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ARIZONA CORPORATION COMMISSION

JAMES MATTHEWS
EXECUTIVE SECRETARY
SECURITIES DIVISION
1300 West Washington
Third Floor
TELEPHONE: (602) 542-4242
FAX: (602) 542-3583

August 11, 1994

Mr. Ronald I. Lysell
Vice President
Stock Search International Inc.
10855 N. Glen Abbey Drive
Tucson, Arizona 85737

RE: No-Action Request
A.R.S. § 44-3101

Dear Mr. Lysell:

The Securities Division has considered the unique circumstances of Stock Search International Inc. ("SSI"). The Division finds that the activities of SSI may fall within the definition of an investment adviser as defined in A.R.S. § 44-3101 of the Arizona Investment Management Act (the "Act"). However, on the basis of the facts set forth in your letters of May 18 and 20, 1994 and July 29, 1994 (the "letters"), the Securities Division will not recommend enforcement action for failure to become licensed as an investment adviser under the Act should SSI engage in transactions as set forth in the letters.

As this position is premised upon the facts set forth in the letters, it should not be relied on for any other set of facts or by any other person. To the extent that your activities, in fact, constitute investment advisory services within the meaning of the Act, the anti-fraud provisions of the Act are applicable.

We have attached a photocopy of the letters. By doing this we are able to avoid having to recite or summarize the facts set forth therein.

Very truly yours,

DEE RIDDELL HARRIS
Director of Securities

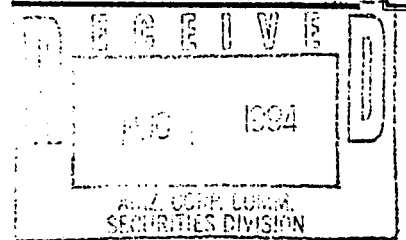
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Attachment



STOCK SEARCH
INTERNATIONAL INC.



July 29, 1994



Ms. Leslie Block
Associate General Counsel
Arizona Corporation Commission
1300 West Washington, Third Floor
Phoenix, AZ 85007

No Action Request

Supplementary Information

Dear Ms. Block:

Further to our conversations of preceding weeks, I have made the following determinations and arrangements.

First, as to the matter of insurance. Stock Search International is covered by a business policy which includes the categories:

Product (Service) Completion, and
Personal & Advertising Injury.

Each of these is subject to an individual claim and aggregate limit of \$1,000,000. The policy #BOP104366-02 is issued by Colorado Casualty.

Secondly, we have established a custodial account (#040800861828) with Merrill Lynch, into which all client transaction deposits will be made, and from which clients will be paid.

Finally, I have investigated various forms of bonding that may be applicable, and have found that they are too restrictive in scope to provide any real protection for our clients, that is not already and adequately covered in the two measures outlined above.



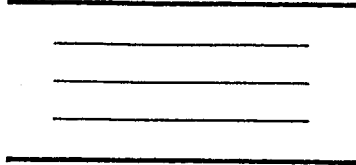
I am trusting that our full disclosure and cooperation with your review board, combined with twenty five years of doing business in the United States and Canada, will provide sufficient assurance that **Stock Search International** will continue to deliver professional and ethical service to our clients. Our business is so sensitive to client opinion and referral that, to do otherwise would result in failure in a very short time.

Thank you for your consideration of our request.

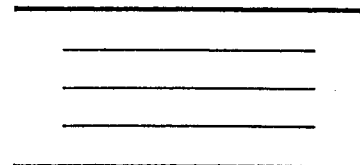
Yours sincerely,

Ronald I. Lysell
Vice President

encl. SEC response to Withdrawal Request (copy)



STOCK SEARCH
INTERNATIONAL INC.



May 20, 1994

Ms. Leslie Block
Associate General Counsel
Arizona Corporation Commission
1300 West Washington, Third Floor
Phoenix, AZ 85007

No Action Request

Supplementary Information

Dear Ms. Block:

Per our telephone conversation of this date, the following information is submitted for your consideration.

In 1981 our predecessor company, Stock Market Information Services, opened a branch office in Washington, D.C. As a result of the name and because the original articles of incorporation implied that an investment advisory function could be developed within the corporate organization, the Federal SEC required that SMIS register as an Investment Advisor. By that time the intention to offer investment advice had been abandoned, however, the company chose not to fight the registration requirement for two reasons:

- a) the cost was a one time fee of \$100 (the time and cost of fighting the SEC would cost more than that); and
- b) being registered with the SEC provided a measure of credibility for inquiring clients.

We subsequently maintained our registration with the SEC upon moving the headquarters, first to California (under the new name Stock Search International) and then to Arizona. Our articles of incorporation for both California and Arizona do not contain any mention of providing investment advice.



Within the past four years we were approached by two states, Wisconsin and Missouri (I believe MO to have been the second), to register with them as investment advisors. This we decided to contest, inasmuch as the fees were high and had to be renewed annually, and it would have set a precedent for the remaining 47 states, driving operating expenses out of sight. Our responses had the desired result, as neither state pursued their original demand.

In recent years, upon reviewing our file, personnel in the SEC offered the opinion that we did not really belong under their regulation, but did not object to our maintaining the status. Should it be necessary, in order to not be registered in Arizona, I will cause action to be initiated to have the SEC registration withdrawn.

Thank you for your ongoing consideration in this matter.

Yours sincerely,

Ronald I. Lysell
Vice President



STOCK SEARCH INTERNATIONAL INC.



May 18, 1994

Ms. Leslie Block
Associate General Counsel
Arizona Corporation Commission
1300 West Washington, Third Floor
Phoenix, AZ 85007

No Action Request

Dear Ms. Block:

Thank you for your assistance with my telephone inquiry yesterday. Per your recommendation, I am submitting this No Action Request, together with the \$200 fee, for consideration by your review board.

I do not believe that the new legislation regarding the licensing of investment advisors was designed to apply to my firm. However, the wording of the definition of "investment advisor" could be construed to include Stock Search International. For this reason, I have generated this "No Action Request".

Our company provides in-depth financial research into companies which our clients have lost track of over time, or which are represented by certificates which have been inherited or simply "turned up" in an old desk or trunk. These are typically thought of as having no value, but in fact we are able to identify and recover intrinsic value in 10% to 15% of stocks and bonds we are contracted to research. In another 20% to 25% of the cases we can identify collector value for the certificates. Where intrinsic value has been determined we undertake to transfer the old security into negotiable form and liquidate it for the client.

Our fee structure is double tiered, with a flat rate for the research, based on the number of companies researched, and a percentage of monies recovered where intrinsic value has been determined.



We do provide a report on the status of the company researched, but we do not offer investment advice. A sample report is provided for your information.

At the time we first entered the US market (we were formerly a Canadian company) we were required to register with the SEC as an investment advisor. We did not object to this as it provided credibility to the company for a one time fee of \$100.

Our client brochure is provided for your information.

Thank you for your consideration of this request.

Yours sincerely,

Ronald I. Lysell
Vice President

P.S. We are recognized for referral purposes by the Arizona Corporation Commission, and also have a current contract with the Arizona Unclaimed Property Division.