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| Washington Service Bureau, Inc. |
| Letter: <u>Communications Properties, Inc.</u> |
| WSB Division #: <u>33-K-144</u> |
| File # within division: <u>402</u> |
| Letter also listed in file guide under division(s): <u>-</u> |
| Availability date: <u>6-14-76</u> |

SECURITIES AND EXCHANGE COMMISSION
 WASHINGTON, D.C. 20540

1976
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Jonathan Director, Esq.
 Bressler, Meislin & Lipsitz
 90 Broad Street
 New York, New York 10004

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Re: Communications Properties, Inc.

Dear Mr. Director:

This is with reference to your letter of April 20, 1976 concerning the proposed sale without compliance with the registration requirements of the Securities Act of 1933 ("the Act") by your client, Franklin A. Steele, of 1477 shares of common stock of Communications Properties, Inc. ("CPI") acquired in connection with the underwriting of a public offering by CPI. You question whether these securities, which are subject to an undertaking in the original registration statement concerning any public offering of the shares, may be publicly resold without compliance with the undertaking but rather subject to the limitations of Rule 144 under the Act.

The facts can be summarized as follows. Mr. Steele acquired the shares on September 27, 1968; other individuals acquired 23,523 additional shares at the same time. These shares were acquired in contemplation of a future underwriting of the securities of CPI by New York Securities Co. ("NYS Co."). The shares were registered in a registration statement which became effective on May 5, 1969. This registration statement contained the undertaking required by paragraph 10 of Securities Act Release 4936. The shares are not now covered by a current registration statement.

Since termination of his employment at NYS Co. in 1970, Mr. Steele, for a period of approximately nine months immediately thereafter, acted as a consultant and subordinated lender to NYS Co. Moreover, Mr. Steele has not been an employee, officer, or director of CPI and has no arrangements or understandings, with any associates of NYS Co. regarding disposition of his shares.

On the basis of the facts presented, as more fully set forth in your letter, and policy considerations, this Division will not recommend any action to the Commission if the CPI shares received as underwriter

Compensation by Mr. Steele are sold without compliance with the registration requirements of the Act or the undertaking in the original registration statement, provided (1) two years have elapsed since the last sale of securities under the registration statement for the offering in which these shares were acquired, and (2) the sales by Mr. Steele are made in compliance with all the other provisions of Rule 144 except for the filing of Form 144. You should also note that these shares should be deregistered before sale.

Because this position is based upon the representations made to the Division in your letter, it should be noted that any different facts or conditions might require a different conclusion. Further, this letter only expresses the Division's position on enforcement action and does not purport to express any legal conclusion on the questions presented.

Sincerely,

Consuela M. Washington
Attorney Adviser

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