

UNITED STATES OF AMERICA
before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 52190 / August 2, 2005

INVESTMENT ADVISERS ACT OF 1940
Release No. 2413 / August 2, 2005

ADMINISTRATIVE PROCEEDING
File No. 3-12002

In the Matter of	:	
	:	ORDER INSTITUTING ADMINISTRATIVE
	:	PROCEEDINGS PURSUANT TO
CHAUNCEY D. STEELE,	:	SECTION 15(b) OF THE
	:	SECURITIES EXCHANGE ACT OF 1934,
Respondent.	:	AND SECTION 203(f) OF THE INVESTMENT
	:	ADVISERS ACT OF 1940, MAKING
	:	FINDINGS AND IMPOSING
	:	REMEDIAL SANCTIONS
	:	

I.

The Securities and Exchange Commission (“Commission”) deems it appropriate and in the public interest that public administrative proceedings be, and hereby are, instituted pursuant to Section 15(b) of the Securities Exchange Act of 1934 (“Exchange Act”) and Section 203(f) of the Investment Advisers Act of 1940 (“Advisers Act”) against Chauncey D. Steele (“Respondent”).

II.

In anticipation of the institution of these proceedings, Respondent has submitted an Offer of Settlement (the “Offer”) 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 him and the subject matter of these proceedings, and the findings contained in Section III.C. below, which are admitted, Respondent consents to the entry of this Order Instituting Administrative Proceedings Pursuant to Section 15(b) of the Securities Exchange Act of 1934 and Section 203(f) of the Investment Advisers Act of 1940, Making Findings and Imposing Remedial Sanctions (“Order”), as set forth below.

III.

On the basis of this Order and Respondent's Offer, the Commission finds that:

A. Steele was a registered representative associated with Prudential Securities, Inc. ("Prudential") in its Hyannis, Massachusetts branch office from 1996 until April 2001 and in other branch offices from 1988 to 1996. Prudential was a broker-dealer and investment adviser registered with the Commission. Steele, 61 years old, is a resident of Wesley Chapel, Florida.

B. On August 11, 2004, the Commission filed a complaint against Steele in the United States District Court for the District of Connecticut captioned SEC v. Chauncey D. Steele, et. al., Civil Action No. 3:04-CV-1331. The complaint alleged that from at least July 1998 to June 2001, Steele orchestrated a scheme to manipulate and inflate the price of Competitive Technologies, Inc. ("CTT") stock. The complaint alleged that Steele and other defendants artificially raised and maintained the price of CTT's stock and created a false or misleading appearance with respect to the market for CTT stock through manipulative practices such as placing buy orders at or near the close of the market in order to inflate the reported closing price (a practice known as "marking the close"), placing successive buy orders in small amounts at increasing prices (a practice known as "painting the tape"), and using accounts they controlled or serviced to place pre-arranged buy and sell orders in virtually identical amounts (a practice known as "matched trades") and to place other buy orders intended to minimize the negative impact on CTT's price from sales of the stock.

C. On June 13, 2005, without admitting or denying any of the allegations in the Commission's complaint, except as to jurisdiction, which he admitted, Steele consented to the entry of a Final Judgment of Permanent Injunction, Disgorgement and Other Relief as to Defendant Chauncey D. Steele ("Steele Judgment"). On July 11, 2005, the District Court for the District of Connecticut entered the Steele Judgment: (i) permanently enjoining Steele from, directly or indirectly, violating Sections 9(a), 10(b) and 17(a) of the Exchange Act and Rules 10b-5 and 17a-3 thereunder, and Section 17(a) of the Securities Act of 1933 ("Securities Act"), (ii) ordering that Steele is liable for disgorgement of \$47,439, plus prejudgment interest thereon, and (iii) ordering Steele to pay of a civil penalty of \$110,000, pursuant to Section 21(d)(3) of the Exchange Act and Section 20(d) of the Securities Act.

IV.

In view of the foregoing, the Commission deems it appropriate and in the public interest to impose the sanctions specified in Respondent Steele's Offer.

ACCORDINGLY, IT IS HEREBY ORDERED:

Pursuant to Section 15(b)(6) of the Exchange Act and Section 203(f) of the Advisers Act, that Respondent Steele be, and hereby is, barred from association with any broker, dealer or investment adviser.

Any reapplication for association by the Respondent will be subject to the applicable laws and regulations governing the reentry process, and reentry may be conditioned upon a number of factors, including, but not limited to, the satisfaction of any or all of the following: (a) any disgorgement ordered against the Respondent, whether or not the Commission has fully or partially waived payment of such disgorgement; (b) any arbitration award related to the conduct that served as the basis for the Commission order; (c) any self-regulatory organization arbitration award to a customer, whether or not related to the conduct that served as the basis for the Commission order; and (d) any restitution order by a self-regulatory organization, whether or not related to the conduct that served as the basis for the Commission order.

By the Commission.

Jonathan G. Katz
Secretary