

**SECURITIES AND EXCHANGE COMMISSION**  
**Washington, D.C.**

SECURITIES EXCHANGE ACT OF 1934  
Release No. 56466 / September 19, 2007

ADMINISTRATIVE PROCEEDING  
File No. 3-12807

In the Matter of Alexander Ricci and Adam Klein

The United States Securities and Exchange Commission (“Commission”) announced today that it issued an Order Instituting Administrative Proceedings Pursuant to Section 15(b) of the Securities Exchange Act of 1934 and Notice of Hearing (“Order”) against Alexander Ricci (“Ricci”) and Adam Klein (“Klein”).

In the Order, the Division of Enforcement alleges that on May 26, 2005, Ricci pled guilty to one count of conspiracy to commit securities fraud and wire fraud and one count of wire fraud before the United States District Court for the District of New Jersey, United States v. Alexander Ricci, 05 Cr. 422 (D.N.J.). On September 5, 2007, a judgment in the criminal case was entered against Ricci. He was sentenced to 6 months of home confinement and 48 months of probation and ordered to make restitution in the amount of \$4,719,273.80. The Order further alleges that the counts of the criminal information to which Ricci pled guilty alleged, among other things, that Ricci, while employed at Valley Forge Securities, Inc. (“Valley Forge”), a broker-dealer registered with the Commission, participated in a scheme to manipulate the stock price of Eagletech Communications, Inc. and Select Media Communications, Inc. and received cash commissions, which were not disclosed to customers. The information also alleged that Ricci used deceptive sales practices to mislead customers into buying certain stocks and that he offered and paid certain registered representatives and unregistered individuals undisclosed, excessive cash commissions for selling stocks to customers.

The Order also alleges that On April 29, 2005, Klein pled guilty to one count of conspiracy to commit securities fraud and wire fraud and one count of wire fraud before the United States District Court for the District of New Jersey. United States v. Klein, 05 Cr. 322 (D.N.J.). On September 5, 2007, a judgment in the criminal case was entered against Klein. He was sentenced to 48 months of probation, 120 hours of community service and ordered to make restitution in the amount of \$930,864.08. The Order further alleges that the count of the criminal information to which Klein pled guilty alleged, inter alia, that Klein participated in a scheme while employed at Valley Forge to manipulate the price of Select Media Communications, Inc. stock and that he received undisclosed excessive commissions from the sales of stocks while employed at Valley Forge.

A hearing will be scheduled before an administrative law judge to determine whether the allegations contained in the Order are true, to provide Ricci and Klein an opportunity to dispute these allegations, and to determine what, if any, remedial sanctions against Ricci

and Klein are appropriate and in the public interest pursuant to the Exchange Act. The Commission directed that an administrative law judge issue an initial decision in this matter within 210 days from the date of service of the Order.