

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

**SECURITIES EXCHANGE ACT OF 1934**  
**Release No. 98326 / September 8, 2023**

**ADMINISTRATIVE PROCEEDING**  
**File No. 3-21633**

**In the Matter of**

**RICHARD D. WHITNEY,**

**Respondent.**

**ORDER INSTITUTING**  
**ADMINISTRATIVE PROCEEDINGS**  
**PURSUANT TO SECTION 15(b) OF THE**  
**SECURITIES EXCHANGE ACT OF 1934,**  
**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 Exchange Act of 1934 (“Exchange Act”) against Richard D. Whitney (“Whitney” 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 him and the subject matter of these proceedings and the findings contained in paragraph B.2 below, which are admitted, Respondent consents to the entry of this Order Instituting Administrative Proceedings Pursuant to the Securities Exchange Act of 1934, 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. Respondent Whitney, age 62, resides in Seattle, Washington. Between December 2018 and April 2019, Whitney was the operations manager for CHS Asset Management Inc. (“CAM”), an unregistered Texas corporation affiliated with The Church for the Healthy Self a/k/a

CHS Trust (“CHS”) that operated as a fake church out of a strip mall in Westminster, California. Whitney was a registered representative and investment adviser representative associated with various registered broker-dealers and a registered investment adviser between 1999 and 2018.

2. On July 14, 2023, a final judgment was entered by consent against Whitney, permanently enjoining him from future violations of Section 10(b) of the Exchange Act and Rule 10b-5 thereunder, and Section 17(a) of the Securities Act of 1933 (“Securities Act”) in the civil action entitled *Securities and Exchange Commission v. Kent R.E. Whitney, et al.*, Civil Action Number 8:19-CV-0499-KES, in the United States District Court for the Central District of California, Southern Division.

3. The Commission’s amended complaint (“complaint”) alleged that during the relevant period and in connection with the offer and sale of investments in a purported charitable trust, Whitney, an associated person of a registered broker-dealer, engaged in a variety of conduct which operated as a fraud and deceit on investors, including taking control of CAM’s bank accounts in order to hide the involvement of a convicted felon, and issuing payments to investors that he knew, or was reckless in not knowing, were not based on investment gains.

#### IV.

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

Accordingly, it is hereby ORDERED pursuant to Section 15(b)(6) of the Exchange Act, that Respondent Whitney be, and hereby is barred from association with any broker, dealer, investment adviser, municipal securities dealer, municipal advisor, transfer agent, or nationally recognized statistical rating organization; and

Pursuant to Section 15(b)(6) of the Exchange Act, Respondent Whitney be, and hereby is barred from participating in any offering of a penny stock, including: acting as a promoter, finder, consultant, agent or other person who engages in activities with a broker, dealer or issuer for purposes of the issuance or trading in any penny stock, or inducing or attempting to induce the purchase or sale of any penny stock.

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, compliance with the Commission’s order and payment of any or all of the following: (a) any disgorgement or civil penalties ordered by a Court against the Respondent in any action brought by the Commission; (b) any disgorgement amounts ordered against the Respondent for which the Commission waived payment; (c) any arbitration award related to the conduct that served as the basis for the Commission order; (d) 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 (e) any restitution order by a self-regulatory organization, whether or not related to the conduct that served as the basis for the Commission order.

By the Commission.

Vanessa A. Countryman  
Secretary