

# News from Attorney General Robert Abrams

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## ABRAMS ANNOUNCES FINE FOR FICTITIOUS "TICKER" REPORTS

Attorney General Robert Abrams today announced that Walter Newman, an options trading specialist and partner in B.P.N. & Co., 86 Trinity Place in New York City, has been held in contempt of court and fined \$6,000 for reporting fictitious trades in stock options on the options "ticker" of the American Stock Exchange. The fictitious transactions reported involved non-existent trades of Aetna Life & Casualty and Phelps Dodge options.

Newman, who lives in Ridgewood, N.J., was previously cited for having reported fictitious trades in 1976, and he was enjoined from continuing the practice in 1978.

Today's contempt order, signed by New York State Supreme Court Justice Jawn Sandifer, and to which Newman consented, was based upon Newman's having violated the 1978 injunction by reporting fictitious transactions in January and February 1980.

In addition to the \$6,000 state fine, Newman was fined an additional \$3,000 by the American Stock Exchange, suspended for 30 days, and censured. The Securities and Exchange Commission approved the Amex sanctions, and the U.S. Court of Appeals for the 2nd Circuit unanimously upheld them on January 17, 1983.

The Attorney General's contempt proceeding was handled by Assistant Attorney General Ronald Eisenman, under the supervision of Orestes J. Mihaly, Assistant Attorney General in Charge of the Bureau of Investor Protection and Securities.