

**UNITED STATES OF AMERICA**  
**Before the**  
**SECURITIES AND EXCHANGE COMMISSION**  
**January 4, 2008**

**ADMINISTRATIVE PROCEEDING**  
**File No. 3-12925**

**In the Matter of**

**Euro Capital Incorporated,**

**Respondent.**

**ORDER TEMPORARILY SUSPENDING  
EXEMPTION PURSUANT TO SECTION 3(b)  
OF THE SECURITIES ACT OF 1933 AND  
REGULATION A THEREUNDER,  
STATEMENT OF REASONS FOR ENTRY  
OF ORDER, AND NOTICE OF AND  
OPPORTUNITY FOR HEARING**

**I.**

The public official files of the Securities and Exchange Commission (“Commission”) show that:

Euro Capital Incorporated (“Euro Capital” or the “company”), a Delaware corporation with its principal office in Athens, Texas, filed with the Commission on December 17, 2007, a document styled “Regulation A Offering Statement under the Securities Act of 1933” (“Offering Statement”). The document was apparently intended as a Regulation A Offering Statement submitted to obtain an exemption from the registration requirements of the Securities Act of 1933, as amended (“Securities Act”), pursuant to Section 3(b) of the Securities Act and Regulation A thereunder. The Offering Statement was submitted for a proposed offering of 5,000,000 shares of Euro Capital common stock.

**II.**

The Commission has reason to believe, on the basis of information reported to it by its staff, that:

A. The Offering Statement filed by Euro Capital contains untrue statements of material facts and omits to state material facts necessary in order to make the statements made, in the light of the circumstances under which they are made, not misleading, concerning, among other things:

1. The Offering Statement reports \$175,000 of unproven mineral claims as an asset, when they should have been recorded as an expense. The claims were acquired from the

president of Euro Capital. As Euro Capital is in the exploration stage and has not yet determined whether its reserves are commercially minable, under generally accepted accounting principles, its mineral claims are not considered to be recoverable assets and the acquisition costs should have been expensed upon acquisition.

2. Euro Capital's statement of operations incorrectly presents revenue in the amount of \$10,000. Specifically, Euro Capital incorrectly reports in its financial statements \$10,000 of revenue from the November 9, 2007 issuance of ten million shares of stock to its founder for \$10,000 in cash. Accounting Principles Board Opinion No. 9, "Reporting the Results of Operation," prohibits recognizing revenue or expense from transactions in the company's own stock. Euro Capital should have reported \$10,000 of contributed capital as a part of equity on the balance sheet rather than reporting such amount as revenue.

3. Euro Capital's financial statements, which are included in the Offering Statement, are deficient because the balance sheet has omitted the required stockholders equity section. As a result, the balance sheet does not balance.

B. Euro Capital has not complied with the terms and conditions of Regulation A because its Offering Statement omits essential information required by Regulation A and Commission Form 1-A as follows:

1. The Offering Statement does not include a legal opinion as required by Form 1-A, Part III, Item 2(11).

2. The Offering Statement contains no account of the order of priority in which the proceeds it raises will be used.

3. The Offering Statement contains no disclosure as to how the implementation of its business plan would be impacted if it fails to raise in its proposed offering the maximum \$2,500,000.

4. Euro Capital states on page 10 of the Offering Statement that the company "has confidence that these [New Mexico] properties contain valuable minerals." However, the Offering Statement fails to set forth a basis for the assertion that the minerals are "valuable."

5. Two of the exhibits filed with Euro Capital's Offering Statement concerning a mining claim and a quitclaim deed contain inconsistent and confusing references to sellers and owners of the property rights. For example, the appended "Offer to Purchase Mining Claim," references Steve Karolyi as the seller, although the bottom signature references John Petros, the president of Euro Capital, as the seller. An appended quitclaim deed grants property rights to the minerals to a company called Phoenix Gold Mining, not Euro Capital.

6. The Offering Statement fails to set forth specific details about Petros's work experience over the previous five years.

C. The offering, if made, would be in violation of Section 17 of the Securities Act for the reasons stated in Section II.A above.

### **III.**

It appearing to the Commission that it is in the public interest and for the protection of investors that the exemption of Euro Capital Incorporated under Regulation A be temporarily suspended,

IT IS ORDERED, pursuant to Rule 258(a) of the General Rules and Regulations under the Securities Act, that the exemption of Euro Capital Incorporated under Regulation A be, and hereby is, temporarily suspended.

NOTICE IS HEREBY GIVEN that any person having an interest in this matter may, within thirty calendar days after the entry of this Order, file with the Secretary of the Commission a written request for a hearing; that within twenty days after the receipt of such request the Commission will, or at any time upon its own motion the Commission may, set the matter for hearing at a place to be designated by the Commission, for the purpose of determining whether this order should be vacated or made permanent, without prejudice, however, to the presentation and consideration of additional matters at the hearing; and that notice of the time and place of the hearing will be promptly given by the Commission. If no hearing is requested and none is ordered by the Commission, this Order shall become permanent on the thirtieth day after its entry, and will remain in effect unless and until it is modified or vacated by the Commission.

By the Commission.

Nancy M. Morris  
Secretary