

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

**SECURITIES EXCHANGE ACT OF 1934**  
**Release No. 53507 / March 17, 2006**

**INVESTMENT ADVISERS ACT OF 1940**  
**Release No. 2498 / March 17, 2006**

**ADMINISTRATIVE PROCEEDING**  
**File No. 3-12241**

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**In the Matter of**

**Kautilya “Tony” Sharma,**

**Respondent.**

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**: ORDER INSTITUTING**  
**: ADMINISTRATIVE PROCEEDINGS**  
**: PURSUANT TO SECTION 15(b) OF**  
**: THE SECURITIES EXCHANGE ACT**  
**: OF 1934 AND SECTION 203(f) OF THE**  
**: INVESTMENT ADVISERS ACT OF**  
**: 1940, 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 and Exchange Act of 1934 (“Exchange Act”) and Section 203(f) of the Investment Advisers Act of 1940 (“Advisers Act) against Kautilya “Tony” Sharma (“Sharma” 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 Respondent 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 and Section 203(f) of the Investment Advisers Act of 1940, 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. Sharma, 41, resides in Miami, Florida. Between February 2001 and May 2004, Sharma was the president of Geek Securities, Inc. ("Geek Securities"), a broker-dealer registered with the Commission, and Geek Advisors, Inc. ("Geek Advisors"), an investment adviser registered with the Commission.

2. On February 9, 2006, a final judgment was entered by consent against Sharma, permanently enjoining him from future violations of Section 17(a) of the Securities Act of 1933 ("Securities Act"), Section 10(b) of the Exchange Act and Rule 10b-5 thereunder, and from aiding and abetting violations of Section 15(c)(1) of the Exchange Act, in the civil action entitled Securities and Exchange Commission v. Geek Securities, Inc., et al., Civil Action Number 04-80525-Civ-PAINE/JOHNSON the United States District Court for the Southern District of Florida.

3. The Commission's complaint alleged that, between September 2001 and November 2003, Sharma and others, through Geek Securities and Geek Advisors, engaged in pervasive market timing and late trading on behalf of at least nine institutional clients in over one hundred mutual funds. According to the Commission's complaint, Geek Securities and Geek Advisors facilitated trades of third party mutual funds on behalf of clients, the majority of which were institutional investors, and several of which were hedge funds. According to the complaint, despite warnings from mutual fund companies, Sharma and others, used various deceptive activities to evade detection of ongoing market timing when a fund tried to restrict timing activities. The complaint also alleged that Sharma and others accepted final trade instructions after the 4:00 p.m. EST closing of the market, knowing that the trades received the same-day NAV pricing.

### IV.

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

Accordingly, it is hereby ORDERED:

Pursuant to Section 15(b)(6) of the Exchange Act and Section 203(f) of the Advisers Act, that Respondent Sharma be, and hereby is barred from association with any broker, dealer, or investment adviser.

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 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.

For the Commission, by its Secretary, pursuant to delegated authority.

Nancy M. Morris  
Secretary