

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

INVESTMENT ADVISERS ACT OF 1940
Release No. 4517 / August 31, 2016

ADMINISTRATIVE PROCEEDING
File No. 3-17522

In the Matter of

DAVID KAYATTA,

Respondent.

ORDER INSTITUTING
ADMINISTRATIVE PROCEEDINGS
PURSUANT TO 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 203(f) of the Investment Advisers Act of 1940 (“Advisers Act”) against David Kayatta (“Respondent”).

II.

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 Section III.2 below, which are admitted, Respondent consents to the entry of this Order Instituting Administrative Proceedings Pursuant to 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. David Kayatta, 59, is a resident of Claremont, California. In December 2009, Kayatta joined Paul Mata at investment adviser firm Logos Wealth Advisors ("LWA") and became the fund manager for two unregistered investment funds founded by Mata, Secured Capital Investments, LLC ("SCI") and Logos Real Estate Holdings, LLC ("LREH") (collectively, the "Funds"). In 2010, Kayatta was ordered by the Nevada Secretary of State to cease-and-desist from soliciting Nevada investors in unregistered securities and from engaging in unlicensed investment advisory conduct. Kayatta previously held Series 7, 65, and 66 securities licenses.

2. On June 17, 2016, a final judgment was entered by consent against Kayatta, permanently enjoining him from future violations of Sections 5 and 17(a) of the Securities Act of 1933 ("Securities Act") and Section 10(b) of the Exchange Act of 1934 ("Exchange Act) and Rule 10b-5 thereunder, in the civil action entitled Securities and Exchange Commission v. Paul Mata, et al., Civil Action Number 5:15-cv-01792-VAP-KK, in the United States District Court for the Central District of California.

3. The Commission's complaint alleged that, from 2008 through the present, Kayatta and Mata raised over \$14 million from over 100 investors by soliciting investments in the Funds using online videos and investment seminars. The complaint alleged that Kayatta was responsible for false and misleading statements in the Funds' private placement memoranda, including falsely promising that SCI "guaranteed" returns, misrepresenting SCI's use of proceeds, and failing to disclose his and Mata's disciplinary history. The complaint alleged that Kayatta also misused and misappropriated investor funds, and otherwise engaged in a variety of conduct that operated as a fraud and deceit on investors. Finally, the complaint alleged that the Funds were never registered with the SEC, as required under the registration provisions of the federal securities laws.

IV.

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

Accordingly, it is hereby ORDERED pursuant Section 203(f) of the Advisers Act, that Respondent Kayatta 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.

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 of the following: (a) any disengagement 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.

By the Commission.