

**UNITED STATES OF AMERICA**  
**Before the**  
**SECURITIES AND EXCHANGE COMMISSION**

**SECURITIES EXCHANGE ACT OF 1934**  
**Release No. 64316 / April 20, 2011**

**ADMINISTRATIVE PROCEEDING**  
**File No. 3-14348**

**In the Matter of**

**JAMES R. SPURGER,**

**Respondent.**

**CORRECTED ORDER INSTITUTING  
ADMINISTRATIVE PROCEEDINGS  
PURSUANT TO SECTION 15(b) OF THE  
SECURITIES EXCHANGE ACT OF 1934  
AND NOTICE OF HEARING**

**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 James R. Spurger (“Respondent” or “Spurger”).

**II.**

After an investigation, the Division of Enforcement alleges that:

**A.     RESPONDENT**

1.       Spurger was the president of Navigators International Management Company Ltd., (“Navigators”) a Bahamian company located in Nassau, Bahamas. In the summer of 2006, Spurger resigned that position but remained active in running Navigators’ daily operations in a consultant capacity. Respondent, 67 years old, is a resident of Friendswood, Texas.

**B.     ENTRY OF THE INJUNCTION**

2.       On March 28, 2011, a final judgment was entered by consent against Spurger, permanently enjoining him from future violations of Sections 5(a), 5(c), and 17(a) of the

Securities Act of 1933, and Sections 10(b) and 15(a)(1) of the Exchange Act and Rule 10b-5 thereunder in the civil action entitled Securities and Exchange Commission v. Navigators International Management Co. Ltd., et al., Civil Action Number H-07-4518 in the United States District Court for the Southern District of Texas.

3. The Commission's complaint alleged that from at least January 2005 through August 2007, Navigators, through its representatives Spurger and Benjamin W. Young, Jr., (collectively the "Defendants") engaged in unregistered offerings of securities that did not meet registration exemptions. The Complaint further alleged that in these offerings, the Defendants fraudulently disseminated materially false and misleading information to attract investors and facilitate the offerings. In each of the offerings, the Complaint alleges that the Defendants acted as unregistered broker-dealers.

### 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 hereof 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) 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.

Elizabeth M. Murphy  
Secretary