

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

INVESTMENT ADVISERS ACT OF 1940
Release No. 5471 / April 1, 2020

ADMINISTRATIVE PROCEEDING
File No. 3-19741

In the Matter of

ADAM MATTHEW ROOT,

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 Adam Matthew Root (“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. At all relevant times, Respondent Root, age 36, served as a Founding Partner of Tricent Capital, LLC and Tricent Capital I, LLC (collectively, "Tricent"), which were unregistered investment advisers and served as the management company and General Partner for at least two venture capital pooled investment funds — the Startup Index Fund and Tricent Early Exits I.

2. On March 30, 2020, a final judgment was entered by consent against Respondent, permanently enjoining him from future violations of Sections 17(a)(1) and 17(a)(3) of the Securities Act of 1933 ("Securities Act"), in the civil action entitled *Securities and Exchange Commission v. Adam Matthew Root*, Civil Action Number 3:20-CV-0726-G, in the United States District Court for the Northern District of Texas, Dallas Division.

3. The Commission's complaint alleged that, in connection with the sale of limited partnership interests, Respondent made material misrepresentations and omissions of material fact necessary to make the statements made not misleading in order to induce prospective investors to invest in at least two of Tricent Capital I, LLC's investment funds — the Startup Index Fund and Tricent Early Exits I.

IV.

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

Accordingly, it is hereby ORDERED pursuant to Section 203(f) of the Advisers Act, that Respondent Root 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 with the right to apply for reentry after ten (10) years from the date of this order to the appropriate self-regulatory organization, or if there is none, to the Commission.

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, compliance with the Commission's order and payment of any or all of the following: (a) any disgorgement or civil penalties ordered by a Court against the Respondent in any action brought by the Commission; (b) any disgorgement amounts ordered against the Respondent for which the Commission waived payment; (c) any arbitration award related to the conduct that served as the basis for the Commission order; (d) 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 (e) 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.

Vanessa A. Countryman
Secretary