

Edgar Filing: REGENCY AFFILIATES INC - Form SC 13D/A

REGENCY AFFILIATES INC  
Form SC 13D/A  
June 24, 2005

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, DC 20549

SCHEDULE 13D

Under the Securities Exchange Act of 1934  
(Amendment No. 5)\*

REGENCY AFFILIATES, INC.

-----  
(Name of Issuer)

Common Stock, \$0.01 par value per share

-----  
(Title of Class of Securities)

758847107

-----  
(CUSIP Number)

Elliot Press, Esq.  
c/o Katten Muchin Rosenman LLP  
575 Madison Avenue  
New York, New York 10022  
(212) 940-8800

-----  
(Name, Address and Telephone Number of Person  
Authorized to Receive Notices and Communications)

June 14, 2005

-----  
(Date of Event which Requires Filing of This Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition which is the subject of this Schedule 13D, and is filing this schedule because of Rule 13d-1 (b) (3) or (4), check the following box .

Note: Six copies of this statement, including all exhibits, should be filed with the Commission. See Rule 13d-1(a) for other parties to whom copies are to be sent.

\*The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 (the "Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

SCHEDULE 13D

CUSIP No. 758847107  
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1 NAME OF REPORTING PERSONS  
I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

Royalty Holdings LLC

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP\* (a)  |  
(b)  |

3 SEC USE ONLY

4 SOURCE OF FUNDS\*

OO

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) OR 2(e)  |

6 CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

	7	SOLE VOTING POWER
		1,823,738 Shares
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	8	SHARED VOTING POWER
	9	SOLE DISPOSITIVE POWER
		1,823,738 Shares
	10	SHARED DISPOSITIVE POWER

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

1,823,738 Shares

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES\*  |

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

58.43%

14 TYPE OF REPORTING PERSON\*

OO

\*SEE INSTRUCTIONS BEFORE FILLING OUT!

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SCHEDULE 13D

CUSIP No. 758847107

1 NAME OF REPORTING PERSONS  
I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

Royalty Management, Inc.

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP\* (a)  |X|  
(b)  |\_|

3 SEC USE ONLY

4 SOURCE OF FUNDS\*

N/A

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED  
PURSUANT TO ITEMS 2(d) OR 2(e)  |\_|

6 CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

7 SOLE VOTING POWER

1,823,738 Shares (comprised of shares owned by Royalty Holdings LLC)

NUMBER OF  
SHARES  
BENEFICIALLY  
OWNED BY  
EACH  
REPORTING  
PERSON  
WITH

8 SHARED VOTING POWER

9 SOLE DISPOSITIVE POWER

1,823,738 Shares (comprised of shares owned by Royalty Holdings LLC)

10 SHARED DISPOSITIVE POWER

11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

1,823,738 Shares (comprised of shares owned by Royalty Holdings LLC)

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES\*  |\_|

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

58.43%

14 TYPE OF REPORTING PERSON\*

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CO

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\*SEE INSTRUCTIONS BEFORE FILLING OUT!

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SCHEDULE 13D

CUSIP No. 758847107

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1 NAME OF REPORTING PERSONS  
I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

Laurence S. Levy

-----  
2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP\* (a)   
(b)

-----  
3 SEC USE ONLY

-----  
4 SOURCE OF FUNDS\*

N/A

-----  
5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED  
PURSUANT TO ITEMS 2(d) OR 2(e)

-----  
6 CITIZENSHIP OR PLACE OF ORGANIZATION

United States

-----  
7 SOLE VOTING POWER

1,998,738 Shares (comprised of 1,823,738 shares owned by  
Royalty Holdings LLC, 50,000 shares owned  
by Mr. Levy and options to acquire  
125,000 shares held by Mr. Levy)

-----  
NUMBER OF 8 SHARED VOTING POWER  
SHARES

BENEFICIALLY  
OWNED BY

-----  
EACH 9 SOLE DISPOSITIVE POWER

REPORTING  
PERSON  
WITH

-----  
10 SHARED DISPOSITIVE POWER

1,998,738 Shares (comprised of 1,823,738 shares owned by  
Royalty Holdings LLC, 50,000 shares owned  
by Mr. Levy and options to acquire  
125,000 shares held by Mr. Levy)

-----  
11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

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1,998,738 Shares (comprised of 1,823,738 shares owned by Royalty Holdings LLC, 50,000 shares owned by Mr. Levy and options to acquire 125,000 shares held by Mr. Levy)

12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES\*

13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

61.57%

14 TYPE OF REPORTING PERSON\*

IN

\*SEE INSTRUCTIONS BEFORE FILLING OUT!

