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”) and Section 203(f) of the Investment Advisers Act of 1940 (“Advisers Act”) against David A. Williams (“Williams” 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

[Further text to be added]
consents to the entry of this Order Instituting Administrative Proceedings Pursuant to Section 15(b) of the Securities Exchange Act of 1934 and 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. Williams, age 48, resides in Studio City, California. Williams was the president, chief executive officer, and majority owner, of Morgan Peabody, Inc. (“Morgan Peabody”), a broker-dealer registered with the Commission until its registration was withdrawn in December 2008. Morgan Peabody was also registered with the Commission as an investment adviser from March 23, 2006 until its registration was terminated on October 12, 2006. Williams was the sole owner of two issuers, WFG Holdings, Inc. (“WFG”), which was the parent corporation of Morgan Peabody, and Sherwood Secured Income Fund, LLC (“Sherwood”), a real estate investment firm. From January 2007 through September 2008, registered representatives of Morgan Peabody sold approximately $9 million in securities issued by WFG and Sherwood.

2. On April 23, 2010, an order was entered by consent against Williams, permanently enjoining him from future violations of Section 17(a) of the Securities Act of 1933, Section 10(b) of the Exchange Act and Rule 10b-5 thereunder, in the civil action entitled Securities and Exchange Commission v. David A. Williams, et al., Civil Action Number 2:09-cv-2709, in the United States District Court for the Central District of California.

3. The Commission’s complaint alleged that, in connection with the offer and sale of securities of WFG and Sherwood by registered representatives of Morgan Peabody, Williams falsely represented to investors that the funds raised (i) in two WFG offerings would be used to develop Morgan Peabody’s broker-dealer business and expand its operations, and (ii) in the Sherwood offering that at least 90% of the funds would be used for direct and indirect investment in real estate and no more than 10% of the proceeds would be used for non-real estate related investments. In fact, Williams misappropriated millions of dollars from the three offerings to fund his lavish lifestyle. Moreover, well in excess of 10% of the funds raised in the Sherwood offering were used for non-real estate related investments. In October 2008, Morgan Peabody’s broker-dealer business, which was to be funded by the proceeds of the WFG offerings, ceased operations.

IV.

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

Accordingly, it is hereby ORDERED:
Pursuant to Section 15(b)(6) of the Exchange Act and Section 203(f) of the Advisers Act, that Respondent Williams be, and hereby is barred from association with any broker, dealer, or 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.

For the Commission, by its Secretary, pursuant to delegated authority.

Elizabeth M. Murphy
Secretary
Service List

Rule 141 of the Commission's Rules of Practice provides that the Secretary, or another duly authorized officer of the Commission, shall serve a copy of the Order Instituting Administrative Proceedings Pursuant to Section 15(b) of the Securities Exchange Act of 1934 and Section 203(f) of the Investment Advisers Act of 1940, Making Findings, and Imposing Remedial Sanctions ("Order"), on the Respondent and his legal agent.

The attached Order has been sent to the following parties and other persons entitled to notice:

Honorable Brenda P. Murray
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