

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION
September 24, 2004

ADMINISTRATIVE PROCEEDING
File No. 3-11684

In the Matter of

DONALD L. KNIGHT,

Respondent.

ORDER INSTITUTING
ADMINISTRATIVE PROCEEDINGS
PURSUANT TO SECTION 15(b) OF
THE SECURITIES EXCHANGE ACT
OF 1934

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 Donald L. Knight (“Respondent” or “Knight”).

II.

After an investigation, the Division of Enforcement alleges that:

A. Respondent Knight, age 62, is a resident of Alajuela, Costa Rica and a former resident of Edmund, Oklahoma.

B. Broadband Wireless International Corporation (“BBAN”), a Section 12(g) reporting company, is a Nevada corporation.

C. On August 11, 2000, the Commission filed a Complaint in the United States District Court for the Western District of Oklahoma against Respondent captioned SEC v. Broadband Wireless International Corp., et al., Case No. CIV-00-1375-R. The Commission's Complaint alleged that:

1. Knight, while residing in Edmund, Oklahoma, engaged in a “pump and dump” stock manipulation scheme involving the securities of Broadband Wireless International Corporation BBAN’s stock. In the Fall of 1999, Knight, operating through one of his several “nominee” companies, BroadCom Wireless Communications Corporation, acquired control of BBAN, a struggling public oil

and gas company, and changed the company's stated business purpose to "telecommunications." Over the next several months, Knight, with the assistance of others, caused BBAN to issue false press releases and file false reports with the SEC that fraudulently touted the company's purported acquisition of several private telecommunications companies. Knight, with the assistance of others, further hyped the acquisitions and BBAN's favorable business prospects on the company's website and the "Raging Bull" Internet bulletin board.

2. These promotional or "pumping" efforts resulted in a dramatic rise in the price of BBAN's stock. In late 1999, shortly after Knight acquired control of the company, BBAN stock was trading at about \$.12 per share. By February 2000, the price had increased to more than \$12 per share. Concurrently, Knight sold or "dumped" millions of shares of restricted BBAN stock, realizing at least \$5 million from the sales.

3. Knight, with the assistance of others, later caused BBAN to file a false and misleading registration statement with the SEC on Form S-8. The registration statement falsely represented that the registered shares were for legitimate company consultants and employee purposes when, in fact, they were not. Later, Knight, in an effort to re-gain control over BBAN, caused BroadCom to conduct a fraudulent Internet proxy solicitation.

D. On August 21, 2001, in *SEC v. Broadband Wireless International Corp., et al.*, the Court entered a Judgment by Default permanently enjoining Respondent Knight from violating Sections 5(a), 5(c), and 17(a) of the Securities Act and Sections 10(b) and 13(d) of the Exchange Act and Rules 10b-5, 13d-1 and 13d-2 thereunder, and from aiding and abetting violations of Section 14(a) of the Exchange Act and Rules 14a-3, 14a-6 and 14a-9 thereunder based on the conduct described above.

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 are true and, in connection therewith, to afford the Respondent an opportunity to establish any defenses to such allegations; and

B. Whether, pursuant to Section 15(b) of the Exchange Act, it is appropriate and in the public interest to bar Respondent from participating in any offering of 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.

IV.

IT IS ORDERED that a public hearing for the purpose of taking evidence on the questions set forth in Section III 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, he 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 upon Respondent personally or by International Registered 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 (17 C.F.R. § 201.360(a)(2)).

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 proceedings will be permitted to participate or advise in the decision upon this matter, except as witnesses or counsel in proceedings held pursuant to notice. Because this proceeding does not constitute "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.

Jonathan G. Katz
Secretary