

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES ACT OF 1933
Release No. 10598 / December 21, 2018

SECURITIES EXCHANGE ACT OF 1934
Release No. 84916 / December 21, 2018

ADMINISTRATIVE PROCEEDING
File No. 3-15974

In the Matter of

**Natural Blue Resources, Inc.,
James E. Cohen, and Joseph
A. Corazzi,**

Respondents.

**CORRECTED ORDER MAKING
FINDINGS AND IMPOSING REMEDIAL
SANCTIONS AND A CEASE-AND-
DESIST ORDER PURSUANT TO
SECTION 8A OF THE SECURITIES ACT
OF 1933 AND SECTIONS 15(b) AND 21C
OF THE SECURITIES EXCHANGE ACT
OF 1934**

I.

The Securities and Exchange Commission (“Commission”) deems it appropriate and in the public interest to enter this Order Making Findings and Imposing Remedial Sanctions and a Cease-and-Desist Order Pursuant to Section 8A of the Securities Act of 1933 (“Securities Act”), and Sections 15(b) and 21C of the Securities Exchange Act of 1934 (“Exchange Act”), as to James E. Cohen (“Cohen”) and Joseph A. Corazzi (“Corazzi”) (collectively, “Respondents”). Respondents participated in an offering of Natural Blue Resources, Inc. (“Natural Blue”) stock, which is a penny stock.

II.

On July 16, 2014, the Commission instituted public administrative proceedings pursuant to Section 8A of the Securities Act and Sections 15(b) and 21C of the Exchange Act against the Respondents (Securities Act Rel. No. 9614 and Exchange Act Rel. No. 72617) (Administrative Proceeding File No. 3-15974).

Respondents have submitted Offers of Settlement (the “Offers”) 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 the Respondents and the subject matter of these proceedings, which are admitted, Respondents consent to the entry of this Order Making Findings and Imposing Remedial Sanctions and a

Cease-and-Desist Order Pursuant to Section 8A of the Securities Act, and Sections 15(b) and 21C of the Exchange Act, as set forth below.

III.

On the basis of this Order and the Respondents' Offers, the Commission finds¹ that:

A. Respondents

1. Respondent James E. Cohen, age 62, is a resident of Windermere, Florida, and held himself out as a consultant to Natural Blue through the entity "JEC Corp." As described in greater detail below, Cohen was at all relevant times a "person participating in an offering of penny stock" because he engaged in activities for the purpose of issuing, trading and/or inducing or attempting to induce the purchase or sale of Natural Blue securities. Cohen was a registered representative for various broker-dealers from 1987 to 1997 and subsequently was barred from association by the National Association of Securities Dealers ("NASD") after being convicted and sentenced in 2004 for the crimes of attempted enterprise corruption and attempted grand larceny in New York state court.

2. Respondent Joseph A. Corazzi, age 67, is a resident of Albuquerque, New Mexico, and held himself out as a consultant to Natural Blue through the entity "JEC Corp." As described in greater detail below, Corazzi was at all relevant times a "person participating in an offering of penny stock" because he engaged in activities for the purpose of issuing, trading and/or inducing or attempting to induce the purchase or sale of Natural Blue securities. From 1990 to 1999, Corazzi served as Chairman and Chief Executive Officer of Las Vegas Entertainment Network, Inc., a public company registered with the Commission that was sued by the Commission for fraudulently overstating its assets. On October 24, 2002, the Commission obtained a final judgment against Corazzi that permanently enjoined him from violating the antifraud provisions, imposed a civil penalty of \$75,000, and barred him permanently from acting as an officer or director of a public company.

B. Other Relevant Entities and Individuals

3. Natural Blue was a Delaware corporation based in Woburn, Massachusetts. As of June 16, 2014, Natural Blue's securities (ticker symbol "NTUR") were quoted on OTC Link (previously "Pink Sheets") operated by OTC Markets Group, Inc., had seven market makers, and were eligible for the "piggyback" exception of Exchange Act Rule 15c2-11(f)(3). During the relevant period, Natural Blue's securities qualified as a "penny stock" because they did not meet any of the exceptions from the definition of a "penny stock," as defined by Section 3(a)(51) of the Exchange Act and Rule 3a51-1 thereunder. Natural Blue's corporate charter was declared forfeited by the Delaware Secretary of State in November 2010, and the company has not filed a periodic report with the Commission since it filed a Form 10-Q report for the quarterly period ended

¹ The findings herein are made pursuant to Respondents' Offers of Settlement and are not binding on any other person or entity in this or any other proceeding.

September 30, 2010. Natural Blue's purported mission was to create, acquire, or otherwise invest in environmentally friendly companies.

