

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

INVESTMENT ADVISERS ACT OF 1940
Release No. 3010 / April 7, 2010

ADMINISTRATIVE PROCEEDING
File No. 3-13848

In the Matter of

Brian Travis

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 Brian Travis (“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. Travis, age 33, is a resident of San Diego, California. Between at least March 2003 and October 2005, Travis worked as a back-office clerk at JLF Asset Management, LLC ("JLF"), an unregistered investment adviser to three hedge funds. In his capacity as back-office clerk, Travis was responsible for clearing all of JLF's trades on behalf of its fund clients through its prime broker. Travis also had the primary responsibility for both tracking the JLF fund clients' trading positions, and tracking the amount of commissions paid to the broker-dealers executing JLF's trades. Travis' responsibilities additionally included organizing the foregoing information about portfolio holdings and trading activities, which was used for dissemination to JLF's fund clients.

2. On March 26, 2010, a final judgment was entered by consent against Travis, permanently enjoining him from future violations of 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 Advisers Act, in the civil action entitled Securities and Exchange Commission v. Brian Travis, et al., Civil Action Number 09-CV-2288 (PKC), in the United States District Court for the Southern District of New York.

3. The Commission's complaint alleged that, while employed by JLF, Travis directed that hedge fund trades of securities, and the associated commissions, be routed to certain broker-dealers in exchange for the payment of personal expenses. These personal expenses included rent and travel costs for Travis, his relatives, and his pet. Travis concealed the bribery scheme, and the material conflicts of interest that it created, from the investment adviser's hedge fund clients, which operated as a fraud and deceit on investors.

IV.

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

Accordingly, it is hereby ORDERED:

Pursuant to Section 203(f) of the Advisers Act, that Respondent Travis 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