

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 54116 / July 10, 2006

ADMINISTRATIVE PROCEEDING
File No. 3-12362

In the Matter of

HECTOR J. GARCIA,

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 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 Hector J. Garcia (“Garcia” 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.B. 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:

A. During 1999 and 2000 Garcia was an associate of Harris D. “Butch” Ballow (“Ballow”), who controlled certain corporate entities registered in the British Virgin Islands and elsewhere outside the United States. Acting as an unregistered broker or dealer, Garcia offered for sale and sold securities of EpicEdge, Inc., and EVTC, Inc., owned by Ballow’s entities to persons in the United States in interstate commerce. Garcia was compensated by Ballow for these activities. Garcia, 38 years old, is a resident of Sugarland, Texas.

B. On May 30, 2006, a final judgment was entered by consent against Garcia, permanently enjoining him from future violations of Sections 5(a) and (c) and 17(a) of the Securities Act of 1933 (“Securities Act”), Sections 10(b), 13(d)(1), 15(a)(1), and 16(a) of the Exchange Act and Rules 10b-5, 13d-1, 13d-2, and 16a-3, and Rule 102 of Regulation M, in the civil action entitled Securities and Exchange Commission v. Carl Rose, et al., Civil Action Number H-04-CV-2799, in the United States District Court for the Southern District of Texas.

C. The Commission’s complaint alleged that Garcia participated in manipulative trading, unregistered distributions, and failures to disclose his membership in a group that owned more than 5% of the outstanding common stock, of EpicEdge, Inc., and EVTC, Inc., which were publicly traded companies whose securities were registered with the Commission.

IV.

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

Accordingly, it is hereby ORDERED:

Pursuant to Section 15(b)(6) of the Exchange Act, that Respondent Garcia 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.

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

Nancy M. Morris
Secretary