

Environmentalists seek Great Swamp hunt

ecological imbalance, the Interior Department says.

DEER said it asked for a public hearing on that claim but was totally ignored. Based in Gillette (a section of Passaic Township) the group says its members use the Great Swamp for recreation and enjoy the natural state of the region. The suit was filed for

DEER by the Newark law firm headed by former Gov. Robert Meyner.

Named as a pro forma defendant is Rogers Morton, Secretary of the Interior. Environmentalists blocked a similar government plan to open the Morris County preserve in 1970.

Crux of the suit is alleged use by the federal Wildlife Bureau of a non-exis-

tant discretionary power. DEER cited the 1974-75 Game Code, which does not mention any deer hunts in the Great Swamp. According to the suit, the annual hunt plan cannot be altered during the year.

The environmentalists demanded an injunction declaring the hunt illegal.

Descendent of founder suing New Jersey Bank

By HARRY MARAVEL
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PATERSON — Garret A. Hobart IV, whose great-grandfather was a vice president of the United States and cofounder of the forerunner of the New Jersey Bank, filed suit here yesterday charging the bank with fraud, breach of trust and mismanagement.

In the suit filed in Superior Court, Hobart charged the bank with illegally transferring stock out of his trust account to finance over \$1-million in loans for the purchase of three jet airplanes for his corporation.

He also said the bank charged him "excessive" interest on certain loans, failed to disclose information about the transactions conflict of interest.

Robert Masiello, vice president in charge of public relations for the bank, the fifth largest in the state, said there would be no comment on the suit at the present time.

Hobart said in the complaint he is unable to pay off the loans. He said the bank is preparing to sell the collat-

eral stock for the payment of the loans.

Asks sale denial

Hobart asked Judge Peter Ciolino to order the bank not to sell the securities used as collateral because of the depressed state of the stock market.

Judge Ciolino on Monday is expected to receive additional sworn statements from others involved in the suit. He then will set a date for argument on the request by Hobart for an immediate court order to halt the sale of any securities.

Hobart, the great-grandson of a former vice president of the United States, Garret A. Hobart, said in an affidavit he was reluctant to file suit against the bank his great-grandfather helped to found. The first Garret A. Hobart was vice president under President William McKinley in 1896.

He said the actions of the bank, two of its officers and others named as defendants "were deliberate and calculated to defraud."

Hobart, who said he was represented by the bank's lawyers during the financial dealings, said it was only when he hired "an independent counsel" did he "understand what had actually happened."

What he realized, Hobart said, was that the bank "did not have my interests in mind but only their own profit motive."

History of events

The series of events that led Hobart to file the 41-page suit began, he said, on March 9, 1963 when "I inherited considerable sums of money from my father's estate."

"I was wine and dined numerous times," he said by trust officers of the bank in the hope that he would name them as administrators of his trust.

The trust, at the end of September 1974 totaled \$396,933. This total includes cash of \$1,553 and the remainder in stocks and bonds.

In the complaint, Hobart asks that the bank give him an accounting of the stock transferred out of the trust for collateral on the loans.

On May 23, 1963, a trust was established for Hobart at the bank. On Aug. 9, 1965, he said, approximately \$500,000, presumably in cash, stocks and bonds, was added to the trust as a gift from his grandfather.

In March 1973, Hobart, as president of Trading and Leasing Industries, Inc., wanted to buy a 143-passenger jet aircraft from United Air Lines.

Details outlined

T and L Industries, Hobart said by telephone from his Morristown office where he practices law, leases airplanes.

In June 1973, T and L also was in the market to buy two DC-6 jets, the complaint said, from the Alpha Aviation Co. in St. Louis.

The complaint said the Middle States Leasing Corp., a subsidiary of the bank, financed the \$1,089,340 in mortgages to the T and L company to purchase the three planes.

Hobart said he believed the company was paying 7½ per cent interest on the money. He charged that the financing arrangement "did not disclose the rate of interest."

The complaint said an audit by an accountant for Hobart calculated in the interest at 15 per cent per year. He said this is a "usurious" rate of interest because the loans, although made out to T and L, "were personal in nature" and that he had "personal responsibility" for them.

During the summer of 1973, when the financing was worked out, the Middle States company failed to include a "maintenance agreement" for the United jet so that a charter from the Federal Aviation Authority could not be obtained, the complaint said.

Charges 'pressure'

"Without the maintenance agreement," Hobart said, "the Boeing 720 could not be flown for any commercial purpose and, in fact, was worthless."

A year later, Hobart said, he was "pressured" by the defendants "to increase the personal loans from" the bank "for the purpose of meeting payments on loans to the defendants MSL."

Hobart said he utilized "nearly all his personal assets and resources" to meet the payments. He now stands in default for the mortgage and the short term loans.

The bank, in two letters accompanying the complaint, said Hobart owes \$204,832 in principal and interest on the loans. This is in addition to the mortgage payments to MSL.

He charged the bank with conflict of interest in failing to disclose its interest with the MSL company.

Hobart charged the bank with violating the state securities act by allegedly transferring stock without his permission, and the national banking act by charging an alleged excessive interest rate.

He also charged that the bank "mismanaged and manipulated" other trust accounts either owned by him or in which he had a "beneficial interest."