

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

**INVESTMENT ADVISERS ACT OF 1940**  
**Release No. 2707 / February 22, 2008**

**ADMINISTRATIVE PROCEEDING**  
**File No. 3-12967**

**In the Matter of**

**EDWARD SEWON EHEE,**

**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 Edward Sewon Ehee (“Ehee” 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 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. Ehee was the sole member of Compass Fund Management, LLC ("Compass Management"), an investment adviser registered with the Commission from 2004 through March 2006. Ehee was also the sole member of Viper Capital Management, LLC ("Viper Management"), an investment adviser. From November 1989 through September 1992 and again from June 1994 to July 1994, Ehee was also a registered representative associated with a broker-dealer registered with the Commission. Ehee, 44 years old, is a resident of Oakland, California.

2. On January 30, 2008, a final judgment was entered by consent against Ehee, permanently enjoining him from future violations of Sections 17(a) of the Securities Act of 1933 ("Securities Act"), Section 10(b) of the Exchange Act and Rule 10b-5 thereunder, and Sections 206(1), 206(2) and 207 of the Advisers Act, in the civil action entitled Securities and Exchange Commission v. Edward Sewon Ehee, et al., Civil Action Number C 06-6966 SI, in the United States District Court for the Northern District of California. Ehee was also ordered to pay the proceeds from the sale of his home as disgorgement.

3. The Commission's complaint alleged that, in connection with the offer and sale of interests in the Compass West and Viper Funds, Ehee misused and misappropriated investor funds, falsely stated to investors that their funds were invested, sent out false account statements indicating that investors funds were fully invested and earning returns, filed a false report with the Commission, and otherwise engaged in a variety of conduct which operated as a fraud and deceit on investors.

### IV.

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

Accordingly, it is hereby ORDERED:

Pursuant to Section 203(f) of the Advisers Act, that Respondent Ehee be, and hereby is barred from association with any investment adviser;

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 disgorgement 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.

Nancy M. Morris  
Secretary