

1 DEPARTMENT OF CONSUMER AND BUSINESS SERVICES
2 DIVISION OF FINANCE AND CORPORATE SECURITIES
3 SECURITIES SECTION
4 BEFORE THE DIRECTOR OF THE DEPARTMENT OF
5 CONSUMER AND BUSINESS SERVICES
6 STATE OF OREGON

5 In the Matter of:) 0-96-0021
6)
7 ASTRA STRATEGIC INVESTMENT) ORDER TO ASSESS CIVIL PENALTIES
8 SERIES, ASTRA ADJUSTABLE) and
9 U.S. GOVERNMENT SECURITIES) CONSENT TO ENTRY OF ORDER
10 TRUST I-A AND II)
11 Respondents.)

12 WHEREAS the Director of the Department of Consumer and
13 Business Services for the State of Oregon (hereinafter
14 DIRECTOR) has reviewed certain securities transactions
15 effected in Oregon by Respondent ASTRA STRATEGIC INVESTMENT
16 SERIES, ASTRA ADJUSTABLE U.S. GOVERNMENT SECURITIES TRUST
17 I-A AND II formerly PILGRIM STRATEGIC INVESTMENT SERIES -
18 PILGRIM ADJUSTABLE U.S. GOVERNMENT SECURITIES TRUST I-A AND
19 II (hereinafter ASTRA) and has determined that ASTRA sold
20 unregistered securities in the State of Oregon in violation
21 of the Oregon Securities Law; and

22 WHEREAS ASTRA wishes to resolve and settle this matter
23 with the DIRECTOR;

24 NOW THEREFORE, as evidenced by the authorized
25 signature(s) subscribed on this Order, ASTRA hereby **CONSENTS**
26 to entry of this Order to Assess Civil Penalties based upon
the Director's Findings of Fact and Conclusions of Law as
stated hereinafter:



FINDINGS OF FACT

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The Director FINDS that:

1. Respondent ASTRA is an open-end, management investment company commonly known as a mutual fund, whose address is Symphony Towers, 750 B Street, Suite 2350, San Diego, California 92101;

2. ASTRA MANAGEMENT CORPORATION provides supervisory and management services for Respondent and is a "Registered Investment Adviser", as that term is defined under the Investment Adviser Act of 1940;

3. ASTRA filed a "Notice of Intention to Sell Securities" with the Director, as required under ORS 59.025(14)(a) as a prerequisite to reliance on the exemption from registration requirements that is available to qualified mutual funds, which notice expired February 25, 1994. The notice must be refiled with the Director each year that sales are effected in Oregon without registration;

4. ASTRA did not refile a "Notice of Intention to Sell Securities" in the State of Oregon until October 11, 1994;

5. During the period from February 25, 1994 through October 11, 1994 securities issued by ASTRA were neither registered for sale in Oregon, nor were such securities exempt from the registration requirements in Oregon by a properly-filed "Notice of Intention to Sell Securities";

6. During the period from February 25, 1994 through October 11, 1994 Respondent sold securities in the total

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350 Winter Street NE, Suite 410
Salem, OR 97310
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1 amount of \$3,645.00 to Oregon investors.

2 **CONCLUSIONS OF LAW**

3 **The Director CONCLUDES that:**

4 1. During the period from February 25, 1994 through
5 October 11, 1994, ASTRA sold non-exempt, unregistered
6 securities in Oregon, in violation of ORS 59.055.

7 **ORDER**

8 **NOW THEREFORE**, Respondent is **ORDERED** to:

9 1. **PAY** a civil penalty in the total amount of \$750.00
10 to the State of Oregon for the violations stated herein.
11 This penalty shall not be paid from the assets of the mutual
12 fund. Respondent further agrees that neither Respondent,
13 its officers or directors or the Investment Adviser shall be
14 indemnified from assets of ASTRA for payment of civil
15 penalties assessed herein.

16 Dated this 12th day of June, 1996
17 at Salem, Oregon.

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19 
20 **KERRY BARNETT, DIRECTOR**
21 **DEPARTMENT OF CONSUMER AND BUSINESS SERVICES**

22 **CONSENT TO ENTRY OF ORDER**

23 I, JOHN R. ELORDING, state that I became
24 an officer of ASTRA STRATEGIC INVESTMENT SERIES, ASTRA
25 ADJUSTABLE U.S. GOVERNMENT SECURITIES TRUST I-A AND II
26 (ASTRA) in April 1995, and I am authorized to act on its



1 behalf; that I have read the foregoing Order and that I know
2 and fully understand the contents hereof; that the factual
3 allegations stated herein are true and correct; that ASTRA
4 has been advised of its right to a hearing and of its right
5 to be represented by counsel in this matter; that ASTRA
6 voluntarily and without any force or duress, consents to the
7 entry of this Order without further hearing, expressly
8 waiving any right to a hearing in this matter; that ASTRA
9 understands that the Director reserves the right to take
10 further actions to enforce this Order or to take appropriate
11 action upon discovery of other violations of the Oregon
12 Securities Law; and that ASTRA will fully comply with the
13 terms and conditions stated herein.

14 ASTRA further assures the Director that neither ASTRA
15 nor its officers, directors, employees or agents will effect
16 securities transactions in Oregon unless such activities are
17 in full compliance with Chapter 59 of the Oregon Securities
18 Revised Statutes.

19 I understand that this Consent Order is a public
20 document.

21 Dated this 6th day of JUNE,
22 1996.

23 By 
24 (Signature)

25 _____
26 (Authorized Agent for Astra
Strategic Investment Series)

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