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SCHEDULE 13D

CUSIP No. 758847107

1 NAME OF REPORTING PERSONS  
I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)

Neil N. Hasson

2 CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP\* (a)   
(b)

3 SEC USE ONLY

4 SOURCE OF FUNDS\*

N/A

5 CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED  
PURSUANT TO ITEMS 2(d) OR 2(e)

6 CITIZENSHIP OR PLACE OF ORGANIZATION

United Kingdom

7 SOLE VOTING POWER

175,000 Shares (comprised of 50,000 shares held by Mr. Hasson and options to acquire 125,000 shares held by Mr. Hasson)

NUMBER OF 8 SHARED VOTING POWER  
SHARES

BENEFICIALLY  
OWNED BY

EACH 9 SOLE DISPOSITIVE POWER

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REPORTING  
PERSON  
WITH

175,000 Shares (comprised of 50,000 shares held by Mr.  
Hasson and options to acquire 125,000  
shares held by Mr. Hasson)

-----  
10 SHARED DISPOSITIVE POWER

-----  
11 AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

175,000 Shares (comprised of 50,000 shares held by Mr. Hasson and options  
to acquire 125,000 shares held by Mr. Hasson)

-----  
12 CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES\*

-----  
13 PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11)

5.39%

-----  
14 TYPE OF REPORTING PERSON\*

IN

-----  
\*SEE INSTRUCTIONS BEFORE FILLING OUT!

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This Amendment No. 5 is filed by (i) Royalty Holdings LLC ("Royalty LLC"), (ii) Royalty Management, Inc. ("Royalty Inc."), (iii) Laurence S. Levy and (iv) Neil N. Hasson (collectively, the "Reporting Persons") and amends the Statement on Schedule 13D (the "Schedule 13D") filed by the Reporting Persons on October 28, 2002 as amended by Amendment No. 1 filed by the Reporting Persons on November 8, 2002, Amendment No.2 filed by the Reporting Persons on July 7, 2003, Amendment No. 3 filed by the Reporting Persons on October 3, 2003 and Amendment No. 4 filed by the Reporting Persons on October 18, 2004. Capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Schedule 13D.

Item 3. Source and Amount of Funds or Other Consideration.

Item 3 is hereby amended as follows:

On June 14, 2005, Mr. Levy and Mr. Hasson were each issued 50,000 Common Stock purchase options each pursuant to the Company's 2003 Stock Incentive Plan, as amended (the "Plan"). The options have an exercise price of \$1.58 per share. On June 22, 2005, Mr. Levy exercised 50,000 Common Stock purchase options at an exercise price of \$1.58 for an aggregate purchase price of \$79,000. On June 22, 2005, Mr. Hasson exercised 50,000 Common Stock purchase options at an exercise price of \$1.58 for an aggregate purchase price of \$79,000.

Item 5. Interest in Securities of the Issuer.

(a) Item 5(a) is hereby amended and restated as follows:

As of the close of business on June 22, 2005:

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(i) Royalty LLC owns 1,823,738 shares of Common Stock. Such shares constitute approximately 58.43% of the shares of Common Stock outstanding;

(ii) Royalty Inc. owns no shares of Common Stock. As the Manager of Royalty LLC Royalty Inc. may be deemed, under the provisions of Rule 13d-3 of the Exchange Act Rule, to be the beneficial owner of the 1,823,738 shares of Common Stock that are held by Royalty LLC. Such shares of Common Stock constitute approximately 58.43% of the shares of Common Stock outstanding;

(iii) As President, sole director and sole stockholder of Royalty Inc., which is the Manager of Royalty LLC, Mr. Levy may be deemed, under the provisions of Rule 13d-3 of the Exchange Act Rules, to be the beneficial owner of the 1,823,738 shares held by Royalty LLC. In addition, Mr. Levy holds 50,000 shares of Common Stock and options to purchase an additional 125,000 shares of Common Stock. The foregoing shares of Common Stock that may be deemed to be beneficially owned by Mr. Levy, in the aggregate, constitute approximately 61.57% of the shares of Common Stock outstanding (assuming exercise of such options); and

(iv) Mr. Hasson holds 50,000 shares of Common Stock and beneficially owns 125,000 shares of Common Stock underlying common stock purchase options held by Mr. Hasson. Such shares of Common Stock constitute approximately 5.39% of the shares of Common Stock outstanding (assuming exercise of such options).

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(c) Item 5(c) is hereby amended as follows:

Reference is made to Item 3 above.

Item 6. Contracts, Arrangements, Understandings or Relationships With Respect to Securities of the Issuer.

Item 6 is hereby amended as follows:

The stock options described in Item 3 were granted pursuant to Stock Option Agreements between the Company and each of Messrs. Hasson and Levy, each dated as of June 14, 2005. The options are exercisable on June 22, 2005 unless earlier terminated as provided in the Stock Option Agreements attached hereto as Exhibits 16 and Exhibit 17 or pursuant to the Plan, each of which is incorporated by reference herein as an exhibit.

Item 7. Material to be filed as Exhibits

Item 7 is hereby amended as follows:

Exhibit 16: Stock Option Agreement, dated as of June 14, 2005, between the Company and Laurence S. Levy.

Exhibit 17: Stock Option Agreement, dated as of June 14, 2005, between the Company and Neil N. Hasson.

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SIGNATURE

After reasonable inquiry and to the best of their knowledge and belief, the undersigned certify that the information set forth in this statement is true, complete and correct.

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Dated: June 22, 2005

ROYALTY HOLDINGS LLC

By: Royalty Management, Inc., Manager

By: /s/ Laurence S. Levy  
-----

Name: Laurence S. Levy  
Title: President

ROYALTY MANAGEMENT, INC.

By: /s/ Laurence S. Levy  
-----

Name: Laurence S. Levy  
Title: President

/s/ Laurence S. Levy  
-----

Laurence S. Levy

/s/ Neil N. Hasson  
-----

Neil N. Hasson