

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 58031 / June 26, 2008

INVESTMENT ADVISERS ACT OF 1940
Release No. 2748 / June 26, 2008

ADMINISTRATIVE PROCEEDING
File No. 3-13083

In the Matter of

JOSHUA M. EUDOWE,

Respondent.

**ORDER INSTITUTING
ADMINISTRATIVE PROCEEDINGS
PURSUANT TO SECTION 15(b) OF THE
SECURITIES EXCHANGE ACT OF 1934
AND SECTION 203(f) OF THE
INVESTMENT ADVISERS ACT OF 1940,
MAKING FINDINGS AND IMPOSING
REMEDIAL SANCTIONS**

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”) and Section 203(f) of the Investment Advisers Act of 1940 (“Advisers Act”) against Joshua M. Eudowe (“Respondent”).

II.

In anticipation of the institution of these proceedings, Respondent has submitted an Offer of Settlement of Joshua M. Eudowe (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 and Section 203(f) of the Investment Advisers Act of 1940, 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. Joshua M. Eudowe, age 36, is a resident of Westport, Connecticut. During the relevant period, Eudowe was employed by his stepfather, Lawrence J. Goldstein, a registered representative who was the principal of a registered broker-dealer and the principal of unregistered advisory firms that manage investment partnerships. Eudowe, who is not a registered representative, is associated with the broker-dealer and advisory firms, and engaged in research and marketing for them. Eudowe represented himself to Goldstein's customers and clients as a managing director of Goldstein's brokerage and advisory firms.

2. On June 20, 2008, a final judgment was entered by consent against Eudowe, permanently enjoining him from future violations of Section 17(a) of the Securities Act of 1933 ("Securities Act") and Section 10(b) of the Exchange Act and Rule 10b-5 thereunder, in the civil action entitled Securities and Exchange Commission v. Joshua M. Eudowe, Civil Action Number 08-CV-5386, in the United States District Court for the Southern District of New York.

3. The Commission's complaint alleged that, from December 26 through December 29, 2006, Eudowe engaged in a fraudulent trading scheme whereby he made unauthorized purchases of two thinly-traded stocks, FRMO Corp. ("FRMO") and CreditRiskMonitor.com, Inc. ("CRMZ"), by using Goldstein's private password, without Goldstein's knowledge or consent, to place market orders to purchase several thousand shares of FRMO and CRMZ in Goldstein's client accounts. According to the complaint, Eudowe's unauthorized trading caused the stock prices of FRMO and CRMZ to spike, both exceeding 52-week highs. The complaint further alleges that Eudowe then sold several thousand shares of FRMO and CRMZ from his personal brokerage account at the inflated prices caused by his trading scheme, thereby profiting from his unauthorized trading in Goldstein's client accounts.

IV.

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

Accordingly, it is hereby ORDERED:

Pursuant to Section 15(b)(6) of the Exchange Act and Section 203(f) of the Advisers Act, that Respondent Eudowe be, and hereby is barred from association with any broker or dealer or investment adviser, with the right to reapply for association after five years to the appropriate self-regulatory organization, or if there is none, to the Commission;

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 disjointment 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.

Florence E. Harmon
Acting Secretary