

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 66415 / February 16, 2012

ADMINISTRATIVE PROCEEDING
File No. 3-14761

In the Matter of

GEORGE DAVID GORDON,

Respondent.

**ORDER INSTITUTING PUBLIC
ADMINISTRATIVE PROCEEDINGS AND
IMPOSING TEMPORARY SUSPENSION
PURSUANT TO RULE 102(e)(3)(i) OF
THE COMMISSION'S RULES OF
PRACTICE**

I.

The Securities and Exchange Commission (“Commission”) deems it appropriate and in the public interest that public administrative proceedings be, and hereby are, instituted against George David Gordon (“Respondent” or “Gordon”) pursuant to Rule 102(e)(3)(i)¹ of the Commission’s Rules of Practice [17 C.F.R. § 200.102(e)(3)(i)].

¹ Rule 102(e)(3)(i) provides, in relevant part, that:

The Commission, with due regard to the public interest and without preliminary hearing, may, by order, temporarily suspend from appearing or practicing before it any attorney . . . who has been by name: (A) [p]ermanently enjoined by any court of competent jurisdiction, by reason of his or her misconduct in an action brought by the Commission, from violating . . . any provision of the Federal securities laws or of the rules and regulations thereunder; or (B) [f]ound by any court of competent jurisdiction in an action brought by the Commission to which he or she is a party . . . to have violated (unless the violation was found not to have been willful) . . . any provision of the Federal securities laws or of the rules and regulations thereunder.

II.

The Commission finds that:

1. George David Gordon, 48, at all relevant times was an attorney whose office was located in Tulsa, Oklahoma.

2. On February 10, 2009, the Commission filed a complaint against Gordon in the Northern District of Oklahoma (the “Court”) alleging that Gordon participated with two other defendants in a scheme to defraud the public by manipulating the share prices of three penny stocks: National Storm Management Group, Inc. (NLST), Deep Rock Oil and Gas, Inc. (DPRK), and Global Beverages Solutions, Inc. (GBVS). Securities and Exchange Commission v. George David Gordon, et al., Case No. 4:09-CV-00061-CVE (N.D. Okla.). Specifically, the complaint alleged that Gordon assisted in reverse mergers and the improper issuance/transfer of purportedly unrestricted stock; issued and caused to be issued fraudulent legal opinion letters regarding the tradability of stock; approved the content of promotional materials; used nominee brokerage and bank accounts to conceal the fraud; engaged in matched orders; and arranged with the other primary members of the scheme to engage in coordinated trading. Through his conduct, the Commission alleged that Gordon reaped millions in illegal profits.

3. On September 28, 2011, the Court issued an order and opinion concluding that Gordon violated Sections 5(a), 5(c), and 17(a) of the Securities Act of 1933 (“Securities Act”), and Section 10(b) of the Securities Exchange Act of 1934 (“Exchange Act”) and Rule 10b-5 thereunder. Id.

4. On November 18, 2011, the Court entered a Final Judgment against Gordon, permanently enjoining him from future violations of Sections 5(a), 5(c), and 17(a) of the Securities Act, and Section 10(b) of the Exchange Act and Rule 10b-5 thereunder; ordering him to disgorge \$40,072,806.97 in ill-gotten gains, together with \$10,307,489.92 in prejudgment interest, for a total of \$50,380,296.89; to pay a \$130,000 civil penalty; and permanently barring “from participating in an offering of penny stock , including engaging in activities with a broker, dealer, or issuer for purposes of issuing, trading, or inducing or attempting to induce the purchase or sale of any penny stock.” Id.

III.

Based upon the foregoing, the Commission finds that a court of competent jurisdiction has permanently enjoined Gordon, an attorney, from violating the Federal securities laws within the meaning of Rule 102(e)(3)(i)(A) of the Commission’s Rules of Practice. The Commission also finds that a court of competent jurisdiction has found that Gordon, an attorney, violated the Federal securities laws within the meaning of Rule 102(e)(3)(i)(B) of the Commission’s Rules of Practice. In view of these findings, the Commission deems it appropriate and in the public

interest that Gordon be temporarily suspended from appearing or practicing before the Commission.

IT IS HEREBY ORDERED that Gordon be, and hereby is, temporarily suspended from appearing or practicing before the Commission. This Order will be effective upon service on the Respondent.

IT IS FURTHER ORDERED that Gordon may, within thirty days after service of this Order, file a petition with the Commission to lift the temporary suspension. If the Commission receives no petition within thirty days after service of the Order, the suspension will become permanent pursuant to Rule 102(e)(3)(ii).

If a petition is received within thirty days after service of this Order, the Commission will, within thirty days after the filing of the petition, either lift the temporary suspension, or set the matter down for hearing at a time and place to be designated by the Commission, or both. If a hearing is ordered, following the hearing, the Commission may lift the suspension, censure the petitioner, or disqualify the petitioner from appearing or practicing before the Commission for a period of time, or permanently, pursuant to Rule 102(e)(3)(iii).

This Order shall be served upon Gordon personally or by certified mail at his last known address.

By the Commission.

Elizabeth M. Murphy
Secretary