

ACT

ADMINISTRATIVE PROCEEDING
FILE NO. 3-11361

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION
February 27, 2004

In the Matter of	:	
	:	
PAUL W. MASON (a/k/a LOUIS R. SARPY),	:	ORDER
KRISTIN L. EMERY,	:	
and LAURENCE M. ANDERSON (a/k/a RON LAURENCE)	:	
	:	

On December 18, 2003, the Securities and Exchange Commission (Commission) issued its Order Instituting Proceedings (OIP). Paragraph III of the OIP seeks remedial action pursuant to Section 15(b)(4)(C) of the Securities Exchange Act of 1934 (Exchange Act). By Order dated February 20, 2004, I asked the Division of Enforcement (Division) to file and serve a brief statement of the specific sanction(s) it seeks pursuant to that statutory provision.


The Division has now responded to that Order by explaining that it seeks to bar all three Respondents from associating with any broker or dealer. See Section 15(b)(6) of the Exchange Act. The Division has also drafted an amended OIP that deletes the reference to Section 15(b)(4)(C) of the Exchange Act and substitutes a reference to Section 15(b) of the Exchange Act.

Under Rule 200(d)(2) of the Commission's Rules of Practice, an Administrative Law Judge may, upon motion of a party, amend an OIP to include new matters of fact or law that are within the scope of the original OIP. I find that the Division's proposed amendment is within the scope of the original OIP. The Commission has stated that such amendments "should be freely granted, subject only to the consideration that other parties should not be surprised nor should their rights be prejudiced." Carl L. Shipley, 45 S.E.C. 589, 595-96 (1974). I find that Respondents' rights will not be prejudiced if they are afforded an opportunity to file answers to the amended OIP within twenty days after service.

The Division's motion to amend the OIP is granted. A copy of the amended OIP is attached to this Order. Proof of service of this Order and the amended OIP will be required.

To allow time for service, return of service, and the filing of answers, the hearing previously scheduled for March 19, 2004, will be postponed until April 23, 2004, at the time and place previously announced.

SO ORDERED.



James T. Kelly
Administrative Law Judge

UNITED STATES OF AMERICA
before the
SECURITIES AND EXCHANGE COMMISSION

Received

FEB 25 2004

ADMINISTRATIVE PROCEEDING
FILE NO. 3-11361

Office of Administrative
Law Judges

In the Matter of :
: AMENDED
: ORDER INSTITUTING PUBLIC
PAUL WAYNE MASON (a/k/a Louis : ADMINISTRATIVE PROCEEDINGS
Ronnie Sarpy); KRISTIN LUCK : PURSUANT TO SECTION 15(b) OF
EMERY; and LAURENCE MARK : THE SECURITIES EXCHANGE ACT
ANDERSON (a/k/a RON LAURENCE) : OF 1934 (proposed)
: :
Respondents. :
:

I.

The Securities and Exchange Commission ("Commission") deems it appropriate and in the public interest that public administrative proceedings be, and hereby are, instituted pursuant to Section 15(b) of the Securities Exchange Act of 1934 ("Exchange Act") against Paul Wayne Mason, a/k/a Louis Ronnie Sarpy ("Mason"), Kristin Luck Emery ("Emery"), and Laurence Mark Anderson, a/k/a Ron Laurence ("Anderson").

II.

After an investigation, the Division of Enforcement alleges that:

A. Respondent Mason, age 50, is incarcerated in the Chuckawalla Valley State Prison, located in Blythe, California. From in or about 1997 until approximately September 2001, Respondent Mason engaged in the offer and sale of North American Medical Products, Inc. ("NAMP") stock directly and through a group of persons he employed. The stock was not registered with the Commission and Respondent Mason was not registered with the Commission as a broker or dealer.

B. Respondent Emery, age 41, is incarcerated in the Orange County Jail, located in Santa Ana, California. From in or about the Summer of 2001 until approximately September 2001, Respondent Emery, together with Respondent Mason and others, offered and sold NAMP stock. Respondent Emery was not registered with the Commission as a broker or dealer.

