

ANNUAL REPORT  
OF THE  
**Banking Commissioner**  
OF THE  
STATE OF CONNECTICUT



FOR THE YEAR ENDED DECEMBER 31, 1981

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BANKING COMMISSIONER  
**BRIAN J. WOOLF**

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State Office Building, Hartford, Connecticut 06115

*We Dedicate This Annual Report to the Memory of*

*David H. Neiditz*



*1930-1981*

*Who Served as Banking Commissioner*

*from*

*August 23, 1977*

*to*

*December 28, 1981*

P.A. 81-123 — *An Act Concerning the Central Credit Union and Credit Union Interest and Dividend Rates*: Broadens the investment powers of the Central Credit Union; permits credit union directors, with the Banking Commissioner's approval, to establish interest rates on loans to members and dividend rates not to exceed the rates which federally chartered credit unions may charge.

P.A. 81-173 — *An Act Concerning Credit Unions*: Provides that a members maximum amount of shares at any time may not exceed \$100,000; establishes a schedule of regular reserves against losses depending upon the credit union's length of operation and asset size; provides that the Banking Commissioner may decrease the reserve requirements or require special reserves of all credit unions or an individual credit union as a special case; permits credit unions to determine the titles of their chief elected and chief operating officers as their bylaws provide; requires that the supervisory committee meet at least annually; exempts share draft account withdrawals from the mandatory assignment of shares provision of 36-199(c) or credit committee approval requirements of 36-200(5); and provides that all credit unions shall have NCUA share insurance by July 1, 1983, with application filed no later than July 1, 1982.

P.A. 81-207 — *An Act Concerning the Operation of Branch Banks and Acquisition and Mergers of Credit Unions*: Provides that a state-chartered commercial bank, savings bank or savings and loan association may acquire the assets and business of a credit union; prohibits mergers between credit unions; and provides that offices and branches of credit unions may continue to be operated as branches of the acquiring institution.

## SECURITIES AND BUSINESS INVESTMENTS DIVISION

The Securities and Business Investments Division is responsible for the following areas subject to the general supervision of the Banking Commissioner: (1) The registration of Tender Offers and the registration of Securities and Business Opportunity programs for sale in Connecticut; (2) Broker-Dealer and Investment Adviser registration; (3) Routine examinations of Broker-Dealer and Investment Adviser registrants; and (4) Enforcement of the Tender Offer, Securities and Business Opportunity laws.

During 1981, the vacant division director position was filled. As of year-end 1981, the division comprised a division director, a director of enforcement, 10 examiners and 10 staff assistants. Recruitment to fill the vacant assistant division director position was planned to begin in 1982 by the Banking Department in conjunction with the Personnel Division of the Department of Administrative Services.

### *Activities*

Jurisdiction of the Banking Commissioner over the Tender Offer, Securities and Business Opportunity laws emanates from Chapters 661a, 662 and 662a of the General Statutes, respectively.

In connection with the securities and business opportunity laws, as of the year-end 1981, 15,511 persons were registered to engage in selling securities and to offer advice and management services regarding investments in securi-

ties. This represents a 9% increase over the number of registrants in 1980. More than 62.1% of those registered were engaged in the general brokerage business. (See Tables Numbered 51, 52, 52a and 53).

During 1981, 65 routine broker-dealer and 49 investment adviser examinations were undertaken, a decrease of 3 in the former and of 3 in the latter categories.

In 1981, 2,507 registration statements required of issuers of securities prior to their sale in Connecticut were received, 938 more than in 1980. Thirty-four registrations by sellers of business opportunity programs were received, an increase of 15 over the previous year. Eight business opportunity registrations were renewed. There were 4 tender offer registrations during 1981. (See Table No. 55).

During 1981, 137 securities investigations and 32 business opportunity investigations were initiated, representing a decrease of 20 in the former and of 9 in the latter. Two orders to cease and desist were issued in the securities area. Two securities matters were referred for criminal action. (See Table No. 56). Of all the investigations opened, most were resolved on the administrative level prior to their closure. Many of such administrative resolutions took the form of requiring those believed to be violating the law to offer rescissions to investors, to submit affidavits that no business would be conducted in Connecticut until properly registered or exempt from registration under the securities or business opportunities laws, to enter into consent agreements, or a combination of the foregoing.

In 1981, Counsel to the Banking Commissioner issued 1,116 interpretative opinions and exemption acknowledgements in the area of securities and 48 in the area of business opportunities. (See Table No. 57).

