

From state securities chief —

CIRI dissidents subjects of order

Four dissident candidates in last spring's Cook Inlet Region, Inc. board elections made false statements in proxy solicitations sent to shareholders, the Anchorage Daily News reported Tuesday.

The report said the state securities director, Julius S. Brecht, issued a cease and desist order to the seven people involved after determining that the practice was in violation of the Alaska Securities Act.

Four dissident candidates, two incumbent board members, and an Anchorage businessman were named in the order, the News said. The newspaper stated that three of the individuals are candidates in the Alaska general election.

One, Don Wright of Fairbanks, is an independent candidate for governor. Another, Anchorage businessman Bruce Ken-

dall is a candidate for the state senate from Anchorage. Kendall sold a hotel chain to the regional corporation in 1975 for more than \$5.5 million. A lawsuit by CIRI against Kendall, alleged he misrepresented the hotels' "competitive position" and was settled out of court when Kendall reportedly agreed to buy back three of the five Inlet Inns.

In his notice and order, Brecht said Kendall contributed more than \$15,000 in cash and goods to the dissident campaign and served as election campaign chairman at the same time he was involved in the lawsuit.

Brecht's notice also said that the dissident group failed to disclose that their campaign was financed and managed by Kendall, and that a \$5 million damage suit was pending against Kendall, and that the dissidents determined ahead of time who

would hold certain corporate offices in their bid for control.

The securities director also said the dissident group circulated a misleading document identified as a "poll" which was actually a proxy solicitation.

Dissident candidates were

identified as Fred Bahr, Anna Starforth, Jess Lanman and Frank Peratrovich. Peratrovich was the only successful candidate. Brecht said the campaign was supported by two incumbent board members, Wright and Jerry Ward.