3 and 17a-5 thereunder (see SEC Release #7639). Robert John Clemens, president, is barred from being associated with any broker or dealer.

S. E. Jonah & Co. , Inc.
San Francisco, California

The Board of Governors in a decision rendered on June 17, 1965 expelled S. E. Jonah & Co. , Inc. from membership in the Association and revoked the registration of Stanley E. Jonah, registered representative, and fined them jointly and severally, \$2000 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 member and Stanley E. Jonah submitted inaccurate and misleading information to the Association; failed to keep and maintain current and proper books and records; permitted an employee to perform the duties of a registered representative without being registered with the Association; and that they hypothecated securities carried for the account of customers under circumstances which permitted commingling of such securities with securities carried for the account of the member.

The expulsion of S. E. Jonah & Co. , Inc. and the revocation of the registration of Stanley E. Jonah will not become effective until July 17, 1965. In the interim the action is subject to review by the Securities and Exchange Commission or appeal by respondents to the Commission. Such a review or appeal will operate as a stay of the penalties imposed unless otherwise ordered by the Commission.

Van Hoozer & Company, Inc.
Kansas City, Missouri

The Board of Governors in a decision rendered on June 17, 1965 expelled Van Hoozer & Company, Inc. from membership in the Association and revoked the registration of Thomas H. Van Hoozer, president and registered

representative, and fined him \$5000 for 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 and Thomas H. Van Hoozer violated Section 4(c)(2) of Regulation T; misused customers' funds; violated the SEC Net Capital Rule; and failed to maintain and keep current proper books and records.

The expulsion of Van Hoozer & Company, Inc., and the revocation of the registration of Thomas H. Van Hoozer will not become effective until July 17, 1965. In the interim the action is subject to review by the Securities and Exchange Commission or appeal by respondents to the Commission. Such a review or appeal will operate as a stay of the penalties imposed unless otherwise ordered by the 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 newspaper financial editors in accordance with the Resolution appearing on Page H-10 of the Association's Manual, with the exception of Broadwall Securities, Inc., and Clemens & Co., Inc.

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

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

July 30, 1965 #17

NOTICE

To Members of the

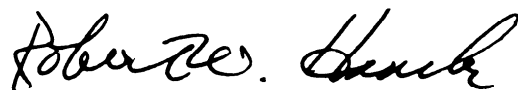
National Association of Securities Dealers, Inc.

Your attention is directed to the following action:

Van Hoozer & Company, Inc.
Kansas City, Missouri

Reference is made to "Notice to Members #16" dated July 13, 1965 wherein it was stated that the Board of Governors had expelled Van Hoozer & Company from membership in the Association, revoked the registration of Thomas H. Van Hoozer and fined him \$5000.

Such action has been stayed by reason of appeal to the Securities and Exchange Commission.



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 Page H-10 of the Association's Manual).

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

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

July 30, 1965 #18

NOTICE

To Members of the

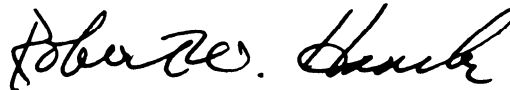
National Association of Securities Dealers, Inc.

Your attention is directed to the following action:

Superior Securities Co., Inc.
Cleveland, Ohio

District Business Conduct Committee for District #9 expelled Superior Securities Co., Inc. from membership in the Association effective July 28, 1965 for violations of Sections 1 and 21 of Article III of the Rules of Fair Practice. The penalty was based on findings that the member violated the SEC Net Capital Rule and that Nick Billie, president and registered representative, failed to maintain and keep current proper books and records. The registration of Nick Billie was revoked.

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 newspaper financial editors in accordance with the Resolution appearing on Page H-10 of the Association's Manual.

Our file

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

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

August 17, 1965 #19

NOTICE

To Members of the

National Association of Securities Dealers, Inc.

Your attention is directed to the following action:

Christopher & Co., Inc.
New York, New York

District Business Conduct Committee for District #12 expelled Christopher & Co., Inc. from membership in the Association on August 11, 1965 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 the member and Harvey Fenichel and William V. Simone conducted a securities business while unable to meet current liabilities; and violated the SEC Net Capital Rule. The registration of William V. Simone was suspended for a period of eighteen (18) months, commencing with the opening of business August 23, 1965 and concluding February 22, 1967. The registration of Harvey Fenichel was also suspended for eighteen (18) months, which suspension shall be deemed to have been served.

Fleetwood Securities Corporation of America
New York, New York

District Business Conduct Committee for District #12 expelled Fleetwood Securities Corporation of America from membership in the Association on August 11, 1965 for violations of Section 1 of Article III of the Rules of Fair Practice. The penalty was based on findings that the member violated the SEC Net Capital Rule.

