

UNITED STATES DISTRICT COURT FOR THE DISTRICT OF COLUMBIA

SECURITIES AND EXCHANGE COMMISSION

500 North Capitol Street

Washington, D.C.20549

Plaintiff,

v.

GULF CONTINENTAL, INC.

Defendant.

COMPLAINT FOR INJUNCTION

I. It appears to the plaintiff, Securities and Exchange Commission (“Commission”), that defendant, Gulf Continental, Inc. is engaged and about to engages in acts and practices which constitute and will constitute violations of Section 13(a) of the Securities Exchange Act of 1934 (“Act”), 15 U.S.C. 78m(a)., and certain of the rules and regulations promulgated by the Commission thereunder. The Commission brings this action pursuant to Sections 21(e) and 21(f) of the Act, 15 U.S.C. 78u(e) and 78u(f), for injunctive relief to compel defendant to comply with the requirements of Section 13(a) of the Act and the rules and regulations thereunder.

2. This Court has jurisdiction of this action under Sections 21(f) and 27 of the Act, 15 U.S.C. 78u(f) and 78aa.

3. Defendant, a corporation incorporated in Nevada, is an issuer of common stock registered under Section 12 of the Act, 15 U.S.C. 78l pursuant to the filing with the Commission of a registration statement for such security under Section 12(g) of the Act on November 3, 1969, which registration statement became effective on or before January 1, 1970.

4. Section 13(a) of the Act and the rules and regulations thereunder provide that an issuer of a security registered pursuant to Section 12 of the Act shall file certain reports with the Commission in Washington , D. C. Defendant, as such an issuer, has been required at all times material herein, and is now required, to file such reports.

5. Defendant was required by Section 13(a) of the Act and Rule 13a-1 thereunder, 17 CFR 240.13a-11, (prior to its revision on October 21, 1970 effective December 31, 1970) to file an annual report on Form 10-K for the fiscal year ended May 31, 1970 on or before September 28, 1970. Defendant requested, and was granted, an extension of time

pursuant to Rule 12b-25, 17 CFR 240.12b-25, within which to file the report until November 28, 1970. Defendant has failed to file such report.

6. Defendant was required by Section 13(a), Rule 13a-1 (after its revision on October 21, 1970 effective for reports filed on Form 10-K for fiscal years ending on or after December 31, 1970) and Form 10-K (as revised on October 21, 1970 effective on December 31, 1970) 17 CFR 249.310 to file an annual report on Form 10-K for the fiscal year ended May 31, 1971 on or before August 29, 1970. Defendant has failed to file such report.

7. Defendant was required by Section 13(a) of the Act and Rule 13a-13 thereunder. 17 CFR 240.13a-13, prior to the effectiveness of a revision of Rule 13a-13 on October 28, 1970 (which revision is effective for reporting periods ending after December 31, 1970) to file semi-annual reports on Form 9-K. (Revised Rule 13a-13 now requires the filing of quarterly reports on Form 10-Q.) Defendant was required to file a semiannual report on Form 9-K for the six-month period ended November 30, 1969 on or before January 14, 1971. Defendant has failed to file such report.

8. Defendant was required by Section 13a-1, Rule 13a-13 thereunder (as revised on October 28, 1970 effective for fiscal quarter ended on or after December 31, 1970) and Form 10Q, 17 CFR 240.308a, to file a quarterly report on Form 10-Q for the fiscal quarter ended February 28, 1971 on or before April 14, 1971. Defendant has failed to file such report.

9. The registration statement filed by defendant with the Commission on November 3, 1969 and amended on February 16, 1970 stated that as of October 16, 1969 the common stock of defendant was held of record by 1,136 persons and that defendant had \$1,604,163 in total assets on a consolidated basis, including cash in the amount of \$404,393. On information and belief, the Commission alleges that there is a trading market in the common stock of defendant.

10. Without an appropriate order of this Court, defendant will continue to engage in the unlawful practices set forth herein, and in similar practices, by continuing to fail to file with the Commission reports and documents required by law.

WHEREFORE, the Commission prays that this Court:

I. Order defendant to file with the Commission forthwith annual reports on Form 10-K for the fiscal years ended May 31, 1970 and May 31, 1971, a semi-annual report on Form 9-K for the six-month period ended November 30, 1970, and the quarterly report on Form 10-Q for the fiscal quarter ended February 28, 1971.

II. Grant a permanent injunction enjoining and restraining defendant from violating Section 13(a) of the Act and the rules and regulations thereunder by failing to file with the Commission timely and proper reports as required by such provisions.

III. Grant such other and further relief as the Court may deem appropriate.

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