### *Legislation*

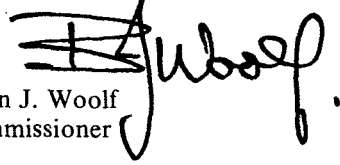
In 1981, Chapter 662 of the Connecticut General Statutes, the Connecticut Uniform Securities Act, was amended by Public Act 81-292. Public Act 81-292, which became effective on October 1, 1981, made certain changes to the definitional, registration and exemption provisions of the act, including (1) increasing the filing fee for a person filing a registration statement for registration by coordination and qualification to three hundred dollars, (2) requiring a registration statement to specify the name of the broker-dealer or agent of issuer registered to do business in this state who will offer the securities in this state, (3) making changes concerning the effective period of registration statements, (4) permitting the commissioner to exempt from the registration requirements any security the registration of which the commissioner finds is not necessary or appropriate in the public interest or for the protection of investors, and (5) permitting a buyer to sue a seller and recover the consideration paid for the security, together with interest at eight, rather than six, per cent.

Chapter 662a of the Connecticut General Statutes, the Connecticut Business Opportunity Investment Act, was amended by Public Act 81-48. Public Act 81-48 became effective on April 22, 1981, and provided for the payment of interest in a restitution proceeding to the purchaser-investor of a business opportunity sold in violation of the Act. In December 1980, the Hon.

Judge Emmet T. Clarie of the United States District Court for the District of Connecticut found certain sections of Chapter 661a of the Connecticut General Statutes, the Connecticut Tender Offer Act, to be in conflict with federal law and hence, in certain respects, unconstitutional. That statute was substantially revised by Public Act 81-121, effective May 15, 1981, to remedy those constitutional defects.

Respectfully submitted,

Brian J. Woolf  
Commissioner

A handwritten signature in black ink, appearing to read "B. Woolf", written over the printed name and title.

**Table No. 51**  
**REGISTRATIONS:**  
**BROKER-DEALERS, INVESTMENT ADVISERS AND AGENTS**

	In Effect Dec. 31		Increase	
	1981	1980	1981	1980
Brokers and Dealers .....	647	575	11.1%	12.5%
Agents .....	14,700	12,962	11.8	14.5
Investment Advisers .....	200	193	3.5	2.1
Investment Advisers Agents .....	618	495	19.9	9.3
Agent of Issuer .....	193	136	29.5	74.4

**Table No. 52**  
**CLASSIFICATIONS OF BROKER-DEALER REGISTRANTS**

Type of Business	Number		Percent	
	1981	1980	1981	1980
General Brokerage .....	402	365	62.1%	63.5%
Investment Trust .....	25	31	3.9	5.5
Other Specialists .....	220	178	34.0	31.0
Own Securities .....	0	1	—	—
<b>Totals .....</b>	<b>647</b>	<b>575</b>	<b>100.0%</b>	<b>100.0%</b>

**Table 52a**  
**MAIN OFFICE: BROKER-DEALER**  
**AND INVESTMENT ADVISER REGISTRANTS**

1981	Broker-Dealer	Investment Adviser
Alabama .....	2	0
Arizona .....	2	0
Arkansas .....	3	0
California .....	27	9
Colorado .....	16	0
Connecticut .....	82	62
Delaware .....	2	0
District of Columbia .....	6	0
Florida .....	14	1
Georgia .....	12	3
Illinois .....	22	2
Indiana .....	2	1
Iowa .....	1	1
Kansas .....	1	0
Louisiana .....	2	0
Maryland .....	6	2
Massachusetts .....	46	28
Michigan .....	6	0
Minnesota .....	12	0
Missouri .....	9	1
Nebraska .....	3	3
New Hampshire .....	1	1
New Jersey .....	32	6
New York .....	262	64
North Carolina .....	1	1
Ohio .....	7	0
Oklahoma .....	9	0
Oregon .....	1	0
Pennsylvania .....	19	6
Rhode Island .....	4	3
Tennessee .....	2	1
Texas .....	17	1
Utah .....	0	0
Vermont .....	1	0
Virginia .....	4	3
Washington .....	3	0
Wisconsin .....	7	1
Puerto Rico .....	1	0
<b>Totals .....</b>	<b>647</b>	<b>200</b>

