

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION
June 4, 2008

ADMINISTRATIVE PROCEEDING
File No. 3-13053

In the Matter of

AMIT MATHUR,

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 Amit Mathur (“Respondent” or “Mathur”).

II.

After an investigation, the Division of Enforcement alleges that:

A. RESPONDENT

1. Respondent, age 37, is a resident of Massachusetts.
2. From at least October 2000 through April 2005, Respondent was the owner and a principal in Entrust Capital Management, LLC (“Entrust”), a Massachusetts-based investment adviser not registered with the Commission. Respondent founded Entrust and solicited investors to purchase and hold marketable securities in a hedge fund managed by Entrust. Mathur and Entrust each acted as investment advisers by, for compensation, engaging in the business of advising investors as to the advisability of investing in, purchasing, or selling securities.
3. During the relevant period, Respondent acted as an investment adviser not registered with the Commission and was a person associated with an unregistered investment adviser, Entrust.

B. RESPONDENT'S CRIMINAL CONVICTION

4. On May 16, 2008, Mathur was found guilty by a jury after a trial on 20 counts of mail and wire fraud in violation of Title 18 United States Code, Sections 1341, 1342 and 1343 before the United States District Court for the District of Massachusetts, in United States v. Amit Mathur, Case No. 4:06-CR-40034FDS.

5. The counts of the criminal indictment to which Mathur was found guilty alleged that, while acting as an investment adviser, Mathur engaged in a scheme to defraud that involved (a) misappropriation of millions of dollars of funds that Entrust's clients had provided Entrust for the purpose of investment in specific securities and in the Entrust hedge fund; and (b) misrepresentation of how money was invested and of how the hedge fund was performing, which misrepresentation was designed to induce clients to transmit funds to Entrust and to conceal the misappropriation of funds and losses experienced in the hedge fund.

6. It is further alleged in the criminal indictment that: (a) from approximately September 2001 until approximately March 2005, approximately fifteen clients invested approximately \$16 million with Entrust to fund investments in publicly traded securities; (b) during the period from September 2001 to March 2005, Mathur represented to each of Entrust's clients that Entrust was achieving positive rates of return and that the Entrust portfolio was consistently growing in value. In fact, during the life of the Entrust hedge fund, the fund lost value every month but one. Mathur was aware of these trading losses; and (c) Mathur also never disclosed to Entrust's clients that he was diverting substantial amounts of their funds for his personal use.

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 Respondent an opportunity to establish any defenses to such allegations; and

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 personally or by certified 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.

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.

Florence E. Harmon
Acting Secretary