

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

**INVESTMENT ADVISERS ACT OF 1940**  
**Release No. 6634 / June 26, 2024**

**ADMINISTRATIVE PROCEEDING**  
**File No. 3-21979**

**In the Matter of**

**LUFKIN ADVISORS, LLC,**

**Respondent.**

**ORDER INSTITUTING**  
**ADMINISTRATIVE PROCEEDINGS**  
**PURSUANT TO SECTION 203(e) 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(e) of the Investment Advisers Act of 1940 (“Advisers Act”) against Lufkin Advisors, LLC (“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 it and the subject matter of these proceedings and the findings contained in paragraph III.2 below, which are admitted, Respondent consents to the entry of this Order Instituting Administrative Proceedings Pursuant to Section 203(e) 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. Respondent is an investment adviser that has been registered with Commission since 2012.

2. On June 25, 2024, a final judgment was entered by consent against Respondent, permanently enjoining it from future violations of Sections 206(1), (2) and (4); 204(a); 204A, and 207 of the Advisers Act and Rules 204-2(a); 204A-1; 206(4)-2; 206(4)-7; and 206(4)-8 thereunder, as set forth in the judgment entered in the civil action entitled Securities and Exchange Commission v. Chauncey Forbush Lufkin, III, et al., Civil Action Number 9:23-CV-81289, in the United States District Court for the Southern District of Florida.

3. The Commission's complaint alleged that, Lufkin Advisors and Chauncey Lufkin engaged in a fraudulent course of conduct that included a loss of control of crypto assets entrusted to them for at least one year without disclosure of that fact to advisory clients, multiple investments with Mr. Lufkin's spouse's employer without proper disclosure to private fund investors, failure to properly account for withdrawals from the private funds, failure to monitor the value of the investments made by the private funds, and a general derogation of their duty to manage the assets entrusted to them. The complaint also alleges that Lufkin Advisors and Chauncey Lufkin did not adhere to many of the statutes and rules applicable to registered investment advisers, including rules concerning the custody of assets, the accuracy of reports filed with the SEC, and the maintenance of required adviser records.

#### IV.

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

Accordingly, it is hereby ORDERED pursuant to Section 203(e) of the Advisers Act, the registration of Respondent Lufkin Advisors, LLC be, and hereby is, revoked.

By the Commission.

Vanessa A. Countryman  
Secretary