

U.S. Securities and Exchange Commission  
Washington, D.C.

Securities Exchange Act of 1934  
Release No. 54836 / November 29, 2006

Administrative Proceeding  
File No. 3-12488

ADMINISTRATIVE PROCEEDINGS INSTITUTED AGAINST VINCENT NAPOLITANO

The United States Securities and Exchange Commission (Commission) announced the issuance of an Order Instituting Administrative Proceedings Pursuant to Section 15(b) of the Securities Exchange Act of 1934 and Notice of Hearing (Order) against Vincent Napolitano. The Order alleges that on November 13, 2006, Napolitano was enjoined from future violations of Sections 17(a) and (b) of the Securities Act of 1933 and Section 10(b) of the Securities Exchange Act of 1934 and Rule 10b-5 thereunder, and Rule 102 of Regulation M, ordered to disgorge \$4,709,828.04 together with prejudgment interest in the amount \$1,833,847.78 and to pay a civil penalty of \$100,000.00. The Commission's complaint in the civil action in which the injunction was entered alleged that between 1997 and 1999, Napolitano sold large blocks of microcap stock while recommending that investors purchase the same stocks in an Internet newsletter.

A hearing will be scheduled before an administrative law judge to determine whether the allegations contained in the Order are true, to provide Napolitano an opportunity to dispute these allegations, and to determine what sanctions, if any, are appropriate with respect to Napolitano's participation in any offering of penny stock, including: acting as a promoter, finder, consultant, agent or other person who engages in activities with a broker, dealer or issuer for purposes of the issuance or trading in any penny stock, or inducing or attempting to induce the purchase or sale of any penny stock. The administrative law judge must issue an initial decision within 210 days after the Order has been served on Napolitano.