

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

INVESTMENT ADVISERS ACT OF 1940
Release No. 2482 / February 7, 2006

ADMINISTRATIVE PROCEEDING
File No. 3-12175

In the Matter of

JON M. KNIGHT,

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 Jon M. Knight (“Knight” or “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 Section III.B 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:

A. At all relevant times, Knight was the Chief Investment Officer and forty-nine percent owner of Atlantic Portfolio Analytics and Management, Inc. ("APAM"), an investment adviser that was registered with the Commission from 1985 through April 2000. Knight is a resident of Sorrento, Florida.

B. On December 3, 2004, Knight pled guilty to attempted grand larceny in the first degree in violation of New York Penal Law Section 155.42 before the Supreme Court of the State of New York, in New York v. Knight, Crim. Information No. 2004 NY 088896. On December 3, 2004, Knight was sentenced to five years probation and fined \$50,000.00.

C. According to the plea agreement and the criminal information against Knight, on or about December 17, 1997, Knight attempted to steal more than \$1,000,000.00 from the Evergreen Trust, a Bahamian trust, through a Bahamian company owned and controlled by Knight and others called Mataeka Ltd. ("Mataeka").

D. The Evergreen Trust was created to maintain the investment assets of Evergreen Security Ltd. ("Evergreen"), a British Virgin Islands company that marketed five-year certificates of deposits to offshore trusts established by U.S. citizens. The Evergreen Trust received investment management services from International Portfolio Analytics ("IPA"), a Bahamian corporation that managed funds for off-shore clients. IPA was forty-nine percent owned by Knight and affiliated with APAM through their common ownership. Mataeka executed a loan agreement from the Evergreen Trust on December 11, 1997. The criminal charges to which Knight pled guilty related to this loan agreement.

IV.

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

Accordingly, it is hereby ORDERED that:

A. Pursuant to Section 203(f) of the Advisers Act, that Respondent Knight be, and hereby is, barred from association with any investment adviser.

B. 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: (1) any disgorgement ordered against the Respondent, whether or not the Commission has fully or partially waived payment of such disgorgement; (2) any arbitration award related to the conduct that served as the basis for the Commission order; (3) 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 (4) 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.

Nancy M. Morris
Secretary