

United States of America
Before the
Securities and Exchange Commission

Securities Exchange Act of 1934
Release No. 54092 / July 3, 2006

Administrative Proceeding
File No. 3-12353

IN THE MATTER OF JORDAN I. SHAMAH

The Commission has instituted administrative proceedings against Jordan I. Shamah pursuant to Section 15(b) of the Securities Exchange Act of 1934. The proceeding is based on the January 27, 2005, entry of a permanent injunction against Shamah from future violations of the antifraud and antimanipulation provisions of the federal securities laws and a related criminal conviction. In the civil action Shamah was enjoined from future violations of Section 17(a) of the Securities Act of 1933 and Section 10(b) of the Exchange Act and Rule 10b-5 thereunder and from Rule 102 of Regulation M and was ordered to pay disgorgement, prejudgment interest and a civil money penalty. The complaint in the civil case alleged that, beginning in 1997, Shamah profited from the sale of large blocks of microcap stock in a pump and dump scheme. Shamah received stock from issuers as compensation for promoting those stocks in an Internet based newsletter. Shamah sold the stocks he promoted while recommending newsletter subscribers purchase the stock. The Complaint alleged that Shamah thereby violated the antifraud and antimanipulation provisions of the Securities Act and the Exchange Act.

A hearing will be scheduled before an administrative law judge to determine whether the allegations contained in the Order are true, and to provide Shamah an opportunity to dispute the allegations and to determine whether a penny stock bar is appropriate and in the public interest.

The Order requires the Administrative Law Judge to issue an initial decision no later than 210 days from the date of the service of the Order, pursuant to Rule 360(a)(2) of the Commission's Rules of Practice.