

In the Matter of WILLIAM LEE PARKS

SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 17250

INVESTMENT ADVISORS ACT OF 1940
Release No. 736

October 27, 1980

TEXT:

Robert H. Davenport, Administrator of the Commission's Denver Regional Office, announced that the Commission has ordered public administrative proceedings pursuant to Sections 203(e) and (f) of the Investment Advisers Act of 1940 ("Act") and Section 15(b) of the Securities Exchange Act of 1934 ("Exchange Act") against William Lee Parks (Parks), an investment adviser located in Boulder, Colorado. Parks is also an associated person of a broker-dealer registered with the Commission. The order for proceedings alleges willful violations of recordkeeping and filing provisions of Section 204 of the Act and Rules 204-1 and 204-2 thereunder, and of antifraud provisions of Section 206 of the Act concerning, among other things: (1) Parks' overcharging his clients for advisory fees; (2) Parks' failure to refund to his clients the unearned portion of advisory fees; and (3) the use by Parks of a void "hedge" clause in advisory contracts. The order also alleges violations of Section 207 concerning material misstatements and omissions in connection with a registration application, reports and amendments thereto required to be filed with the Commission.

A hearing will be scheduled to take evidence on the staff's allegations and to afford Parks an opportunity to present any defenses thereto. The purpose of the hearing is to determine what, if any, remedial action should be ordered by the Commission.