**Table No. 53**  
**TREND IN BROKER-DEALER, INVESTMENT ADVISER AND AGENTS REGISTRATIONS**

Year	Broker — Dealers	Percent Increase/ Decrease	Agents	Percent Increase/ Decrease	Investment Advisers	Percent Increase/ Decrease	Investment Adviser Agents	Percent Increase/ Decrease	Agents of Issuer	Percent Increase/ Decrease
1955	251	13.1	1,177	47.3	22	29.4	13	8.3	.....	.....
1960	312	24.3	2,223	88.8	24	8.3	23	77.0	.....	.....
1965	345	10.5	3,268	47.0	42	75.0	62	169.5	.....	.....
1966	346	.0	3,703	13.3	47	11.9	85	37.0	.....	.....
1967	353	2.0	4,112	11.0	56	19.6	110	29.4	.....	.....
1968	390	10.5	5,159	25.7	60	7.1	125	13.6	.....	.....
1969	434	11.3	5,955	15.4	72	20.0	145	16.0	.....	.....
1970	451	3.9	6,429	9.6	81	12.5	171	17.9	.....	.....
1971	464	2.9	6,522	1.4	86	6.2	191	11.7	.....	.....
1972	499	7.5	7,305	12.0	103	19.7	226	18.3	.....	.....
1973	464	(7.0)	7,519	2.9	109	5.8	235	4.0	.....	.....
1974	463	(.2)	7,543	.3	121	11.0	288	22.6	.....	.....
1975	453	(2.2)	7,899	4.7	135	11.6	322	11.8	.....	.....
1976	476	5.1	8,926	13.0	156	15.6	355	10.2	.....	.....
1977	494	3.8	9,611	7.7	186	19.2	383	7.9	.....	.....
1978	530	7.3	10,809	12.5	199	7.0	438	14.4	3	.....
1979	511	(3.6)	11,318	4.7	189	(5.0)	453	3.4	22	63.3
1980	575	12.5	12,962	14.5	193	2.1	495	9.3	178	254.5
1981	647	11.1	14,700	11.8	200	3.5	618	19.9	136	74.4
									193	29.5

**Table No. 54**  
**ROUTINE EXAMINATIONS:**  
**BROKER-DEALERS AND INVESTMENT ADVISERS**

	1981	1980
Broker-Dealers .....	65	68
Investment Advisers .....	49	52

**Table No. 55**  
**REGISTRATIONS FILED AND EFFECTED OF**  
**SECURITIES, TENDER OFFERS AND BUSINESS OPPORTUNITIES**

	Received		Effected	
	1981	1980	1981	1980
Securities .....	2,507	1,632	1,968	1,363
Tender Offers .....	4	1	4	1
Business Opportunities .....	34	19	30	11
Business Opportunity Renewals .....	8	1	8	1

**Table No. 56**  
**ENFORCEMENT ACTIVITIES**  
**SECURITIES AND BUSINESS OPPORTUNITIES**

	Securities		Business Opportunities	
	1981	1980	1981	1980
Investigations Opened .....	137	157	32	41
Investigations Closed .....	141	155	38	57
Cease & Desist Orders Issued .....	2	4	0	8
Referrals for Criminal Action .....	2	5	0	1
Referrals for Civil Action .....	0	1	0	0

**Table No. 57**  
**INTERPRETIVE OPTIONS AND EXEMPTION ACKNOWLEDGEMENTS**  
**ISSUED BY COUNSEL:**  
**SECURITIES AND BUSINESS OPPORTUNITIES**

	1981	1980
Securities .....	1,116	774
Business Opportunities .....	48	80



## ROSTER

### BANKING DEPARTMENT

#### Administrative Division

Brian J. Woolf, **Commissioner**

Shirley B. Ale, **Secretary to Commissioner**  
Ann M. Negrini, **Secretary to Deputy Commissioner**

Marcia B. Goodman, **Executive Assistant**

Hugh C. McLean, **Senior Economist**

James J. Keleher, **Administrative Services Officer 3**

#### Staff Assistants

Fillis W. Stober  
Legislative & Regulations  
Specialist

Debra L. Patterson  
Administrative Services Officer I

Billie M. Fornal  
Specialized Secretary  
(Legal)

Marceyn K. Poppel  
Specialized Secretary  
(Legal)