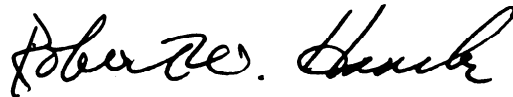
G. E. C. Securities, Inc.
New York, New York

On August 10, 1965 the Securities and Exchange Commission sustained the Association's findings and action (see SEC Securities Exchange Act Release #7676). Therefore, the decision stands as rendered by the Board of Governors on January 8, 1965, wherein G. E. C. Securities, Inc. was expelled from membership in the Association for violations of Sections 1, 4, 18 and 19(a) of Article III of the Rules of Fair Practice. The expulsion was based on findings that the member engaged in a securities business while unable to meet current liabilities; violated the SEC Net Capital Rule; commingled certain customers' securities with the firm's securities in contravention of SEC Rule 15c2-1; sold securities to customers at prices which were not fair and not reasonably related to the current market; and violated Section 4(c)(2) of Regulation T of the Federal Reserve Board.

Harris, Clare & Co.
New York, New York

District Business Conduct Committee for District #12 expelled Harris, Clare & Co. from membership in the Association on August 11, 1965 for violations of Sections 1, 18, 19(a) and 21 of Article III of the Rules of Fair Practice. The penalty was based on findings that the member and Martin Clare and Robert A. Summers, principals and registered representatives, conducted a securities business while unable to meet current liabilities; that the member, Martin Clare, Robert A. Summers and Melvin A. Winslow violated the SEC Net Capital Rule; that the firm and the foregoing together with Leonard Clare, all principals and registered representatives, manipulated the firms inventory position by "parking" certain securities so as to distort the true nature of the firm's assets and liabilities and thereby circumvent the SEC Net Capital Rule. The firm was also found to have violated the books and records requirements by reason of the improper entries recorded in connection with the "parking" of securities. The registrations of Leonard Clare, Martin Clare, Robert A. Summers and Melvin A. Winslow are revoked and they are each found to be a cause of the member's expulsion.

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, with the exception of G. E. C. Securities, Inc., is being sent to newspaper financial editors in accordance with the resolution appearing on Page H-10 of the Association's Manual.

IMPORTANT NOTICE TO BROKERS

STOLEN SECURITIES

FEDERAL INSURANCE COMPANY

CHUBB & SON INC., *Manager*



90 John St., New York, N. Y. 10038

July 26, 1965

Dear Sir:

Please take notice that on July 20, 1965, securities listed on the reverse side hereof were stolen from Goodbody & Co. of New York City.

Each of the stolen certificates was in the amount of 100 shares and was registered in the name of Goodbody & Co.

The transfer agents for each of the nine issues involved have put "stops" on transferring any of these stolen securities.

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

Should any of these certificates be presented to your bank, please notify your local police, the FBI, Goodbody & Co. at 2 Broadway, New York City and this Company.

FEDERAL INSURANCE COMPANY
CHUBB & SON INC., *Manager*

LIST OF STOLEN SECURITIES

<u>SHARES</u>	<u>SECURITY</u>	<u>REGISTERED NAME</u>
1400	Detroit Edison Co. 14 Ctfs. - 100 sh. each - # W42333 thru W42346 inc.	Goodbody & Co.
700	National Lead Co. 7 Ctfs. - 100 sh. each - # C308370 thru C308376 inc.	"
7000	Northwest Airlines Inc. 43 Ctfs. - 100 sh. each - # WY193573 thru WY193615 inc. 27 Ctfs. - 100 sh. each - # WY193618 thru WY193644 inc.	"
1400	National Airlines Inc. 12 Ctfs. - 100 sh. each - # NL39544 thru NL39555 inc. 2 Ctfs. - 100 sh. each - # NL39561 and NL39562	"
6000	Southern Nitrogen Co. 9 Ctfs. - 100 sh. each - # C4639 thru C4647 inc. 51 Ctfs. - 100 sh. each - # C4653 thru C4703 inc.	"
2300	Spiegel Inc. 4 Ctfs. - 100 sh. each - # NC240291 thru NC240294 inc. 3 Ctfs. - 100 sh. each - # NC238869 thru NC238871 inc. 13 Ctfs. - 100 sh. each - # NC38601 thru NC38613 inc. 3 Ctfs. - 100 sh. each - # NC239930 thru NC239932 inc.	"
1000	Pepsi Co. Inc. 2 Ctfs. - 100 sh. each - # J36575 and J36576 8 Ctfs. - 100 sh. each - # N404670 thru N404677 inc.	"
5000	Cities Service Co. 1 Ctfs. - 100 sh. each - # HA155582 1 Ctfs. - 100 sh. each - # HA158125 2 Ctfs. - 100 sh. each - # HA159095 and HA159096 1 Ctfs. - 100 sh. each - # HA161909 3 Ctfs. - 100 sh. each - # HA218480 thru HA218482 inc. 6 Ctfs. - 100 sh. each - # HA218943 thru HA218948 inc. 9 Ctfs. - 100 sh. each - # HA219493 thru HA219501 inc. 3 Ctfs. - 100 sh. each - # HA224123 thru HA224125 inc. 2 Ctfs. - 100 sh. each - # HA226874 and HA226875 1 Ctfs. - 100 sh. each - # HA228319 2 Ctfs. - 100 sh. each - # HA229477 and HA229478 5 Ctfs. - 100 sh. each - # HA231601 thru HA231605 inc. 1 Ctfs. - 100 sh. each - # HA231983 3 Ctfs. - 100 sh. each - # HA239313 thru HA239315 inc. 4 Ctfs. - 100 sh. each - # HA239318 thru HA239321 inc. 1 Ctfs. - 100 sh. each - # HA244549 1 Ctfs. - 100 sh. each - # HA244724 3 Ctfs. - 100 sh. each - # HA249546 thru HA249548 inc. 1 Ctfs. - 100 sh. each - # HA255256	"
10000	Ford Motor Co. 100 Ctfs. - 100 sh. each - # NC859088 thru NC859187 inc.	"

