

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

INVESTMENT ADVISERS ACT OF 1940
Release No. 2917 / August 18, 2009

ADMINISTRATIVE PROCEEDING
File No. 3-13585

In the Matter of

MATTHEW D. WEITZMAN,

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 Matthew D. Weitzman (“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.3 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. Weitzman, age 43, a resident of Armonk, New York, is a co-founder of AFW Asset Management, Inc., doing business under the name AFW Wealth Advisors (“AFW”), and until March 30, 2009, served as AFW’s Chief Compliance Officer. He previously held Series 7, 24, 63 and 65 licenses. He is not currently registered with the Commission in any capacity.

2. AFW is an investment adviser registered with the Commission since October 1993. AFW was incorporated in Delaware in 1993 as AFW Asset Management, Inc. Its principal place of business is located in Purchase, New York, and it has an office in Natick, Massachusetts.

3. On June 26, 2009, a judgment was entered on consent against Weitzman, permanently enjoining him from violating Section 10(b) of the Securities Exchange Act of 1934 and Rule 10b-5 thereunder, Sections 206(1) and 206(2) of the Advisers Act, and aiding and abetting violations of Section 204 of the Advisers Act and Rules 204-2(a)(3) and 204-2(a)(7) thereunder, in the civil action entitled Securities and Exchange Commission v. Matthew D. Weitzman, Civil Action Number 09 Civ. 5353, in the United States District Court for the Southern District of New York.

4. The Commission’s complaint alleges that, among other things, from at least 2005 until March 2009, Weitzman misappropriated several million dollars from AFW’s advisory clients’ brokerage accounts. The complaint alleges that he used these client funds to furnish a lavish and luxurious lifestyle, which included the purchase of, or acquisition of interests in, a multi-million dollar home, a horse, cars, and other luxury items. The complaint alleges that Weitzman actively concealed his fraudulent scheme by forging client signatures on letters purportedly authorizing transfers of client funds out of their brokerage accounts. The complaint alleges that, in addition, when certain clients questioned Weitzman about the unauthorized transfers from their accounts, Weitzman falsely stated that the funds would be used for legitimate investment purposes when in fact Weitzman misappropriated the funds for his own use. The complaint alleges that, in addition, Weitzman prepared false quarterly account statements and provided these statements to clients. The complaint alleges that Weitzman’s misappropriation of client funds totaled in excess of \$6 million.

IV.

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

Accordingly, it is hereby ORDERED:

Pursuant to Section 203(f) of the Advisers Act, that Respondent Weitzman 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.

Elizabeth M. Murphy
Secretary