C. Respondent Anderson, age 47, is a resident of Los Angeles, California. From in or about the Summer of 2001 until approximately September 2001, Respondent Anderson, together with Respondent Mason and others, offered and sold NAMP stock. Respondent Anderson was not registered with the Commission as a broker or dealer.

D. On March 11, 2003, the Commission filed a Complaint in the United States District Court for the Central District of California against Respondents captioned, SEC v. North American Medical Products, Inc., et al., Case No. SACV03-250 AHS (ANx). The Commission's Complaint alleged that the Respondents had engaged in the offer and sale of unregistered securities while not registered as brokers or dealers with the Commission. The Complaint further alleged that Respondents made false and misleading statements and material omissions to prospective investors about, among other things, the amount of commission being paid on the sale of NAMP stock and NAMP's business prospects.

E. On August 4, 2003, in SEC v. North American Medical Products, Inc., et al., the Court entered a Judgment by Default permanently enjoining Respondents Mason and Emery from violating Sections 5 and 17(a) of the Securities Act of 1933, Sections 10(b) and 15(a) of the Exchange Act and Rule 10b-5 thereunder based on the conduct described above.

F. On October 6, 2003, in SEC v. North American Medical Products, Inc., et al., the Court entered a Judgment by Default permanently enjoining Respondent Anderson from violating Sections 5 and 17(a) of the Securities Act of 1933, Sections 10(b) and 15(a) of the Exchange Act and Rule 10b-5 thereunder based on the conduct described above.

III.

In view of the allegations made by the Division of Enforcement, the Commission deems it necessary and appropriate in the public interest that public administrative proceedings be instituted to determine:

A. Whether the allegations set forth in Section II are true and, in connection therewith, to afford the Respondents an opportunity to establish any defenses to such allegations; and

B. What, if any, remedial action is appropriate in the public interest against Respondents pursuant to Section 15(b) of the Exchange Act.

IV.

IT IS ORDERED that a public hearing for the purpose of taking evidence on the questions set forth in Section III shall be convened at a time and place to be fixed, and before an Administrative Law Judge to be designated by further order, as provided by Rule 200 of the Commission's Rules of Practice (17 C.F.R. §201.200).

IT IS FURTHER ORDERED that each Respondent shall file an Answer to the allegations contained in this Order within twenty (20) days after service of this Order, as provided by Rule 220 of the Commission's Rules of Practice (17 C.F.R. §201.220).

If any Respondent fails to file the directed Answer, or fails to appear at a hearing after being duly notified, he/she may be deemed in default and the proceedings may be determined against him/her upon consideration of this Order, the allegations of which may be deemed to be true as provided by Rules 155(a), 220(f), 221(f), and 310 of the Commission's Rules of Practice (17 C.F.R. §§201.155(a), 201.220(f), 201.221(f), and 201.310).

This Order shall be served upon Respondents personally, by certified mail, or by any other means permitted by Rule 141 of the Commission's Rules of Practice (17 C.F.R. §201.141).

IT IS FURTHER ORDERED that the Administrative Law Judge shall issue an initial decision no later than 210 days from the date of service of this order, pursuant to Rule 360(a)(2) of the Commission's Rules of Practice (17 C.F.R. §201.360(a)(2)).

In the absence of an appropriate waiver, no officer or employee of the Commission engaged in the performance of investigative or prosecuting functions in this or any factually related proceedings will be permitted to participate or advise in the decision upon this matter, except as witnesses or counsel in proceedings held pursuant to notice. Because this proceeding does not constitute "rule making" within the meaning of Section 551 of the Administrative Procedure Act, it is not deemed subject to the provisions of Section 553 delaying the effective date of any final Commission action.

For the Commission, by its Secretary, pursuant to delegated authority.

Jonathan G. Katz
Secretary