

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

INVESTMENT ADVISERS ACT OF 1940
Release No. 4226 / October 13, 2015

ADMINISTRATIVE PROCEEDING
File No. 3-16893

In the Matter of

JAMES A. EVANS, JR.

Respondent.

**ORDER INSTITUTING ADMINISTRATIVE
PROCEEDINGS PURSUANT TO SECTION
203(f) OF THE INVESTMENT ADVISERS
ACT OF 1940 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 203(f) of the Investment Advisers Act of 1940 (“Advisers Act”) against James A. Evans, Jr. (“Respondent” or “Evans”).

II.

After an investigation, the Division of Enforcement alleges that:

A. RESPONDENT

1. From at least January 2012 to April 2014, Respondent operated a website at the domain name “Cashflowbot.com,” using the business name “DollarMonster.” DollarMonster, through Respondent, promoted itself to investors as a “private fund” with an opaque investment strategy where investors would make “big profits.”

2. Beginning in late 2013, Respondent, through the DollarMonster website, represented to investors that DollarMonster was a financial advisor with more than 120 management teams and \$38 million in assets under management. Respondent, through the DollarMonster website, further represented to investors that DollarMonster managed a hedge fund that purchased stocks on behalf of investors in the fund. Through DollarMonster, Evans purported to provide advice related to securities. Respondent paid himself with portions of investor funds as compensation.

3. Evans, doing business as DollarMonster, held DollarMonster out as the manager of a private fund that had “opened to the public worldwide.” Through DollarMonster, Evans’ advice involved securities, as at least one iteration of the DollarMonster website specifically misrepresented that the fund purchased stocks on behalf of investors.

4. Evans received compensation by withdrawing more than \$30,000 of investor funds for his personal use, roughly matching the disclosed fees of 2.5% of funds invested. Accordingly, Evans was both an investment adviser, and as a representative of DollarMonster, a person associated with an investment adviser.

B. ENTRY OF THE INJUNCTION

5. On September 30, 2015, a final judgment was entered against Evans, permanently enjoining him from future violations of Sections 5 and 17(a) of the Securities Act of 1933 (“Securities Act”), Section 10(b) of the Exchange Act and Rule 10b-5 thereunder, and Section 206(4) of the Advisers Act, and Rule 206(4)-8 thereunder in the civil action entitled Securities and Exchange Commission v. James A. Evans, Jr., Civil Action Number 1:15-CV-01118-RWS, in the United States District Court for the Northern District of Georgia.

6. The Commission’s complaint alleged that, from at least January 2012 until April 2014, in connection with the operation of the cashflowbot.com website, Evans falsely stated to investors that the enterprise DollarMonster was generating investment profits, failed to disclose that if investors stopped placing funds into DollarMonster the scheme would collapse and investors would suffer a complete loss of investment, falsely represented that DollarMonster managed a private fund that purchased stocks on behalf of investors, falsely represented that DollarMonster invested in commodities such as gold, silver, and real estate, and otherwise engaged in a variety of conduct that operated as a fraud and deceit on investors. The complaint also alleged that Evans sold unregistered securities.

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 203(f) of the Advisers 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 as provided for in the Commission's Rules of Practice.

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.

Brent J. Fields
Secretary