

**UNITED STATES OF AMERICA**  
**Before the**  
**SECURITIES AND EXCHANGE COMMISSION**

**SECURITIES EXCHANGE ACT OF 1934**  
**Release No. 53927 / June 1, 2006**

**ADMINISTRATIVE PROCEEDING**  
**File No. 3-12319**

**In the Matter of**  
  
**KYLE ROWE,**  
  
**Respondent.**

**ORDER INSTITUTING**  
**ADMINISTRATIVE PROCEEDINGS**  
**PURSUANT TO SECTION 15(b) OF THE**  
**SECURITIES EXCHANGE ACT OF 1934**  
**MAKING FINDINGS, AND IMPOSING**  
**REMEDIAL SANCTIONS**

**I.**

The Securities and Exchange Commission (“Commission”) deems it necessary and appropriate in the public interest that public administrative proceedings be, and hereby are, instituted pursuant to Section 15(b) of the Securities Exchange Act of 1934 (“Exchange Act”) against Kyle Rowe (“Rowe” or “Respondent”).

**II.**

In anticipation of the institution of these proceedings, Respondent has submitted an Offer of Settlement (the “Offer”), which the Commission has determined to accept. Solely for the purpose of these proceedings and any other proceedings brought by or on behalf of the Commission, or to which the Commission is a party, and without admitting or denying the findings herein except as to the Commission’s jurisdiction over him and the subject matter of these proceedings, and the findings contained in Section III.2 below, which are admitted, Respondent consents to the entry of this Order Instituting Administrative Proceedings Pursuant to Section 15(b) of the Securities Exchange Act of 1934, Making Findings, and Imposing Remedial Sanctions (“Order”), as set forth below.

### III.

On the basis of this Order and Respondent's Offer, the Commission finds that:

1. From at least August to November 2000, Rowe was the President and Chairman of the board of directors of Salomon Grey Financial Corporation ("Salomon Grey"), a broker-dealer registered with the Commission during the relevant time period, with six branch offices located in Florida, Georgia, New York and Texas. During that time period, Rowe was also a 50% owner of the holding company that owned Salomon Grey. Rowe was previously associated with four other broker-dealers dating back to 1993. Rowe, 39 years old, is currently a resident of Dallas, Texas.

2. On May 30, 2006, a final judgment was entered by consent against Rowe in the civil action entitled Securities and Exchange Commission v. Allen Z. Wolfson, et al., Civil Action Number 2:02 CV-1086, in the United States District Court for the District of Utah, permanently enjoining him from future violations of Sections 5(a), 5(c), and 17(a) of the Securities Act of 1933 ("Securities Act"), Section 10(b) of the Exchange Act and Rule 10b-5 thereunder, and aiding and abetting violations of Section 15(c)(1) of the Exchange Act.

3. The Commission's complaint alleged, among other things, that Rowe and another defendant were involved in a pre-existing arrangement to obtain deeply discounted blocks of shares of Freedom Surf, Inc., from other defendants for retail sales to the public at manipulated prices. The complaint alleges in particular that Rowe participated in negotiating Salomon Grey's purchase, on October 24, 2000, of a block of 25,000 Freedom Surf shares at a fifty percent discount to the manipulated market price and concealed this arrangement from the market. Beginning on that day, Salomon Grey began selling Freedom Surf shares to its customers at illegally marked-up prices. Rowe set the prices for Salomon Grey's Freedom Surf retail trades. The complaint also alleged that Rowe participated in unregistered sales of Freedom Surf shares.

### IV.

In view of the foregoing, the Commission deems it appropriate and in the public interest to impose the sanctions agreed to in Respondent Rowe's Offer.

Accordingly, it is hereby ORDERED:

Pursuant to Section 15(b)(6) of the Exchange Act, that Respondent Rowe be, and hereby is, barred from association with any broker or dealer.

Any reapplication for association by the Respondent will be subject to the applicable laws and regulations governing the reentry process, and reentry may be conditioned upon a number of factors, including, but not limited to, the satisfaction of any or all of the following: (a) any disgorgement ordered against the Respondent, whether or not the Commission has fully or partially waived payment of such disgorgement; (b) any arbitration award related to the conduct that served as the basis for the Commission order; (c) any self-regulatory organization arbitration award to a

customer, whether or not related to the conduct that served as the basis for the Commission order;  
and (d) any restitution order by a self-regulatory organization, whether or not related to the conduct  
that served as the basis for the Commission order.

By the Commission.

Nancy M. Morris  
Secretary