

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

INVESTMENT ADVISERS ACT OF 1940
Release No. 6016 / May 6, 2022

ADMINISTRATIVE PROCEEDING
File No. 3-20845

<p>In the Matter of</p> <p>Boveda Asset Management, Inc.,</p> <p>Respondent</p>
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ORDER INSTITUTING
ADMINISTRATIVE PROCEEDINGS
PURSUANT TO SECTION 203(e) 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 a public administrative proceeding be, and hereby is, instituted pursuant to Section 203(e) of the Investment Advisers Act of 1940 (“Advisers Act”) against Boveda Asset Management, Inc. (“Respondent Boveda”).

II.

In anticipation of the institution of this proceeding, Respondent Boveda has submitted an Offer of Settlement (the “Offer”) which the Commission has determined to accept. Solely for the purpose of this proceeding 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 it and the subject matter of this proceeding and the findings contained in paragraph III.2 below, which are admitted, Respondent Boveda consents to the entry of this Order Instituting Administrative Proceedings Pursuant to Section 203(e) of the Advisers Act, Making Findings, and Imposing Remedial Sanctions (“Order”), as set forth below.

III.

On the basis of this Order and Respondent Boveda’s Offer, the Commission finds that

1. Boveda Asset Management, Inc., CRD No. 171852, SEC File No. 801-80009, is currently incorporated in both the State of Florida (since 2014) and the State of North Carolina (since 2018). Respondent Boveda has been registered with the Commission as an Internet

investment adviser since 2014 pursuant to Rule 203A-2(e) under the Advisers Act. George Kenneth Witherspoon, Jr. (“Witherspoon”), CRD No. 6354866, age 57, is a resident of North Carolina. He is the sole owner, Chief Executive Officer, Chief Operating Officer, Chief Compliance Officer and President of Respondent Boveda.

2. On April 27, 2022, a final judgment was entered by consent against Respondent Boveda, permanently enjoining it from future violations of Sections 203A, 204(a), 206(1), 206(2), 206(4), and 207 of the Advisers Act, and Rule 206(4)-2 thereunder, in the civil action entitled U.S. Securities and Exchange Commission v. Boveda Asset Management, Inc, et al., Civil Action Number 1:21-cv-05321-SCJ, in the United States District Court for the Northern District of Georgia.

3. The Commission’s complaint alleged that, between 2014 and 2021, Respondent Boveda and Witherspoon failed to produce books and records to the Commission, improperly registered Respondent Boveda with the Commission as an Internet investment adviser, maintained custody of client assets but failed to comply with requirements to safeguard them, and made material misstatements and omissions in Respondent Boveda’s Forms ADV, including (1) falsely claiming Witherspoon was a Certified Financial Planner; (2) overstating Respondent Boveda’s regulatory assets under management (“RAUM”); (3) falsely claiming that a related private fund (Boveda Realty Investors, LP) had been audited by a certified public accounting firm; (4) falsely claiming that Respondent Boveda did not have custody of client assets; and (5) failing to disclose an adverse April 16, 2021, Court Order resulting from the Commission’s subpoena enforcement action against Respondent Boveda.

IV.

In view of the foregoing, the Commission deems it appropriate and in the public interest to impose the sanctions agreed to in Respondent Boveda’s Offer. Accordingly, pursuant to Section 203(e) of the Advisers Act, it is hereby ORDERED that:

Respondent Boveda’s registration as an investment adviser with the Commission is hereby revoked.

By the Commission.

Vanessa Countryman
Secretary