

**ADMINISTRATIVE PROCEEDING**  
**File No. 3-17802**

**Senior Executive of NJ-Based Investment Adviser Settles Charges for Making False Statements in SEC Filings**

**January 19, 2017** – The Securities and Exchange Commission today announced that a senior executive of New Jersey-based Saddle River Advisors, LLC (“SRA”) has agreed to settle charges that, from 2014 to 2015, she made false statements in required SEC filings on behalf of SRA.

A Form ADV is a registration and disclosure form that investment advisers are required to file with the SEC that provides important information to clients and potential clients. An SEC investigation found that Susan M. Diamond, a Lake Worth, Florida resident, who was serving as SRA’s Chief Compliance Officer at the time, made false statements in multiple Forms ADV that she prepared, signed, and filed on behalf of SRA, which [the SEC charged in March 2016](#) for, among other things, allegedly perpetrating a multi-million dollar fraud and misappropriating investor funds. Specifically, in Forms ADV filed on behalf of SRA in 2014 and 2015, Diamond represented, among other things, that three funds advised by SRA had annual audits, the audit reports were prepared in accordance with GAAP, and audited financial statements would be distributed to investors. None of these statements were true.

The SEC’s order finds that, by making these untrue statements on SRA’s Forms ADV in 2014 and 2015, Diamond violated Section 207 of the Investment Advisers Act of 1940. Without admitting or denying the findings in the SEC’s order, Diamond agreed to the entry of a cease-and-desist order, a nine-month associational and penny stock suspension and investment adviser and company prohibition, and to pay a \$15,000 penalty. Diamond has agreed further to limitations from acting in the securities industry in certain managerial and compliance capacities after the nine-month period of suspension and prohibition has ended.

The SEC’s investigation was conducted by Jessica W. Chan, Ellen Chen, Marc D. Katz, and John Yun of the San Francisco office, and was supervised by Jeremy E. Pendrey.

**See also:**     [Order](#)