

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

INVESTMENT ADVISERS ACT OF 1940
Release No. 3155 / February 7, 2011

ADMINISTRATIVE PROCEEDING
File No. 3-14234

In the Matter of

ROBERT J. RIDDLE,

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 Robert J. Riddle (“Robert Riddle” 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.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. Robert Riddle, 61 years old, was Regional Vice President of Sales, East Coast, at Jadis Capital, Inc., a New York corporation ("Jadis Capital"). Jadis Capital was the sole owner of Jadis Investments, LLC, a Delaware limited liability company ("Jadis Investments") and Uniondale, Long Island-based investment adviser registered with the Commission. In his position, Robert Riddle was responsible for soliciting potential investors for the purported hedge funds for which Jadis Investments was the investment manager, and for seeking out possible business opportunities for Jadis Capital. In addition, during the relevant period, Robert Riddle and his wife operated a business named Village Kitchen and Bath Design Gallery LLC, which they co-owned with Jadis Capital.

2. The Commission's complaint, in the civil action entitled Securities and Exchange Commission vs. Isaac I. Ovid, et al., 09 Civ. 1521 (E.D.N.Y.) (LDW), alleges that Robert Riddle, along with six other individual defendants, participated in a fraudulent investment scheme resulting in an overall investor loss of more than \$12 million by, among other things, making numerous misrepresentations to encourage them to invest in two purported hedge funds - the Logos Multi-Strategy Hedge Fund I, LP ("Logos Fund") and the Donum Fund, LP ("Donum Fund"). The Commission's complaint also alleges that Robert Riddle, along with the other individual defendants and two defendant entities, improperly offered and sold securities when no registration statement was in effect as to such securities.

3. On February 10, 2010, Robert Riddle pled guilty to conspiracy to commit securities fraud, in violation of Title 18 United States Code, Section 371 before the United States District Court for the Eastern District of New York, in United States v. Robert Riddle, 09 Cr. 216-05 (E.D.N.Y.) (JG). On September 2, 2010, a judgment in the criminal case was entered against Robert Riddle. He was sentenced to a prison term of 24 months followed by three years of supervised release and ordered to make restitution in the amount of \$3,303,207.99.

4. The criminal indictment to which Robert Riddle pled guilty, United States v. Isaac Ovid, et al., 09 Cr. 0216 (E.D.N.Y.) (JG), alleged, inter alia, that Robert Riddle made materially false and fraudulent representations and omitted material facts in soliciting investors for both the Logos Fund and the Donum Fund, and misappropriated Logos Fund investor capital.

IV.

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

Accordingly, it is hereby ORDERED:

Pursuant to Section 203(f) of the Advisers Act, Respondent Robert Riddle 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.

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 203(f) of the Investment Advisers Act of 1940, Making Findings, and Imposing Remedial Sanctions (the "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
Chief Administrative Law Judge
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