

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 63849 / February 7, 2011

ADMINISTRATIVE PROCEEDING
File No. 3-14232

In the Matter of

EUGENE C. GEIGER,

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 Eugene C. Geiger (“Geiger” 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.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, 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. From 1990 through December, 2000, Geiger was a registered representative associated with Spencer Edwards, Inc. ("SEI"), a broker-dealer registered with the Commission. Geiger, 45 years old, is a resident of Denver, Colorado.

2. On January 28, 2011, a final judgment was entered by consent against Geiger, 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. Eugene C. Geiger, Civil Action Number 10-CV-00128 (consolidated with Civ. A. No. 10-CV-00129), in the United States District Court for Colorado.

3. In the Commission's consolidated case, the complaints alleged the following facts: During the time period of December, 1999 through June 2000, Geiger knowingly participated in a scheme to manipulate price of stocks of two issuers: AbsoluteFuture.com ("AFTI") and Wamex Holdings, Inc. ("WAMX"). During this time period, AFTI and WAMX were penny stocks traded over-the-counter and quoted on the NASD's Bulletin Board quotation system. As a part of the scheme, Geiger purchased at least 13 blocks of AFTI and Wamex stock at then-prevailing market prices in exchange for a secret discount of 50% or higher through a privately-arranged transfer of additional shares from the seller at no cost. In addition, in 12 of the 13 transactions, Geiger further agreed to manipulate the volume of AFTI and Wamex stock trading by inter-posing a straw market-maker into the market portion of the block transaction, which doubled the reported volume of the trades, but served no other benefit to Geiger's client or the seller. Prior to the entry of each block deal, Geiger and the seller reached specific agreement as to: (a) the amount of stock to be purchased "through the market" in a reported transaction; (b) the price at which the transaction would be reported to the public; (c) the amount of stock that would be transferred to Geiger's client's account to affect the unreported discount; and (d) the market-maker brokerage firm where Geiger and the seller would direct their buy and orders. At the same time Geiger knowingly arranged these manipulative trades to increase the price and volume of AFTI and WAMX stocks, Geiger sold his client's holdings back into the public markets at ever-increasing, manipulated prices, reaping millions of dollars in gains for his client and hundreds of thousands of dollars in commissions for SEI and himself.

IV.

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

Accordingly, it is hereby ORDERED:

Pursuant to Section 15(b)(6) of the Exchange Act, as amended by the Dodd-Frank Wall Street Reform and Consumer Protection Act, PL 111-203, July 21, 2010, 124 Stat. 1376, Respondent Geiger be, and hereby is barred from association with any investment adviser, municipal securities dealer, municipal advisor, transfer agent, or nationally recognized statistical rating organization.

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.

Respondent be, and hereby is, barred from participating in any offering of a 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.

By the Commission.

Elizabeth M. Murphy
Secretary

Rule 141 of the Commission's Rules of Practice provides that the Secretary, or another duly authorized officer of the Commission, shall serve a copy of the *Order Instituting Administrative Proceedings Pursuant to Section 15(b) of the Securities Exchange Act of 1934, Making Findings, and Imposing Remedial Sanctions* ("Order"), on the Respondent and his legal agent.

The attached Order has been sent to the following parties and other persons entitled to notice:

Honorable Brenda P. Murray
Chief Administrative Law Judge
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