

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

INVESTMENT ADVISERS ACT OF 1940
Release No. 5497 / May 5, 2020

ADMINISTRATIVE PROCEEDING
File No. 3-19784

In the Matter of

BARRY R. BEKKEDAM,

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 Barry R. Bekkedam (“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, Respondent admits the Commission’s jurisdiction over him and the subject matter of these proceedings, and the findings contained in paragraphs III.2 and III.4 below, and 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. Bekkedam founded and operated the investment adviser Ballamor Capital Management, LLC ("Ballamor"). From August 1999 until it withdrew its registration in April 2010, Ballamor was an SEC-registered investment adviser.

2. On April 22, 2020, a final judgment was entered by consent against Bekkedam, permanently enjoining him from future violations of Section 10(b) of the Securities Exchange Act of 1934 and Rule 10b-5 thereunder, Section 17(a) of the Securities Act of 1933, and Sections 206(1) and 206(2) of the Advisers Act, in the civil action entitled Securities and Exchange Commission v. Barry R. Bekkedam, Civil Action Number 2:14-cv-02488-NIQA, in the United States District Court for the Eastern District of Pennsylvania.

3. The Commission's complaint alleged that, from April through October 2009, Bekkedam fraudulently induced, or assisted in inducing, his advisory clients and others to invest approximately \$100 million in a fund being promoted by an individual named George Levin that purportedly purchased lawsuit settlements from now-convicted Ponzi-schemer Scott Rothstein. When soliciting his advisory clients and other prospective investors, inter alia, Bekkedam made material misrepresentations and omissions regarding the level of due diligence that he and Ballamor had performed, including their access to information confirming the existence of the settlement funds, the authenticity of Rothstein's investment program, and the overall safety of investing in the Rothstein settlements.

4. On April 27, 2016, Bekkedam was convicted by a jury of one count of conspiracy to defraud the United States in violation of 18 U.S.C. § 371, one count of Troubled Asset Relief Program fraud in violation of 18 U.S.C. § 1031, and the aiding and abetting thereof in violation of 18 U.S.C. § 2, and two counts of false statements to the federal government in violation of 18 U.S.C. § 1001, and the aiding and abetting thereof in violation of 18 U.S.C. § 2, before the United States District Court for the Eastern District of Pennsylvania, in United States v. Brian Hartline and Barry Bekkedam, Crim. No. 2:14-cr-00548-CDJ. On January 24, 2017, a judgment in the criminal case was entered against Bekkedam. He was sentenced to a prison term of 11 months followed by 3 years of supervised release and ordered to pay a fine in the amount of \$100,000.

5. The counts of the indictment of which Bekkedam was convicted alleged, inter alia, that between in or about May 2009 and in or about January 2010, Bekkedam and his co-defendant Hartline conspired and agreed, together, and with others, to knowingly and intentionally defraud the United States, particularly the Troubled Asset Relief Program, and to obtain money by means of false and fraudulent pretenses, representations, and promises.

IV.

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

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