

WASHINGTON SERVICE BUREAU, INC.	
LETTER:	<i>Ketchikan Indian Arts & Crafts Cooperative</i>
WSB DIVISION #:	<i>33- Rule 147</i>
FILE # WITHIN DIVISION	<i>11</i>
Letter also listed in file guide under	
division(s):	<i>33-2(1); 33-3(a)(11)</i>
PUBLIC AVAILABILITY DATE	<i>11-15-74</i>

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DIVISION OF
CORPORATION FINANCE

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

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Alaska Legal Services Corporation
P. O. Box 652
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Act	<i>33</i>	<i>33</i>
Section	<i>2(1)</i>	<i>3(a)(11)</i>
Rule		<i>147</i>
Public Availability		<i>11-15-74</i>

Re: Ketchikan Indian Arts & Crafts Cooperative

OCT 16 1974

Dear Mr. Silko:

This is with reference to your letter of September 16, 1974, concerning the proposed sale of membership by your client, Ketchikan Indian Arts and Crafts Cooperative, without compliance with the registration requirements of the Securities Act of 1933 ("the Act"). The corporation is a non-stock membership cooperative which is formed for the purpose of enabling members to market their Native arts and crafts products on a cooperative basis, and also to make available raw materials to members at less than retail prices. The cooperative charges a membership fee of \$5.00. The cooperative has the right to withhold patronage refunds from members at various interest rates. At present, the articles of incorporation and by-laws limit membership to residents of Alaska and the by-laws provide that the memberships are not transferable.

It is this Division's view that the memberships may constitute securities within the meaning of Section 2(1) of the Act. It would appear that the exemption of Section 3(a)(11) of the Act for intrastate offerings may be applicable if any offering is made solely to Alaska residents and in fact comes to rest in Alaska. In Rule 147 under the Act, a copy of which is enclosed, the Commission has discussed various criteria which must be considered in establishing the availability of the Section 3(a)(11) exemption. As stated in the release explaining the rule, the rule is not an exclusive means of establishing the availability of the exemption.

Sincerely,

Norman Schou
Attorney Adviser

Enclosure

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