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

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

September 3, 1965 #21

NOTICE

To Members of the

National Association of Securities Dealers, Inc.

Your attention is directed to the following actions:

Great Eastern Securities, Inc.
Newark, New Jersey

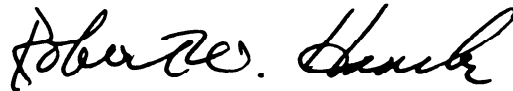
The Securities and Exchange Commission has suspended Great Eastern Securities, Inc. from membership in the Association for a period of one hundred and twenty (120) days; suspended the registration of Steven J. Kowitski, president, for a period of thirty (30) days; and barred Neal Cecconi, vice president, from being associated with any broker or dealer for a period of two (2) years without prejudice to his re-entry into the securities business after a period of two (2) years upon a showing of appropriate supervision and approval by the Commission (see SEC Securities Exchange Act Release #7686). The penalties were imposed by the Commission upon findings of 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 bar against Neal Cecconi and the suspensions of Great Eastern Securities, Inc. and Steven J. Kowitski commenced at the opening of business September 1, 1965.

Russell L. Irish, dba
Russell L. Irish Investments
Spokane, Washington

On August 27, 1965 the Securities and Exchange Commission revoked the broker-dealer registration of Russell L. Irish, dba Russell L. Irish Investments and expelled it from membership in the Association for 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 (see SEC Securities Exchange Act Release #7687). Russell L. Irish, Jr. was found to be a cause of the revocation and expulsion; and Russell Lawson Irish was found to be a cause of the 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.

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

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

September 13, 1965

To: Members of the National Association of Securities Dealers, Inc.

Re: Action Required of Members as a Result of Amendments to
the By-Laws and Rules of Fair Practice

The Board of Governors has established an effective date of September 1, 1965, for the amendments to the By-Laws and Rules of Fair Practice recently adopted by the membership.

The important changes are that the Association now has jurisdiction over all "persons associated with a member" and District Committees may file complaints against any such individual without necessarily joining the member in the same complaint as was heretofore required.

In addition, the Association is empowered to establish various qualification standards for broker/dealers seeking admission to membership and for persons desiring to become associated with a member. In this latter regard, the Board has recently adopted a new Schedule "C" which contains these qualification standards and the categories of persons required to pass an examination. You will recall that the new Schedule "C" was included for your information when the proposed amendments to the By-Laws and Rules were sent to you in July.

Review of Disqualifications

As a result of the new amendments, there are several points which should be called to your attention, as they require certain action on your part. The disqualifications for admission to or continuance in membership in the Association have been expanded and every member should review them to insure that no person associated with it is subject to disqualification. Should a question as to the eligibility of any person arise, the member should promptly notify the Executive Office.

The membership application form is being revised to take into account these changes and the revised form will be sent to you in the near future. After its distribution, use of the new form will be mandatory and prior forms will not be accepted. The Securities Acts Amendments of 1964 contain a section which makes a false or misleading statement or any material omission of fact required to be stated in the membership application form a federal criminal offense. Therefore, each member should carefully review the new form and become familiar with its contents.

