

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

INVESTMENT ADVISERS ACT OF 1940
Release No. 2479 / February 03, 2006

Administrative Proceeding File No. 3-12170

IN THE MATTER OF N2K TRADING ACADEMY, INC.

The Commission issued an Order Instituting Administrative Proceedings Pursuant to Section 203(c)(2)(B) of the Investment Advisers Act of 1940 (“Advisers Act”), and Notice of Hearing (“Order”) against N2K Trading Academy, Inc. (“N2K”).

The Division of Enforcement (“Division”) alleges in the Order that on December 21, 2005, N2K, based in Birmingham, Alabama, filed an application on Form ADV with the Commission for registration as an investment adviser. In its application, N2K listed Terry Harris (Harris), a resident of Birmingham, Alabama, as its President, as a director, and as the owner of at least a seventy-five percent interest in N2K. Based upon his positions and ownership interest, Harris is a “person associated with” N2K as that term is defined in Section 202(a)(17) of the Advisers Act.

The Division further alleges that Harris is the subject of a final order of the Alabama Securities Commission which bars him from engaging in the business of securities, and which is based on a violation of a law or regulation that prohibits fraudulent, manipulative, or deceptive conduct, as well as a final order of the Illinois Securities Department which bars him from engaging in the business of securities. In addition, the Division alleges that, on January 27, 2005, Harris pleaded guilty to and was adjudicated guilty of one count of transacting business as an investment adviser representative without first having been so registered, a violation of Alabama law.

A hearing will be scheduled before an administrative law judge to determine whether the allegations contained in the Order are true, to provide N2K with an opportunity to respond to the allegations, and to determine whether the pending application of N2K for registration as an investment adviser should be denied. The Order requires the Administrative Law Judge to issue an initial decision no later than 120 days from the date of the filing of N2K’s application for registration as an investment adviser, December 21, 2005, pursuant to Section 203(c)(2)(B) of the Advisers Act.