

**UNITED STATES OF AMERICA**  
**Before the**  
**SECURITIES AND EXCHANGE COMMISSION**

**INVESTMENT ADVISERS ACT OF 1940**  
**Release No. 3163 / February 17, 2011**

**ADMINISTRATIVE PROCEEDING**  
**File No. 3-14267**

**In the Matter of**  
  
**William J. Reid,**  
  
**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 William J. Reid (“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.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. Reid is the founder, managing member and sole employee of Algorithmic Trading Advisors, LLC ("ATA"), an unregistered investment adviser which provided investment advisory services to World Stock Fund, L.P. ("WSF"), an unregistered investment fund.

2. On February 3, 2011, a final judgment was entered by consent against Reid, permanently enjoining him from future violations of Sections 5(a), 5(c), and 17(a) of the Securities Act of 1933, Section 10(b) of the Securities Exchange Act of 1934 and Rule 10b-5 thereunder, and Section 206(4) of the Advisers Act, and Rule 206(4)-8 thereunder, in the civil action entitled Securities and Exchange Commission v. Algorithmic Trading Advisors, LLC, et al., Civil Action Number 4:11CV0016, in the United States District Court for the Southern District of Georgia.

3. The Commission's complaint alleged that, among other misrepresentations, Reid falsely represented the performance returns and assets under management of WSF. One of the means Reid used to disseminate WSF's false performance returns and assets under management was by providing such false information to various hedge fund reporting services, including Morningstar, Inc., BarclayHedge, and Hedge Fund Research, Inc. Upon receiving such false information, Morningstar, Inc., BarclayHedge, and Hedge Fund Research, Inc., and other services to which Reid provided information, included the false WSF information on their websites which evaluate and rate hedge funds.

### IV.

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

Accordingly, it is hereby ORDERED:

Pursuant to Section 203(f) of the Advisers Act, that Respondent Reid 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, the satisfaction of any or all of the following: (a) any disgorgement ordered against the Respondent, whether or not the Commission has fully or partially waived payment of such disgorgement; (b) any arbitration award related to the conduct

that served as the basis for the Commission order; (c) 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 (d) 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.

Elizabeth M. Murphy  
Secretary

Service List

Rule 141 of the Commission's Rules of Practice provides that the Secretary, or another duly authorized officer of the Commission, shall serve a copy of the Order Instituting Administrative Proceedings Pursuant to Section 203(f) of Investment Advisers Act of 1940, Making Findings, and Imposing Remedial Sanctions ("Order"), on the Respondent and his legal agent.

The attached Order has been sent to the following parties and other persons entitled to notice:

Honorable Brenda P. Murray  
Chief Administrative Law Judge  
Securities and Exchange Commission  
100 F Street, N.E.  
Washington, DC 20549-2557

Daniel J. Wadley, Esq.  
Salt Lake Regional Office  
Securities and Exchange Commission  
15 W. South Temple, Suite 1800  
Salt Lake City, UT 84101

Mr. William J. Reid  
c/o Julie M. Wade, Esq.  
24 Drayton Street, Suite 500  
Savannah, GA 31401

Julie M. Wade, Esq.  
24 Drayton Street, Suite 500  
Savannah, GA 31401  
(Counsel for William J. Reid)