New Registration Requirements

In regard to the new qualification standards contained in Schedule "C" certain classes of persons associated with members are required to be registered and are required to take and pass either a principal or representative examination depending upon the category of registration desired, either as a registered principal or a registered representative.

The major additions to the registration requirements are that managers of Offices of Supervisory Jurisdiction, directors who are actively engaged in the management of a member's investment banking or securities business and managers of a member's training program must be registered as registered principals while persons who assist in the training function must be registered as registered representatives. Further, any person whose most recent registration with the Association has been terminated for a period of two years or more must take and pass another examination.

It is anticipated that the new requirements of Schedule "C" will become effective on October 1, 1965. Prior to this date, each member should review the duties of its personnel to make sure that any person serving as either a sole proprietor, officer, partner, manager of an Office of Supervisory Jurisdiction, manager of a training program or a director of a corporate member is registered and properly designated with the Association as performing such functions. Persons appointed to these positions for the first time after October 1, 1965, will be required to take and pass a "Qualification Examination for Principals."

The names of all directors of corporate members must be kept current with the Association but only those actively engaged in the member's investment banking or securities business need be registered with the Association as registered principals. The present

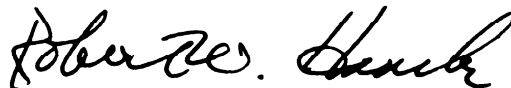
application for registration form is being revised in light of these new qualification standards and the use of this form will be mandatory after its distribution to you.

Designation of Office of Supervisory Jurisdiction

You are also reminded that every member was to have filed with the Executive Office of the Association promptly after July 1, 1965, a list of those Offices of Supervisory Jurisdiction as designated by the member in its written supervisory procedures required by Article III, Section 27 of the Rules of Fair Practice. Apparently most members have overlooked this requirement and it is particularly important that this be accomplished immediately. In addition, each member should submit the name of each manager of such office, since designation as a manager of an Office of Supervisory Jurisdiction by the member automatically classifies a person as a principal and he must be registered as such.

Should you have any questions, please communicate with the District Secretary in your particular District or the Executive Office. Your prompt attention to all of the matters outlined herein is requested.

Sincerely,



Robert W. Haack
President

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

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

September 20, 1965 #23

NOTICE

To Members of the

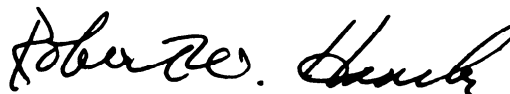
National Association of Securities Dealers, Inc.

Your attention is directed to the following action:

Russell L. Irish, dba
Russell L. Irish Investments
Spokane, Washington

Reference is made to "Notice to Members #21" dated September 3, 1965 wherein it was stated that the Securities and Exchange Commission revoked the broker-dealer registration of Russell L. Irish, dba Russell L. Irish Investments and expelled him from membership in the Association and Russell Lawson Irish was found to be a cause of the order.

The Securities and Exchange Commission has stayed its order pending determination by the Court of Appeals of a petition for review of such order to be filed by Russell L. Irish, dba Russell L. Irish Investments; and Russell Lawson Irish.



Robert W. Haack
President

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

over file

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

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

September 17, 1965 #22

NOTICE

To Members of the

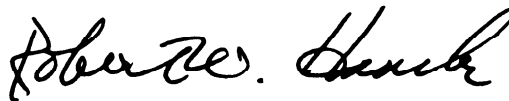
National Association of Securities Dealers, Inc.

Your attention is directed to the following action:

E. I. Hagen & Co., Inc.
Portland, Oregon

The Securities and Exchange Commission suspended E. I. Hagen & Co., Inc. from membership in the Association for the period of September 18, 1965 through October 1, 1965; suspended Marjorie Bratlie Hagen from associating with a broker-dealer for the same period; suspended Edward Ingeman Hagen from associating with a broker-dealer for the period beginning September 18, 1965 and ending February 28, 1966 (see SEC Securities Exchange Act Release #7702). The penalties were imposed by the Commission upon findings that E. I. Hagen & Co., Inc. and Edward and Marjorie Hagen willfully violated the net capital requirements of Section 15(c)(3) of the Securities Exchange Act of 1934 and Rule 15c3-1 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

October 28, 1965 #25

NOTICE

To Members of the

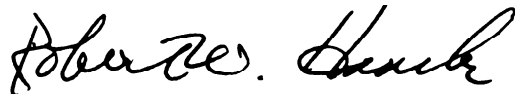
National Association of Securities Dealers, Inc.

