

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION
January 25, 2006

ADMINISTRATIVE PROCEEDING
File No. 3-12160

<p>In the Matter of</p> <p style="text-align:center">JEFFREY G. NUNEZ,</p> <p>Respondent.</p>
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ORDER INSTITUTING
ADMINISTRATIVE PROCEEDINGS
PURSUANT TO SECTION 15(b) OF
THE SECURITIES EXCHANGE ACT
OF 1934

I.

The Securities and Exchange Commission (“Commission”) deems it appropriate and 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 Jeffrey G. Nunez (“Respondent” or “Nunez”).

II.

After an investigation, the Division of Enforcement alleges that:

1. Nunez, 46, was a registered representative of Providential Securities, Inc. (“Providential”) from November 10, 1999 through September 15, 2000. At the time of Nunez’s employment, Providential was a broker-dealer registered with the Commission.

2. On January 28, 2005, the Commission sued Nunez in the United States District Court for the District of Columbia in the civil action entitled *Securities and Exchange Commission v. Morgan Cooper, et al.*, Case No. 1:05CV00207. The Commission’s complaint alleges that, during the Spring and Summer of 2000, Nunez participated in an unregistered distribution of securities in violation of Sections 5(a) and 5(c) of the Securities Act of 1933 (“Securities Act”). The distribution occurred in connection with a reverse merger of a privately-held company into an existing publicly-held shell and the subsequent sale of hundreds of thousands of shares of the company to the public in transactions that were not registered with the Commission as required by Section 5 of the Securities Act. Nunez attended meetings where fundraising for the public company was discussed and at which he learned about the reverse merger and the plan to distribute shares of the company to the public. Nunez then acted as the securities broker for a brokerage account used as a depository for many of the shares that he, in turn, sold to several of his customers in unregistered transactions.

3. On January 9, 2006, the United States District Court for the District of Columbia entered a final judgment against Nunez in the action brought by the Commission, permanently enjoining him from future violations of Sections 5(a) and 5(c) of the Securities Act and ordering him to pay a civil monetary penalty of \$55,000.

III.

In view of the allegations made by the Division of Enforcement, the Commission deems it necessary and appropriate in the public interest that public administrative proceedings be instituted to determine:

- A. Whether the allegations set forth in Section II are true and, in connection therewith, to afford Respondent an opportunity to establish any defenses to such allegations;
- B. What, if any, remedial action is appropriate in the public interest against Respondent pursuant to Section 15(b)(6) of the Exchange Act.

IV.

IT IS ORDERED that a public hearing for the purpose of taking evidence on the questions set forth in Section III hereof shall be convened at a time and place to be fixed, and before an Administrative Law Judge to be designated by further order as provided by Rule 110 of the Commission's Rules of Practice, 17 C.F.R. § 201.110.

IT IS FURTHER ORDERED that Respondent shall file an Answer to the allegations contained in this Order within twenty (20) days after service of this Order, as provided by Rule 220 of the Commission's Rules of Practice, 17 C.F.R. § 201.220.

If Respondent fails to file the directed answer, or fails to appear at a hearing after being duly notified, the Respondent may be deemed in default and the proceedings may be determined against him upon consideration of this Order, the allegations of which may be deemed to be true as provided by Rules 155(a), 220(f), 221(f) and 310 of the Commission's Rules of Practice, 17 C.F.R. §§ 201.155(a), 201.220(f), 201.221(f) and 201.310.

This Order shall be served forthwith upon Respondent personally or by certified mail.

IT IS FURTHER ORDERED that the Administrative Law Judge shall issue an initial decision no later than 210 days from the date of service of this Order, pursuant to Rule 360(a)(2) of the Commission's Rules of Practice.

In the absence of an appropriate waiver, no officer or employee of the Commission engaged in the performance of investigative or prosecuting functions in this or any factually related proceeding will be permitted to participate or advise in the decision of this matter, except as witness or counsel in proceedings held pursuant to notice. Since this proceeding is not "rule making" within the meaning of Section 551 of the Administrative Procedure Act, it is not deemed subject to the provisions of Section 553 delaying the effective date of any final Commission action.

For the Commission, by its Secretary, pursuant to delegated authority.

Nancy M. Morris
Secretary