

UNITED STATES OF AMERICA
before the
SECURITIES AND EXCHANGE COMMISSION
March 17, 1966

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| <p>In the Matter of</p> <p>OWEN K. TAYLOR, INC. 40 Exchange Place New York, New York 10005</p> <p>(801-3675)</p> <p>Investment Advisers Act of 1940 - Section 203(d)</p> | <p>:</p> <p>:</p> <p>:</p> <p>:</p> <p>:</p> <p>:</p> <p>:</p> <p>:</p> <p>:</p> <p>:</p> <p>:</p> <p>:</p> <p>:</p> | <p>ORDER DENYING PETITION FOR RE- VIEW AND DENYING INVESTMENT ADVISER REGISTRATION PURSUANT TO INITIAL DECISION</p> |
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Proceedings were instituted under Section 203(d) of the Investment Advisers Act of 1940 ("Advisers Act") to determine whether, among other things, Owen K. Taylor, Inc. ("applicant"), an applicant for registration as an investment adviser, aided and abetted by Isadore J. Aberlin ("Aberlin"), his wife, Lili Aberlin, and Martin Orenzoff, officers and directors of applicant, willfully violated a designated provision of the Advisers Act, whether Aberlin willfully violated specified provisions of the Securities Exchange Act of 1934 ("Exchange Act"), and what, if any, remedial action would be appropriate in the public interest. The hearing examiner filed an initial decision in which he found, among other things, that applicant, aided and abetted by Aberlin, president, treasurer and the controlling person of applicant, and Orenzoff, secretary of applicant who participated in the preparation of applicant's application for registration as an investment adviser, willfully violated Section 207 of the Advisers Act by failing to disclose in such application certain employments of Orenzoff, including those by brokers and dealers, and the business connections of Lili Aberlin, vice-president of applicant, as a designer of women's and canine fashions, within the past ten years, and that Aberlin willfully violated Section 10(b) of the Exchange Act and Rule 17 CFR 240.10b-5 thereunder by effecting purchases and short sales of securities when he was neither in a position nor could have intended to meet the obligations incurred in such transactions.

The Division of Trading and Markets ("Division") filed a petition, pursuant to Rule 17 CFR 201.17 of the Commission's Rules of Practice, for review of the initial decision with respect to the hearing examiner's failure to find that Lili Aberlin aided and abetted applicant's willful violation of Section 207 of the Advisers Act, and his finding that the record contains no evidence that she was aware of the contents of the application. The Division pointed to certain evidence in the record as showing that she acquired knowledge of the non-disclosure of her business connections in the application subsequent to the filing of said application.

The Commission noted that the evidence pointed to by the Division does not relate to Lili Aberlin's knowledge of the contents of the application form prior to or at the time such application was filed. Applicant, Aberlin and Orenzoff have not filed petitions for review of the hearing examiner's initial decision. Rule 17 CFR 201.17(f) of the Commission's Rules of Practice provides that except where a petition for review has been timely filed or the Commission has itself initiated review, an order shall be entered pursuant to the hearing examiner's initial decision. Under all the circumstances the Commission concluded

that the petition for review filed by the Division had not raised an issue of sufficient importance to warrant review of the initial decision as requested, and that it was appropriate to enter an order pursuant to the initial decision.

Accordingly, IT IS ORDERED that the petition filed by the Division of Trading and Markets for review of the initial decision be, and it hereby is, denied.

IT IS FURTHER ORDERED, pursuant to the hearing examiner's initial decision, that the application for registration as an investment adviser filed by Owen K. Taylor, Inc. be, and it hereby is, denied.

By the Commission.

Orval L. DuBois
Secretary