

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

**SECURITIES EXCHANGE ACT OF 1934**  
**Release No. 71993 / April 22, 2014**

**INVESTMENT ADVISERS ACT OF 1940**  
**Release No. 3820 / April 22, 2014**

**ADMINISTRATIVE PROCEEDING**  
**File No. 3-15850**

**In the Matter of**

**MATTHEW D. SAMPLE,**

**Respondent.**

**ORDER INSTITUTING  
ADMINISTRATIVE PROCEEDINGS  
PURSUANT TO SECTION 15(b)(6) OF  
THE SECURITIES EXCHANGE ACT OF  
1934 AND 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 15(b)(6) of the Securities Exchange Act of 1934 (“Exchange Act”) and Section 203(f) of the Investment Advisers Act of 1940 (“Advisers Act”) against Matthew D. Sample (“Respondent” or “Sample”).

**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 15(b)(6) of the Securities Exchange Act of 1934 and Section 203(f) of the Investment Advisers Act of 1940 (“Order”), as set forth below.

**III.**

On the basis of this Order and Respondent’s Offer, the Commission finds that:

1. Matthew D. Sample, 39 years old, resides in San Diego, California. Sample was previously associated with Commission-registered investment adviser and broker-dealer firms

and licensed as a registered representative. He is currently an employee of an investment adviser firm registered in the State of California and is an investment adviser representative of that firm. Sample has held Series 7, 63 and 65 securities licenses.

2. On April 7, 2014, a judgment was entered by consent against Sample, 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, and Section 206(1), (2) and (4) of the Advisers Act and Rule 206(4)-8, thereunder, in the civil action entitled *Securities and Exchange Commission v. Matthew D. Sample*, Case Number 3:14-CV-01218-B, in the United States District Court for the Northern District of Texas, Dallas Division.

3. The Commission's Complaint alleged, among other things, that between October 2009 through June 2012, Sample managed an unregistered hedge fund that raised approximately \$1 million from five investors. Sample misrepresented his intended use of investor funds, misappropriated investor funds from the hedge fund for personal use and to repay prior investors, and intentionally concealed trading losses from investors. During this period, Sample was also associated with Commission-registered investment adviser and broker-dealer firms.

#### IV.

In view of the foregoing, the Commission deems it appropriate and in the public interest to impose the sanctions agreed to in Respondent's 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 be, and hereby is:

barred from association with any broker, dealer, investment adviser, municipal securities dealer, municipal advisor, transfer agent, or nationally recognized statistical rating organization; barred from participating in any offering of a penny stock, including: acting as a promoter, finder, consultant, agent or other person who engages in activities with a broker, dealer or issuer for purposes of the issuance or trading in any penny stock, or inducing or attempting to induce the purchase or sale of any penny stock.

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.

Jill M. Peterson  
Assistant Secretary