

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

**INVESTMENT ADVISERS ACT OF 1940**  
**Release No. 3108 / November 16, 2010**

**ADMINISTRATIVE PROCEEDING**  
**File No. 3-14124**

**In the Matter of**

**THRASHER CAPITAL  
MANAGEMENT, LLC AND  
JAMES PERKINS,**

**Respondents.**

**ORDER INSTITUTING ADMINISTRATIVE  
AND CEASE-AND-DESIST PROCEEDINGS,  
PURSUANT TO SECTIONS 203(e), 203(f)  
AND 203(k) OF THE INVESTMENT  
ADVISERS ACT OF 1940, MAKING  
FINDINGS, AND IMPOSING REMEDIAL  
SANCTIONS AND A CEASE-AND-DESIST  
ORDER**

**I.**

The Securities and Exchange Commission (“Commission”) deems it appropriate and in the public interest that public administrative and cease-and-desist proceedings be, and hereby are, instituted pursuant to Sections 203(e), 203(f) and 203(k) of the Investment Advisers Act of 1940 (“Advisers Act”) against Thrasher Capital Management, LLC (“Thrasher”) and James Perkins (“Perkins,” collectively with Thrasher, “Respondents”).

**II.**

In anticipation of the institution of these proceedings, Respondents have 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 them and the subject matter of these proceedings, which are admitted, Respondents consent to the entry of this Order Instituting Administrative and Cease-and-Desist Proceedings Pursuant Sections 203(e), 203(f) and 203(k) of the Investment Advisers Act of 1940 Making Findings, and Imposing Remedial Sanctions and a Cease-and-Desist Order (“Order”), as set forth below.

### III.

On the basis of this Order and Respondents' Offer, the Commission finds<sup>1</sup> that:

#### Summary

James Perkins was at all times relevant herein the Chief Executive Officer and managing member of Thrasher, an investment adviser registered with the Commission. These proceedings arise out of (i) Respondents' failure to make available to the Commission's staff books and records that Thrasher was required to make available under Section 204 of the Advisers Act, and (ii) Respondents' untrue statements of material facts in Thrasher's Form ADV.

Respondents ignored repeated requests for books and records from the Commission's Examination staff in violation of Section 204 of the Advisers Act. In fact, Respondents failed to produce for inspection any files whatsoever until the Commission's Enforcement staff issued a subpoena for such records. Thrasher's Form ADV, filed on July 24, 2007, contained untrue statements of material facts concerning Thrasher's client base and the ownership of the Adviser in violation of Section 207 of the Advisers Act.

#### Respondents

1. **Thrasher Capital Management, LLC ("Thrasher," or "Adviser")** is an investment adviser headquartered in New York, New York. Thrasher registered with the Commission effective March 23, 2007 and served as the investment adviser for the GendeX Fund ("GendeX"), a series of the Coventry Group, a registered investment company that registered with the Commission effective September 24, 2007 and was liquidated on approximately September 19, 2008.

2. **James Perkins**, a resident of New York, New York, is the founder and Chief Executive Officer of Thrasher. He was a registered "Series 6" representative from approximately September 2007 through October 2008. Perkins has no prior disciplinary actions.

#### Facts

3. On approximately May 14, 2009, the Commission's Examination staff visited Thrasher's New York offices and requested that the Adviser timely make available certain books and records pursuant to Section 204 of the Advisers Act.

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<sup>1</sup> The findings herein are made pursuant to Respondents' Offer of Settlement and are not binding on any other person or entity in this or any other proceeding.

4. James Perkins, on Thrasher's behalf, initially promised to provide the Examination staff with the books and records it requested, but over the course of several weeks following May 14, 2009, he failed to produce any books and records and failed even to respond to the Examination staff's repeated attempts to contact him. In fact, Perkins failed to produce any books and records to the Commission until the Commission's Enforcement staff issued a subpoena to Thrasher on October 26, 2009, and even that production came weeks after the November 10, 2009 due date identified on the Commission's subpoena.

5. Thrasher falsely represented in its Form ADV, filed on July 24, 2007, that more than 40% of its clients were high net worth individuals (as distinguished from investment companies). At that time, Thrasher did not advise any high net worth individuals.

6. Thrasher also falsely represented the Adviser's ownership structure in its July 24, 2007 Form ADV. That filing failed to identify an individual who held a significant ownership stake in Thrasher as of July 24, 2007.

7. At all times relevant herein, Perkins, as Chief Executive Officer, was responsible for the accuracy of the information in Thrasher's Form ADV. Thrasher's Form ADV was signed by the Adviser's general counsel, who relied upon Perkins for factual information set forth in the Form ADV.

8. As a result of the conduct described above, Thrasher willfully violated Section 204(a) of the Advisers Act, which requires investment advisers that use the mails or interstate commerce to maintain and make available to the Commission certain books and records as prescribed by the Commission, and Section 207 of the Advisers Act, which prohibits any "person" (defined to include advisers such as Thrasher) to "make any untrue statement of a material fact in any registration application or report filed with the Commission under section 203 or 204, or willfully to omit to state in any such application or report any material fact which is required to be stated therein."

9. As a result of the conduct described above, Perkins willfully aided and abetted and caused Thrasher's violations of Sections 204(a) and 207 of the Advisers Act.

#### **Civil Penalties**

10. Perkins has submitted a sworn Statement of Financial Condition dated April 23, 2010 and other evidence and has asserted his inability to pay a civil penalty.

#### IV.

In view of the foregoing, the Commission deems it appropriate, in the public interest to impose the sanctions agreed to in Respondents Thrasher's and Perkins' Offers.

Accordingly, pursuant to Sections 203(e), 203(f) and 203(k) of the Advisers Act, it is hereby ORDERED that:

- A. Respondents Thrasher and Perkins cease and desist from committing or causing any violations and any future violations of Sections 204(a) and 207 of the Advisers Act.
- B. Respondent Thrasher's registration as an investment adviser shall be revoked.
- C. Respondent Perkins be, and hereby is, suspended from association with any investment adviser for a period of nine months, effective on the second Monday following the entry of this Order.
- D. Based upon Respondent Perkins' sworn representations in his Statement of Financial Condition dated April 23, 2010 and other documents submitted to the Commission, the Commission is not imposing a monetary penalty against Perkins.
- E. The Division of Enforcement may, at any time following the entry of this Order, petition the Commission to: (1) reopen this matter to consider whether Respondent Perkins provided accurate and complete financial information at the time such representations were made; and (2) seek an order directing payment of the maximum civil penalty allowable under the law. No other issue shall be considered in connection with this petition other than whether the financial information provided by Respondent Perkins was fraudulent, misleading, inaccurate, or incomplete in any material respect. Respondent Perkins may not, by way of defense to any such petition: (1) contest the findings in this Order; (2) assert that payment of a penalty should not be ordered; (3) contest the imposition of the maximum penalty allowable under the law; or (4) assert any defense to liability or remedy, including, but not limited to, any statute of limitations defense.

By the Commission.

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 and Cease-and-Desist Proceedings, Pursuant to Sections 203(e), 203(f) and 203(k) of the Investment Advisers Act of 1940 Making Findings, and Imposing Remedial Sanctions and a Cease-and-Desist Order ("Order"), on the Respondents and their legal agent.

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

Honorable Brenda P. Murray  
Chief Administrative Law Judge  
Securities and Exchange Commission  
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