

UNITED STATES OF AMERICA before the  
SECURITIES AND EXCHANGE COMMISSION

Investment Advisers Act of 1940  
Release No. 2685 / December 21, 2007

Admin. Proc. File No. 3-12910

ADMINISTRATIVE PROCEEDINGS INSTITUTED AGAINST GEORGE J. SANDHU  
BASED ON AN ORDER OF PERMANENT INJUNCTION

On December , 2007, the United States Securities and Exchange Commission (“Commission”) announced the issuance of an Order Instituting Administrative Proceedings Pursuant to Section 203(f) of the Investment Advisers Act of 1940 and Notice of Hearing (“Order”) against George J. Sandhu (“Sandhu” or “Respondent”). The proceedings are based on a permanent injunction entered by consent against Sandhu on November 26, 2007, in the civil action entitled Securities and Exchange Commission v. Universal Express, Inc., et al., Civil Action Number 1:04-CV-2322 (GEL), in the United States District Court for the Southern District of New York. In the Order, the Division of Enforcement alleges that the court enjoined Sandhu from future violations of Sections 5(a), 5(c), and 17(a) of the Securities Act of 1933 and Section 10(b) of the Securities Exchange Act of 1934 and Rule 10b-5 thereunder. The Complaint alleged that Sandhu participated in a scheme to defraud investors by writing two letters to Universal Express, Inc. that falsely represented financial commitments to the company. The company, in turn, used the false letters as a basis to issue materially false or misleading press releases which resulted in increases in Universal Express’ share price and trading volume. In addition, the Commission alleged that between August 2001 and December 2003, Sandhu was a necessary participant in the offer and sale of shares of Universal Express common stock through brokerage accounts of third parties when no registration statement was in effect and no exemption from registration applied.

A hearing will be scheduled before an administrative law judge to determine whether the allegations contained in the Order are true, to provide Respondent an opportunity to dispute these allegations, and to determine what sanctions, if any, are appropriate and in the public interest. The Order requires that the administrative law judge shall issue an initial decision no later than 210 days from the date of service of the order, pursuant to Rule 360(a)(2) of the Commission's Rules of Practice.