Your attention is directed to the following action:

Robert A. Martin Associates, Inc.
New York, New York

On October 25, 1965 Robert A. Martin Associates, Inc. was expelled from membership in the Association for failure to pay the costs of \$115.58 assessed in connection with a Decision of the Board of Governors. This action was based on the provisions of Section 2 of Article V of the Rules of Fair Practice.

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 Page H-10 of the Association's Manual).

Jpl.

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

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

November 4, 1965 #26

NOTICE

To Members of the

National Association of Securities Dealers, Inc.

Your attention is directed to the following actions:

Costello, Russotto & Co.
Beverly Hills, California

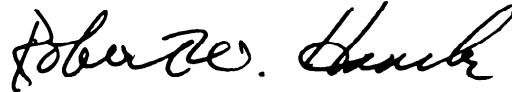
On October 22, 1965 the Securities and Exchange Commission dismissed proceedings for review of disciplinary action taken by the Association. Therefore, the Board of Governors decision of December 23, 1964 stands as rendered wherein Costello, Russotto & Co. is suspended from membership in the Association for a period of sixty (60) days; the registration of Frank A. Costello is suspended for sixty (60) days and he is fined \$1000 (see Securities Exchange Act Release #7729). The penalties were based on findings of violations of Sections 1, 4 and 21 of Article III of the Rules of Fair Practice in that Respondents failed to maintain and keep current proper books and records; sold securities to customers at prices which were not fair and not reasonably related to the current market; and violated Sections 4(c)(2) and 4(c)(8) of Regulation T of the Federal Reserve Board. The suspensions of Costello, Russotto & Co. and Frank A. Costello will commence with the opening of business November 8, 1965 and conclude at the close of business January 6, 1966.

Lawrence Securities Company
New York, New York

District Business Conduct Committee for District #12 expelled Lawrence Securities Company from membership in the Association on November 1, 1965 for violations of Sections 1 and 21 of Article III

of the Rules of Fair Practice. The penalty was based on findings that the member and Lawrence Jay Brown, registered representative, failed to maintain and keep current proper books and records; violated the SEC Net Capital Rule; conducted a securities business while willfully failing to correct their books and records to reflect the true net capital position of the firm; and failed to comply with a formal written request by the Association for information. The registration of Lawrence Jay Brown was revoked.

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 Page H-10 of the Association's Manual) with the exception of Costello, Russotto & Co.

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

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

November 10, 1965 #27

NOTICE

To Members of the

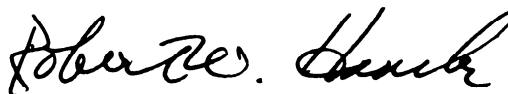
National Association of Securities Dealers, Inc.

Your attention is directed to the following action:

Miller & Edwards, Inc.
San Francisco, California

On November 4, 1965, Miller & Edwards, Inc. was expelled from membership in the Association, and the registration of Robert K. Miller was revoked for failure to pay the fine and costs of \$1,023.75 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.

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 Page H-10 of the Association's Manual).



press release

NSD 51165

FOR RELEASE: IMMEDIATELY
November 18, 1965

CONTACT: Donald L. Benson
298-7610

RETRACTION OF NASD PRESS RELEASE # NSD 41165 DATED
NOVEMBER 19, 1965

To: Financial Editors

From: The National Association of Securities Dealers, Inc.

The notice of expulsion of John W. Yeaman Incorporated and revocation of the registration of John W. Yeaman was incorrect and should be stricken from any news story.

The two remaining disciplinary actions in the release are correct.

* * * *



press release

NSD 41165

FOR RELEASE: Friday, November 19, 1965 CONTACT: Donald L. Benson
298-7610

To: Financial Editors

From: National Association of Securities Dealers, Inc.

Your attention is directed to the following NASD disciplinary actions:

John W. Yeaman Incorporated
Martinsville, Virginia

An NASD District Business Conduct Committee expelled John W. Yeaman Incorporated, effective November 10, 1965, from membership for violations of the Association's Rules of Fair Practice. The penalty was based on findings that the member violated the SEC Net Capital Rule and placed securities in other accounts at the end of each month when net capital was computed with the intent of repurchasing these same securities a few days later. The registration of John W. Yeaman, registered representative, was revoked.

Miller and Edwards, Inc.
San Francisco, California

The NASD, on November 4, 1965, expelled Miller and Edwards, Inc. and revoked the registration of Robert K. Miller, registered representative, for failure to pay a fine and costs totalling \$1,023 assessed in a previous action.

John F. X. Bopp, formerly employed as registered representative for North American Planning Corporation, New York, New York,

November 19, 1965

was found by the Association to have converted a customer's funds to his own use. The facts in the case were uncovered by the firm. Representative Bopp's registration was revoked.

