

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 54281 / August 8, 2006

ADMINISTRATIVE PROCEEDING
File No. 3-12389

In the Matter of

PETER D. KIRSCHNER,

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 Peter D. Kirschner (“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. Peter D. Kirschner (“Kirschner”), age 40, is a Palm Beach County, Florida resident. From June 1989 to January 2004, Kirschner was a registered representative associated with multiple broker-dealers registered with the Commission. At various times, Kirschner has held Series 7, Series 24 and Series 63 licenses. During the relevant time, Kirschner was associated with an unregistered broker-dealer.

2. On August 8, 2006, a final judgment was entered by consent against Kirschner, permanently enjoining him from future violations of Sections 5(a), 5(c) and 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. Peter D. Kirschner and Media Magic, Inc., Civil Action Number 06-1403RMU, in the United States District Court for the District of Columbia. Kirschner was directed to disgorge \$109,400 in ill-gotten gains plus pre-judgment interest, and ordered to pay a \$55,000 civil money penalty pursuant to Section 20(d) of the Securities Act and Section 21(d)(3) of the Exchange Act.

3. The Commission’s complaint alleged that Kirschner, while representing a small, privately held company, was directly involved in planning a series of transactions to effect a reverse merger of that company into GLUV Corp., and, in the process, acquired control of the public float of the newly merged entity. The Commission alleged that during the later stages of the reverse merger, Kirschner arranged for GLUV Corp.’s transfer agent to issue him 3,000,000 dividend shares in advance of the date upon which the public was informed that those shares would be issued, and then deposited a portion of the shares into a brokerage account. The complaint alleged that the fact that the post-dividend shares had been issued and deposited prematurely into Kirschner’s brokerage account—thereby making them tradable—was a piece of information that was critically important to any market participant attempting to arrive at an appropriate valuation for the company’s shares. The complaint alleged that this was also information that was only known by Kirschner. The complaint alleged that just prior to the time at which the official dividend was to occur, Kirschner sold 19,500 of these prematurely-received, post-dividend shares to unwitting market participants at prices ranging from \$5.50 to \$7.95 per share, realizing proceeds of \$139,400. According to the complaint, had Kirschner sold the same quantity of shares hours later, he would have realized gross proceeds of less than \$20, as these shares were then trading at less than a penny, reflecting the adjustment by the market to the issuance of the 2,999,999:1 dividend.

IV.

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

Accordingly, it is hereby ORDERED:

Pursuant to Section 15(b)(6) of the Exchange Act, that Respondent Kirschner be, and hereby is barred from association with any broker or dealer, 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 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.

By the Commission.

Nancy M. Morris
Secretary