

UNITED STATES OF AMERICA  
Before the  
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934  
Release No. 59456 / February 25, 2009

INVESTMENT ADVISERS ACT OF 1940  
Release No. 2846 / February 25, 2009

ADMINISTRATIVE PROCEEDING  
File No. 3-13381

PROCEEDINGS INSTITUTED AGAINST WEALTHWISE, LLC  
AND JEFFREY A. FORREST

On February 25, 2009, the United States Securities and Exchange Commission (Commission) announced the issuance of an Order Instituting Administrative Proceedings Pursuant to Section 15(b) of the Securities Exchange Act of 1934 and Sections 203(e) and 203(f) of the Investment Advisers Act of 1940, and Notice of Hearing (Order) against WealthWise, LLC (WealthWise), a registered investment adviser based in San Luis Obispo, California, and Jeffrey A. Forrest (Forrest), its owner and principal, based on the entry of a permanent injunction against WealthWise and Forrest in the civil action entitled Securities and Exchange Commission v. WealthWise, LLC, et al., Civil Action No. 2:08-cv-06278-GAF-SS, in the U.S. District Court for the Central District of California.

In the Order, the Division of Enforcement alleges that on February 4, 2009, the U.S. District Court for the Central District of California entered a Judgment of Permanent Injunction by consents against WealthWise and Forrest, permanently enjoining WealthWise and Forrest from violating Section 17(a) of the Securities Act of 1933, Section 10(b) of the Securities Exchange Act of 1934 and Rule 10b-5 thereunder, and Sections 206(1) and 206(2) of the Investment Advisers Act of 1940.

The Division of Enforcement further alleges in the Order that the Commission's complaint in the civil action alleges that, among other things, from April 2005 to October 2006, Forrest recommended that more than 60 of their clients invest approximately \$40 million in Apex Equity Options Fund, a hedge fund managed by Salt Lake City-based Thompson Consulting, Inc. (TCI). According to the complaint in the civil action, WealthWise and Forrest failed to disclose a side agreement in which WealthWise received a portion of the performance fee that Apex paid TCI for all WealthWise assets invested in the hedge fund. From April 2005 to September 2007, WealthWise received \$388,401.80 in performance fees from TCI. Apex collapsed in August 2007, and WealthWise clients lost nearly all of the money they invested. For a portion of the time in which Forrest engaged in the conduct underlying the complaint, he was associated with a registered broker-dealer.

A hearing will be scheduled before an administrative law judge to determine whether the allegations contained in the Order are true, to provide WealthWise and Forrest an opportunity to dispute the allegations, and to determine what, if any, remedial action is appropriate and in the public interest, pursuant to Section 15(b) of the Securities Exchange Act of 1934 and Sections 203(e) and 203(f) of the Investment Advisers Act of 1940.

The Order directed that an Administrative Law Judge shall issue an initial decision no later than 210 days from the date of service of the Order, pursuant to Rule 360(a)(2) of the Commission's Rules of Practice.