* * * *

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

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

November 29, 1965 #28

NOTICE

To Members of the

National Association of Securities Dealers, Inc.

Your attention is directed to the following action:

Reference: Securities Exchange Act Release #7743

Respondents:


John B. Dunbar
Richard J. Teweles
James C. Brum
William Troutman
Robert D. Hickson

Barry Kaye
Munro J. Silver
Gerard H. Wayne
Robert H. Wechter

The Securities and Exchange Commission issued its findings and opinions on November 12, 1965 (see Securities Exchange Act Release #7743) and found Respondents Dunbar, Teweles, Brum, Troutman, Hickson, Kaye, Silver, Wayne and Wechter disqualified from continuing in or re-entering the securities or investment advisory business. Respondent Troutman, while also disqualified from continuing in or re-entering the securities or investment advisory business, will be permitted to become associated with a registered broker-dealer at the end of four (4) months upon appropriate showing to the Commission that he will be adequately supervised.

The penalties were based on findings that Dunbar, Brum and Troutman aided and abetted their employer to willfully violate Rule 10b-6 of the General Rules and Regulations of the Securities Exchange Act of 1934; that Dunbar, Teweles, Brum, Troutman and Wayne willfully violated Sections 5(a) and 5(c) of the Securities Act of 1933; that Brum, Teweles, Wayne, Silver and Wechter 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, and Sections 206(1) and (2) of the Investment Advisers Act ; that Dunbar, Teweles, Hickson, Kaye, Silver, Wayne and Wechter aided and abetted their employer to 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, 15c1-2 and 15c1-8 thereunder, Sections 206(1), (2) and (4) of the Investment Advisers Act and Rule 206(4)-1 thereunder.



Robert W. Haack
President

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



press release

NSD 11265

FOR RELEASE: IMMEDIATELY
December 2, 1965

CONTACT: Donald L. Benson
298-7610

Seven new Governors have been elected to serve three-year terms on the Board of the National Association of Securities Dealers, Inc. beginning in January, 1966. The 23-man Board is the policy making group of the 3,900 member self-regulatory organization for the over-the-counter securities markets.

Ralph E. Phillips has been elected as a Governor from District 2 of the NASD. This District includes the states of California, Nevada and Hawaii.

Mr. Phillips is a Partner in Dean Witter & Co. in Los Angeles. He was graduated from the University of California at Berkeley and has been with Dean Witter & Co. since 1951. He was a member of NASD District No. 2 Committee from 1957 through 1959, serving as Chairman in 1959 and has served on the National Quotations Committee from 1960 to present.

Charles E. Crary has been elected as a Governor from District 3 of the NASD including Arizona, Colorado, New Mexico, Utah and Wyoming.

Mr. Crary is a Vice President of E. F. Hutton & Company. He was graduated from the University of Pennsylvania and has

- More -

December 2, 1965

been with E. F. Hutton since 1947. He was a member of NASD District No. 3 Committee from 1961 through 1963, serving as Chairman in 1963.

Arthur Stansel has been elected as a Governor from District 5 of the NASD covering the states of Alabama, Arkansas, Louisiana, Mississippi and the western part of Tennessee.

Mr. Stansel is manager of the Birmingham, Alabama, office of Courts & Co. He was graduated from the University of the South and did graduate work at Columbia University. He has been in the securities business since 1930 and is currently serving as Chairman of the District No. 5 Committee.

Phil E. Pearce has been elected as a Governor from District 7 of the NASD covering the states of Florida, Georgia, South Carolina and the eastern part of Tennessee.

Mr. Pearce is President of G. H. Crawford Co., Inc., Columbia, South Carolina. He was graduated from the University of South Carolina and was previously employed in the securities field with the Robinson-Humphrey Co. and the R. S. Dickson Co. He is currently serving as Chairman of District No. 7 Committee.

Robert V. H. Harned has been elected as a Governor from District 11 of the NASD including the states of Delaware, Pennsylvania, West Virginia and the southern half of New Jersey.

Mr. Harned is President of Warren W. York & Co.,

December 2, 1965

Allentown, Pa. He was graduated from Muhlenberg College in 1928 and has been with his present firm since that date. He has served two terms on NASD District Committee No. 11 and was Chairman in 1952 and 1962.

Herbert R. Anderson and Joseph D. Krasowich have been elected as Governors from District 12 of the NASD including the states of Connecticut, New York and the northern half of New Jersey.

Mr. Anderson is Chairman and chief executive officer of Group Securities, Inc., a mutual fund, and of Distributors Group, Incorporated, the investment advisor to Group Securities. He entered the securities business in 1929 and has served for a number of years on the Investment Companies Committee of the NASD and the Investment Bankers Association. He is currently Chairman of NASD District No. 12 Committee.

