

In the Matter of BASKIN PLANNING CONSULTANTS, LTD. and RITA BASKIN

Admin. Proc. File No. 3-7631

SECURITIES AND EXCHANGE COMMISSION

INVESTMENT ADVISORS ACT OF 1940, Release No. 1297

December 19, 1991

TEXT:

ORDER INSTITUTING PROCEEDINGS, MAKING FINDINGS, AND IMPOSING REMEDIAL SANCTIONS

I.

The Commission deems it appropriate and in the public interest that a proceeding be instituted against Baskin Planning Consultants, Ltd. ("Baskin Planning") and Rita Baskin ("Baskin") (collectively, the "Respondents"), pursuant to Sections 203(e) and (f) of the Investment Advisers Act of 1940 ("Advisers Act"), to determine what action, if any, is in the public interest in light of the permanent injunction entered against Respondents by the United States District Court for the Eastern District of New York on November 13, 1991, restraining and enjoining Respondents from violating Sections 5(a) and (c) and 17(a) of the Securities Act of 1933 ("Securities Act"), Section 10(b) of the Securities Exchange Act of 1934 ("Exchange Act") and Rule 10b-5 thereunder, and Sections 206(1) and (2) of the Advisers Act and ordering other equitable relief.

II.

In anticipation of the institution of this administrative proceeding, Respondents have submitted Offers of Settlement which the Commission has determined to accept. Solely for the purpose of this proceeding, and any other proceeding brought by or on behalf of the Commission or to which the Commission is a party, and without admitting or denying the findings herein, except as to paragraph III.A. and the entry of the injunction set forth in paragraph III.B. which Respondents have admitted in their offers, Respondents consent to the issuance of this Order Instituting Public Proceedings, Making Findings and Imposing Remedial Sanctions ("Order").

Accordingly, IT IS ORDERED that public administrative proceedings pursuant to Sections 203(e) and (f) of the Advisers Act be and hereby are instituted against Baskin Planning and Baskin.

III.

On the basis of this Order and Respondents' Offers of Settlement, the Commission finds that:

A. From at least May 1984 up to and including in or about the present, Baskin has been an officer, director, shareholder and employee of Baskin Planning. Baskin Planning has been registered with the Commission as an investment adviser pursuant to Section 203(c) of the Advisers Act since May 4, 1984.

B. Baskin and Baskin Planning have been permanently enjoined by the United States District Court for the Eastern District of New York in Securities and Exchange Commission v. Baskin Planning Consultants, Ltd. and Rita Baskin, 89 Civ. 4091 (LDW) (E.D.N.Y.), from violating Sections 5(a) and (c) and 17(a) of the Securities Act, Section 10(b) of the Exchange Act and Rule 10b-5 thereunder, and Sections 206(1) and (2) of the Advisers Act.

C. The Commission's Complaint in the above-referenced action alleged that from in or about November 1983 up to and including in or about December 1985, Baskin Planning, through Baskin and other representatives, recommended and sold to advisory clients unregistered securities of Broadhollow Funding Corporation ("Broadhollow"); that Broadhollow operated as a classic Ponzi scheme; that Baskin Planning and Baskin failed adequately to investigate the investment; and that Baskin Planning and Baskin failed to disclose their receipt of commissions earned on each investor referral and failed to disclose receipt by Baskin of a \$50,000 unsecured loan from Broadhollow's principal. The Complaint also alleged that Baskin Planning and Baskin made materially false and misleading statements concerning Broadhollow, failed to state material facts necessary in order to make statements made concerning Broadhollow not false or misleading and breached their fiduciary duty to clients, in violation of the statutory provisions and rules enumerated in Paragraph B. above.

IV.

Based upon the foregoing, it is in the public interest to impose the sanctions specified in the Offers of Settlement, and accordingly,

A. IT IS HEREBY ORDERED, effective immediately, that Respondent Rita Baskin be, and hereby is, barred from association with any broker, dealer, investment company, investment adviser, or municipal securities dealer; and

B. IT IS FURTHER ORDERED that the registration of Respondent Baskin Planning Consultants, Ltd. as an investment adviser be, and hereby is, revoked.

By the Commission.