

UNITED STATES OF AMERICA  
Before the  
SECURITIES AND EXCHANGE COMMISSION

INVESTMENT ADVISERS ACT OF 1940  
Release No. 4972 / July 17, 2018

ADMINISTRATIVE PROCEEDING  
File No. 3-18601

In the Matter of

JOSEPH PINKNEY DAVIS  
III,

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 Joseph Pinkney Davis III (“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 paragraph III.2., 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. Davis was the managing member, chairman, chief compliance officer, president, and sole owner of DWM Advisors, LLC (“DWM”), formerly a Commission-registered investment adviser until it terminated its registration in May 2017. Davis, 58 years old, is a resident of Durham, North Carolina.

2. On March 17, 2017, the Securities Commissioner of South Carolina entered a Consent Order in an administrative action entitled In the Matter of Joseph Pickney Davis III and DWM Advisers, LLC (d/b/a Davis Wealth Management) (South Carolina Securities Commission Matter No. 16008) (“Consent Order”). The Consent Order permanently barred Davis from participating in any aspect of the securities industry in or from the State of South Carolina.

3. The Consent Order determined that Davis, acting on behalf of himself and DWM, engaged in conduct in violation of the South Carolina Uniform Securities Act of 2005 when he recommended to one or more South Carolina clients private placements not suitable or appropriate for the clients given the clients’ investment objectives and risk profiles. The Consent Order also found that Davis failed to disclose one or more conflicts of interest that may have influenced the giving of such advice.

### **IV.**

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

Accordingly, it is hereby ORDERED pursuant to Section 203(f) of the Advisers Act , that Respondent Davis 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.

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.

Brent J. Fields  
Secretary