Mr. Krasowich is a Partner in Gregory & Sons, New York, N. Y. He was graduated from New York University and has been active in the securities business since 1926. He was previously a member of District Committee No. 12 of the NASD, has served on the Board of Directors of the Security Traders Association of New York and is a member of the Automation Committee of the NASD.

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plb

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

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

December 8, 1965 #29

NOTICE

To Members of the

National Association of Securities Dealers, Inc.

Your attention is directed to the following actions:

Nassau Securities Service
New York, New York

On November 24, 1965, Nassau Securities Service was expelled from membership in the Association for failure to pay 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.

Norton & Company
New York, New York

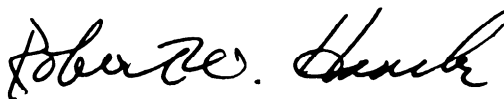
District Business Conduct Committee for District #12 suspended Norton & Company from membership in the Association for sixty (60) days, fined it and Miriam Needelman and Nathan Needelman, both general partners and registered representatives, jointly and severally \$1,000 and the assessment of costs, for violations of Sections 1, 21 and 25(b)(2) of Article III of the Rules of Fair Practice. The penalties were based on findings that Norton & Company and respondents Miriam Needelman and Nathan Needelman joined with a non-member of the Association in the distribution of new issues; violated Sections 4(c)(2) and 4(c)(8) of Regulation T; and failed to maintain and keep current a stock position record. The

registrations of Miriam Needelman and Nathan Needelman are suspended for a period of sixty (60) days. The suspensions will commence with the opening of business December 13, 1965, and will conclude at the close of business February 10, 1966.

Darwin James DeRosier
Minneapolis, Minnesota

District Business Conduct Committee for District #8 revoked the registration of Darwin James DeRosier and fined him \$6,000 on November 26, 1965, for violations of Sections 1, 18 and 19 of Article III of the Rules of Fair Practice. The penalties were based on findings that DeRosier effected transactions in a customer's account without the knowledge or consent of the customer; misappropriated and converted to his own purposes checks belonging to a customer and his employer; and effected transactions in a fictitious account established for 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 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

December 21, 1965 #30

NOTICE

To Members of the

National Association of Securities Dealers, Inc.

Your attention is directed to the following actions:

G. H. Hall & Co., Inc.
Newark, New Jersey

District Business Conduct Committee for District #12 expelled G. H. Hall & Co., Inc. from membership in the Association and revoked the registration of George S. Hassell, registered representative, and found him to be a cause of the expulsion 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 respondents engaged in a securities business while unable to meet current liabilities; violated the SEC Net Capital Rule and Free-Credit Balance Rule; engaged in a course of conduct consisting of misusing securities which were carried long in the accounts of customers by using them to cover short sales transacted by the firm and subsequently used the proceeds of such sales in the conduct of the firm's business thereby deceiving and defrauding their customers; failed to comply with a formal written request by the Association for information; and failed to make and maintain certain required books and records.

Pauline W. Rosenbloom, dba
The James Company
New York, New York

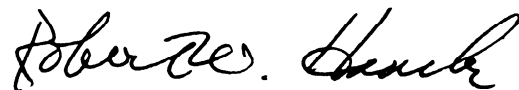
On December 7, 1965, the Securities and Exchange Commission dismissed proceedings for review of disciplinary action taken by the Association. Therefore, the Board of Governors Decision of June 15, 1964, stands as rendered wherein Respondent Member is expelled from

membership in the Association; Robert I. Rosenbloom, registered representative, is found to be a cause of the expulsion and they are jointly and severally, fined \$1,000 and assessed costs for violations of Sections 1, 4, 10, 18 and 25(b) of Article III of the Rules of Fair Practice. The penalties were based on findings that the member joined with a non-member broker-dealer in the public distribution of two new issues; violated Section 4(c)(2) of Regulation T of the Federal Reserve Board; sold securities to customers at prices which were not fair and not reasonably related to the current market; and paid improper compensation to employees of another member for the purpose of influencing their conduct in relation to the business of their employer.

Oliver Aubrey
Santa Cruz, California

District Business Conduct Committee for District #2N revoked the registration of Oliver Aubrey, fined him \$2,000 and assessed costs on December 8, 1965, for violations of Section 1 of Article III of the Rules of Fair Practice. The penalties were based on findings that Aubrey issued two due bills in the name of his employer as collateral for a personal loan, when he had neither possession nor ownership of the securities and was not in a position to deliver them within a reasonable length of time.

