

## **ADMINISTRATIVE PROCEEDING**

**File No. 3-17798; 3-17799**

### **Company and CEO Settle Charges Relating to False and Misleading Press Releases**

**January 18, 2017** – The Securities and Exchange Commission today charged a foreign private issuer and its former CEO with making false and misleading statements concerning a telecommunications contract, and charged the former CEO with engaging in deceptive conduct by making profitable sales of the issuer’s shares.

An SEC investigation found that the issuer, Mer Telemanagement Solutions Ltd. (MTS), and Eytan Bar, the former CEO, issued a press release on October 15, 2013 that made it appear that MTS had entered into a significant three-year contract with a large and established telecommunications company, SBC Communications, LLC (SBC). In fact, SBC had little to no operations. Following this press release, MTS’s share price increased dramatically and Bar, in violation of MTS’s insider trading policy – which imposed a 48-hour blackout period on trading in company stock following the release of material non-public information and required disclosure to MTS of any intended trades in company stock – sold MTS shares at inflated prices. On January 22, 2014, MTS and Bar issued a second press release announcing that the agreement with SBC had been terminated. Despite multiple red flags indicating that SBC was not a legitimate large-scale business, MTS and Bar continued to falsely describe SBC as a provider of diverse telecommunications services.

The SEC’s orders find that MTS violated Section 17(a)(3) of the Securities Act of 1933 and Section 13(a) of the Exchange Act of 1934 and Rules 12b-20 and 13a-16 thereunder, and that Bar violated Section 17(a) of the Securities Act and Section 10(b) of the Exchange Act and Rule 10b-5 thereunder and also caused MTS’s violations of Section 13(a) of the Exchange Act and Rules 12b-20 and 13a-16 thereunder. MTS and Bar agreed to pay civil penalties of \$50,000 and \$30,000, respectively, and Bar agreed to pay disgorgement and prejudgment interest of \$50,009. The SEC’s order also bars Bar from serving as an officer or director for five years. Both MTS and Bar consented to the SEC’s orders without admitting or denying the SEC’s findings.

**See also:**     [Order – MTS](#)  
                  [Order – Bar](#)