

UNITED STATES OF AMERICA
before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 94618 / April 6, 2022

Admin. Proc. File No. 3-20249

In the Matter of
WORLD TREE FINANCIAL, LLC

ORDER REQUESTING BRIEFS

The Securities and Exchange Commission (“Commission”) issued an Order Instituting Proceedings (“OIP”) on March 22, 2021, pursuant to Section 15(b) of the Securities Exchange Act of 1934 against World Tree Financial, LLC (“Respondent”).¹ That same day, the Commission issued an OIP in a separate proceeding against Wesley Kyle Perkins (“Perkins”), pursuant to Exchange Act Section 15(b) and Section 203(f) of the Investment Advisers Act of 1940.² According to the OIPs, both World Tree and Perkins had final judgments entered against them on January 15, 2021, in the same civil action entitled *Securities and Exchange Commission v. World Tree Financial, LLC, et al.*, Civil Action Number 6:18-cv-01229-MJJ-CBW, in the United States District Court for the Western District of Louisiana.

The OIPs alleged that the final judgments permanently enjoined World Tree and Perkins from future violations of Section 17(a) of the Securities Act of 1933, Exchange Act Section 10(b) and Rule 10b-5, and Advisers Act Sections 206(1) and 206(2). According to the OIPs, the complaint in the civil action alleged that, from March 2011 through September 2015, World Tree and Perkins, who was World Tree’s principal, engaged in the following misconduct:

[They] disproportionately allocated unfavorable trades to two large accounts owned by a single client, while allocating favorable trades to accounts owned by [Perkins], his wife, and other World Tree clients. Accounts held by or associated with Perkins and his wife received ill-gotten gains of \$354,232 during the course of the scheme. In addition to cherry-picking, World Tree and Perkins made material misrepresentations in World Tree’s Forms ADV, Part 2A. They

¹ *World Tree Financial, LLC*, Exchange Act Release No. 91379, 2021 WL 1168567 (Mar. 22, 2021).

² *Wesley Kyle Perkins*, Exchange Act Release No. 91378, 2021 WL 1168555 (Mar. 22, 2021).

misrepresented World Tree's allocation practices by concealing their cherry-picking, and falsely claimed that World Tree's principals and their families were prohibited from trading in the same securities as their clients.

The OIPs instituted administrative proceedings to determine whether the above allegations are true and whether any remedial action is in the public interest. World Tree and Perkins, who are represented by the same counsel, filed answers to the OIPs on May 28, 2021.

Commission Rule of Practice 201(a) provides that the Commission may consolidate for hearing "proceedings involving a common question of law or fact," and that consolidation "shall not prejudice any rights under the[] Rules of Practice and shall not affect the right of any party to raise issues that could have been raised if consolidation had not occurred."³ It appears that consolidation of the proceedings against World Tree and Perkins would satisfy Rule 201(a) and promote efficiencies. But the Commission would be aided by the views of the parties on whether it is appropriate to consolidate the proceedings against World Tree and Perkins.

Accordingly, IT IS ORDERED that the parties shall file briefs, or a joint brief, not to exceed 2,500 words, concerning the appropriateness of consolidation by April 20, 2022. It is further ORDERED that, if separate opening briefs are filed, the parties may file simultaneous reply briefs, not to exceed 2,000 words, by May 4, 2022.

For the Commission, by the Office of the General Counsel, pursuant to delegated authority.

Vanessa A. Countryman
Secretary

³ 17 C.F.R. § 201.201(a).