4. JEC Corp. was a Nevada corporation that was organized in May 2002 and owned by Cohen's family. Cohen served as its President, and Cohen's wife, Patricia, was its Treasurer. The company's corporate status was later revoked.

5. Toney Anaya, age 77, was the Chairman and Chief Executive Officer of Natural Blue from August 2009 until January 2011. Anaya is a licensed attorney in New Mexico, where he also resides. He was the Governor of New Mexico from 1983 to 1986, and, prior to that, was the Attorney General of New Mexico from 1975 to 1978.

6. Paul Pelosi, Jr. is a real estate broker and resides in San Francisco, California. He is the son of Congresswoman Nancy Pelosi, current Minority Leader of the U.S. House of Representatives (House) and former Speaker of the House. Pelosi received undergraduate and law degrees from Georgetown University and has worked in the securities industry since 1996. He has served on the Boards of several publicly traded companies, was President of the City of San Francisco's Commission on the Environment, and served as an advisor to the director of the NASA Ames Research Center. From August 24, 2009 to January 10, 2010, Pelosi served as President and a Board member of Natural Blue.

C. Summary

7. These proceedings involve a fraudulent scheme and course of conduct from August 2009 through late 2011 by Cohen and Corazzi that included, among other things, pressuring the officers and directors of Natural Blue to approve the Respondents' consultancy agreements, which permitted them to serve as *de facto* officers and, thus, to conceal their disciplinary histories from Natural Blue investors.

8. From the time that Natural Blue went public in August 2009, Cohen and Corazzi exercised significant influence over the company. Indeed, it was Cohen who orchestrated the reverse merger in August 2009 that resulted in Natural Blue going public.

9. Since founding Natural Blue together as a private company, and at all relevant times when it was a public company, Cohen and Corazzi provided direction to the Company's board and management. Among other things, Cohen and Corazzi recruited Anaya and Pelosi to serve as officers of the public company, recommended various board members, officers, employees, attorneys, and auditors. Cohen negotiated with third parties (including acquisitions and reverse mergers) on behalf of Natural Blue, participated in board meetings, recruited investors, reviewed and commented on public filings, and had formal authority over Natural Blue's brokerage account. While Corazzi's role was not as prominent as Cohen's, Corazzi also helped to select Anaya (and his successor) as the CEO, recruited investors, handled press releases, managed the Natural Blue website, reviewed and commented on public filings, and

negotiated a business transaction with a Massachusetts-based company that resulted in new management.

10. As a public corporation subject to Section 15(d) of the Exchange Act, Natural Blue was required to file annual reports on Form 10-K that disclosed the identity and business experience and legal proceedings of its officers and directors. *See* 17 C.F.R. Section 229.401(e), (f); Form 10-K, Item 10. Respondents avoided this disclosure by maintaining influential roles in the company as “consultants” when they were actually involved in directing the operations of the company, and by recruiting prominent individuals to serve in formal positions as officers and directors.

11. As a result of the conduct described above, Cohen and Corazzi functioned as *de facto* officers of Natural Blue, and Cohen and Corazzi willfully violated Sections 17(a)(1) and 17(a)(3) of the Securities Act.

IV.

In view of the foregoing, the Commission deems it appropriate to impose the sanctions agreed to in Respondents’ Offers.

Accordingly, it is hereby ORDERED that:

A. Pursuant to to Section 8A of the Securities Act, and Sections 15(b) and 21C of the Exchange Act, Respondents Cohen and Corazzi shall cease and desist from committing or causing any violations and any future violations of Section 17(a) of the Securities Act.

B. Respondents Cohen and Corazzi are barred from acting as an officer or director of any issuer with a class of securities registered pursuant to Exchange Act Section 12 or that is required to file reports pursuant to Exchange Act Section 15(d).

C. Pursuant to Section 15(b)(6) of the Exchange Act, Cohen and Corazzi shall be, and hereby are 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, with the right to apply for reentry after five years to the appropriate self-regulatory organization, or if there is none, to the Commission.

V.

It is further Ordered that, solely for purposes of exceptions to discharge set forth in Section 523 of the Bankruptcy Code, 11 U.S.C. §523, the findings in this Order are true and admitted by Respondents, and further, any debt for disgorgement, prejudgment interest, civil penalty or other amounts due by Respondents under this Order or any other judgment, order, consent order, decree or settlement agreement entered in connection with this proceeding, is a

debt for the violation by Respondents of the federal securities laws or any regulation or order issued under such laws, as set forth in Section 523(a)(19) of the Bankruptcy Code, 11 U.S.C. §523(a)(19).

By the Commission.

Brent J. Fields
Secretary