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

December 21, 1965 #31

NOTICE

To Members of the

National Association of Securities Dealers, Inc.

Your attention is directed to the following actions:

Michael McGrath
Los Angeles, California

District Business Conduct Committee for District #2 revoked the registration of Michael McGrath on December 15, 1965, and fined him \$1,000 for violations of Sections 1 and 19 of Article III of the Rules of Fair Practice. The penalty was based on findings that McGrath endorsed a check made payable to a customer and converted the funds to his own use.

Irving Jack Schenin, dba
I. J. Schenin & Co.
Hallandale, Florida

District Business Conduct Committee for District #7 has suspended Irving Jack Schenin, dba I. J. Schenin & Co. from membership in the Association for thirty (30) days for violations of Section 1 of Article III of the Rules of Fair Practice. The suspension of thirty (30) days will commence with the opening of business December 27, 1965, and will conclude at the close of business January 25, 1966. The penalty was based on findings that the member willfully submitted false and misleading information on a free-riding questionnaire submitted to the Association.

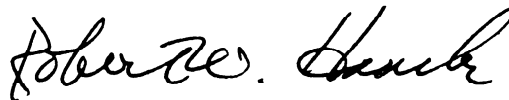
John J. Shilling
Los Angeles, California

The Board of Governors in a Decision rendered on December 3, 1965, suspended the registration of John J. Shilling for sixty (60) days and fined him \$250 for violations of Sections 1 and 21 of Article III of the Rules of Fair Practice. The suspension of sixty (60) days commenced with the opening of business December 15, 1965, and will conclude February 12, 1966. The penalties were based on findings that Shilling, while acting as co-manager of a branch office of his employer, paid commissions to and allowed an individual to solicit business before his effective registration with the Association; violated the SEC Net Capital Rule and Sections 4(c)(2) and 4(c)(8) of Regulation T of the Federal Reserve Board; failed to maintain and keep current proper books and records; and improperly posted certain records of his employer.

Vartan Tombazian
Van Nuys, California

District Business Conduct Committee for District #2 re-
voked the registration of Vartan Tombazian on December 15, 1965, for
violations of Sections 1 and 19 of Article III of the Rules of Fair Practice.
The penalty was based on findings that Tombazian endorsed checks made
payable to a customer and converted the 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 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.

67 BROAD STREET, NEW YORK, NEW YORK 10004

December 21, 1965

ANNOUNCEMENT: (NUP #315) Advisory

Re: Repeal of Federal Stock & Bond Transfer Tax

The National Uniform Practice Committee of the National Association of Securities Dealers, Inc. calls to the attention of its members the following:

On January 1, 1966 all documentary stamp taxes applicable to stocks and bonds which are imposed by the Federal government will be repealed. These taxes include:

1. The stock transfer tax.
2. The bond transfer tax.
3. The stock issuance tax.
4. The bond issuance tax.
5. The mutual fund shares issuance tax.

The stock and bond transfer tax will apply to all sales contracted for, by or through a broker or dealer in securities on a National Securities Exchange or in the over-the-counter market until the close of business on trade date December 31, 1965. In situations where the facilities of the National OTC Clearing Corporation or other clearing organizations operating under the supervision of a National Securities Exchange are not used, the following legend should be stamped or typed on certificates as a means of identifying tax free transfers after the tax is repealed:

This is to certify that the sale or transfer
took place after December 31, 1965.

Date

Facsimile or manual signature

Printed name of firm

Members should begin use of the above legend on certificates delivered in settlement of contracts made on or after January 3, 1966.

A ruling has not yet been received from the Internal Revenue Service as to whether the tax will apply to contracts made in 1965 on a "when issued" or "when distributed" basis and which will be settled in 1966. The tax will, of course, apply to "when issued" contracts made in 1965 which settle in 1965.

Members are advised to institute procedures which will insure that proper stock transfer taxes are charged before December 31, 1965 and after that date when the sale was made prior to December 31, 1965. The Internal Revenue Service has given its assurance that it will continue to audit past tax collections despite the fact that the tax will have been repealed. It is suggested that all operations personnel and registered representatives be advised of the repeal of the Federal tax and the need for extra caution in determining the applicable tax to be charged, if any, after December 31, 1965.

In order to obtain a refund for Federal Tax Stamps purchased but unused, Internal Revenue Service Form 843 may be used. This form can be obtained from the Internal Revenue Service's District Offices. The stamps must accompany the form with any claim and the date of purchase of the stamps must be indicated. It is suggested that where the stamps are not delivered by hand against receipt registered mail be used.

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

NATIONAL UNIFORM PRACTICE COMMITTEE

Lee C. Monett, Secretary