

**UNITED STATES OF AMERICA**  
**Before the**  
**SECURITIES AND EXCHANGE COMMISSION**

**SECURITIES EXCHANGE ACT OF 1934**  
**Release No. 54093 / July 3, 2006**

**ADMINISTRATIVE PROCEEDING**  
**File No. 3-12354**

**In the Matter of**

**IRVING J. STITSKY,**

**Respondent.**

**ORDER INSTITUTING  
ADMINISTRATIVE PROCEEDINGS  
PURSUANT TO SECTION 15(b) OF THE  
SECURITIES EXCHANGE ACT OF 1934,  
MAKING FINDINGS, AND IMPOSING  
REMEDIAL SANCTIONS**

**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 Irving J. Stitsky (“Stitsky” or “Respondent”).

**II.**

In anticipation of the institution of these proceedings, Respondent has submitted an Offer of Settlement (the “Offer”) which the Commission has determined to accept. Solely for the purpose of these proceedings and any other proceedings brought by or on behalf of the Commission, or to which the Commission is a party, and without admitting or denying the findings herein, except as to the Commission’s jurisdiction over him and the subject matter of these proceedings, and the findings contained in Section III.C. and III.E. below, which are admitted, Respondent consents to the entry of this Order Instituting Administrative Proceedings Pursuant to Section 15(b) of the Securities Exchange Act of 1934, Making Findings, and Imposing Remedial Sanctions (“Order”), as set forth below.

### III.

On the basis of this Order and Respondent's Offer, the Commission finds that

- A. Respondent, 61 years old, is a resident of Bayside, New York.
- B. Respondent participated in offerings of Detour Magazine, Inc., Tri-Com Technology Group, Inc., Wineco Productions, Inc. and Fidelity Capital Group Holdings, Inc. stocks, which were penny stocks.
- C. On June 11, 2005, a final judgment was entered by consent against Stitsky, permanently enjoining him from future violations of Section 17(a) of the Securities Act of 1933 ("Securities Act"), Section 10(b) of the Exchange Act and Rule 10b-5 thereunder, and Rule 102 of Regulation M, in the civil action entitled Securities and Exchange Commission v. Vincent Napolitano, et al., Civil Action Number 9:99-CV-04807, in the United States District Court for the Eastern District of New York. Stitsky was also ordered to disgorge \$441,583.48 together with prejudgment interest in the amount \$172,953.43 and to pay a civil penalty of \$110,000.
- D. The Commission's complaint alleged that, beginning in 1997, Stitsky profited from the sale of large blocks of microcap stock in a pump and dump scheme. Stitsky received large blocks of microcap stock from issuers as compensation for promoting those stocks in an Internet based newsletter. Stitsky sold the stocks he promoted while recommending newsletter subscribers purchase the stock. Through this conduct, the complaint alleged, Stitsky violated the antifraud provisions of the Securities Act and the Exchange Act.
- E. On February 26, 2002, Stitsky pled guilty to one count of conspiracy to commit securities fraud in violation of Title 18 United States Code, Section 371 before the United States District Court for the Eastern District of New York, in United States v. Irving J. Stitsky, Crim. Information No. CR 99-755. A judgment in the criminal case was entered against Stitsky. He was sentenced to a prison term of 33 months followed by three years of supervised release.
- F. The count of the criminal information to which Stitsky pled guilty alleged, inter alia, that Stitsky conspired to defraud investors and obtained money and property by means of materially false and misleading statements in connection with the purchase or sale of securities. The facts underlying Respondent's criminal conviction are the same as those alleged in the Commission's complaint.

#### **IV.**

In view of the foregoing, the Commission deems it appropriate and in the public interest to impose the sanctions agreed to in Respondent Stitsky's Offer.

Accordingly, it is hereby ORDERED:

Pursuant to Section 15(b)(6) of the Exchange Act, Respondent be, and hereby is, barred from participating in any offering of a penny stock, including: acting as a promoter, finder, consultant, agent or other person who engages in activities with a broker, dealer or issuer for purposes of the issuance or trading in any penny stock, or inducing or attempting to induce the purchase or sale of any penny stock.

By the Commission:

Nancy M. Morris  
Secretary