Cynthia E. Antanaitis  
Legislative & Regulations  
Specialist

Rose A. Austin  
Personnel Officer

Dorothy N. Stephenson  
Senior Financial Clerk

#### Bank Examination Division

Edward W. Dooley, Jr., **Director**

#### Bank Regulation Division

Raymond Cordani, **Director**

Joseph A. Pandiscia, **Assistant Director**

#### Chief Examiners

Edward H. Farrell

Robert S. Greenwood

Walter C. Hamlin

#### Principal Examiners

Lewis S. Clark  
James M. Convery  
Robert L. Ferree  
Glenn W. Hayes

Robert J. Kelly  
Frank R. Kern, Jr.  
Leona R. Madeux  
Raymond J. Milot  
Howard F. Pitkin

Alfred G. Reutter  
Curtis E. Warren  
Walter C. Wirsul  
Clifford J. Jones

#### Associate Examiners

Vernelle J. Davis  
Edward S. Kaliszewski  
William J. MacDonald

David L. O'Brien  
Clayton L. Parker  
Leo J. Pelletier  
Horace M. Plumb

Sebastian F. Scarfe  
Eugene L. Terrill  
Patricia A. Marson

#### Examiner II

John A. Beaty  
Robert L. Becker  
Malcolm G. Campbell, Jr.  
Thomas J. Catania

Irene A. Costello  
Allen J. Guiot  
Joseph M. Harris  
Anders F. Myhr

Andrew J. Paczkowski  
Everett T. Whitmore  
Ronald J. Wood

#### Research and Statistics Section

Leonard A. Rich, **Bank Investment Supervisor**

James E. Nichols, **Bank Verification Examiner**

#### Staff Assistants

Edgar C. Watrous  
Research Analyst  
Leona C. Paradis  
Senior Clerk

Pamela-Ann T. Bozio  
Statistical Typist  
Paul B. Hinton  
Clerical Trainee

**Consumer Complaint Section**

Barry A. Elliott, **Principal Examiner**  
 Judith A. Butterly, **Consumer Information Representative**

**Statistical Typing Section**

Frances S. Morocco, **Supervisor**

Pearl F. Larson  
 Statistical Typist  
 Maria L. O'Toole  
 Statistical Typist

Elizabeth A. Lauretti  
 Statistical Typist  
 Clare F. Burke  
 Statistical Typist

**Securities and Business Investments Division**

Richard Slavin, **Director**  
 Ralph A. Lambiase, **Director (Enforcement & Trust)**

**Principal Examiners**

Joseph H. Mulvey

Arthur F. Kleffke

**Associate Examiners**

Virginia C. Hughes  
 Sidney A. Igdalsky

Eric J. Wilder  
 Bruce R. Wilson

**Connecticut Careers Trainee — Margot T. O'Grady**

**Examiner I**

Norma F. Heckendorf

Maryellen R. Meara

Beth Ann Johnson

**Staff Assistants**

Ann C. Cody  
 Senior Secretary  
 Ivan J. Hall  
 Senior Clerk  
 Jeanne Bryant  
 Clerk Typist

Louise E. Hanson  
 Head Clerk  
 Thomas C. Dolan  
 Financial Clerk  
 Marylou Johnson  
 Clerk Typist

Doris A. Kinsley  
 Senior Clerk  
 Olympia M. Thompson  
 Clerk Typist  
 Naomi C. Church  
 Clerk Typist

**Credit Union Division**

Joseph D. Tirinzoni, **Director**  
 James F. Abdo, **Assistant Director**

**Principal Examiner**

Chester E. Uliasz

**Examiner II**

Adeline B. Costa  
 Robert J. Daly

Thomas J. Zaleski

Patricia A. Parzymies  
 Russell L. Sarrazin

**Examiner I**

Moses O. Olasanoye

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Angela M. Russo  
 Statistical Typist

Mary C. Divigard, **Supervisor**  
 Cheryl L. Hawkins  
 Statistical Typist

Marie A. Arienzale  
 Statistical Typist

**Consumer Credit Division**

Robert C. Focht, **Director**  
 Roger N. LaBonte, **Assistant Director**

**Principal Examiner**

Harry S. Donnelly, Jr.

**Associate Examiners**

Rudolph A. Cohen

Bethel A. Ragaglia

Frank J. Accetura

**Examiner II**  
Robert F. Maloney

Ruth E. Seagrave

**Examiner I**  
Dena L. Wood  
**Connecticut Careers Trainee**  
Jeffery W. Hubbell  
**Staff Assistant**  
Doris Goldstein  
**Administrative Secretary**