

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

INVESTMENT ADVISERS ACT OF 1940
Release No. 6695 / September 16, 2024

ADMINISTRATIVE PROCEEDING
File No. 3- 22115

In the Matter of

FRANK LYNOLD MERCADO,

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 Frank Lynold Mercado (“Mercado” or “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, Respondent admits the Commission’s jurisdiction over him and the subject matter of these proceedings and the findings contained in paragraph III.2 below, and 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. Respondent, 26 and a resident of Charlotte, North Carolina, was the founder, manager, registered agent and Chief Investment Officer of Tiger Wolf Capital, LLC ("Tiger Wolf"). Mercado is not registered with the Commission in any capacity and has no known disciplinary history.

2. On July 2, 2024, an order of permanent injunction and other relief was entered by consent against Mercado, permanently enjoining him from future violations of Sections 5(a), 5(c) and 17(a) of the Securities Act of 1933 ("Securities Act"), Section 10(b) of the Securities Exchange Act of 1934 ("Exchange Act") and Rule 10b-5 thereunder, and Sections 206(1), 206(2) and 206(4) of the Advisers Act and Rule 206(4)-8 thereunder, as set forth in the judgment entered in the civil action entitled Securities and Exchange Commission v. Frank Lynold Mercado, et al., Civil Action Number 3:24-cv-00514-KDB-SCR, in the United States District Court for the Western District of North Carolina.

3. The Commission's complaint alleged that, between approximately August 13, 2019, and February 1, 2023, Mercado and Tiger Wolf defrauded Tiger Wolf Capital Fund, LP (the "Tiger Wolf Partnership Fund"), by diverting to themselves fund assets provided by Tiger Wolf advisory clients who had intended to purchase interests in the Tiger Wolf Partnership Fund. Further, Mercado and Tiger Wolf falsely represented to individual advisory clients that clients' funds were invested in either the Tiger Wolf Partnership Fund or in other funds managed and advised by Mercado and Tiger Wolf. Additionally, Mercado and Tiger Wolf sent false account statements to clients indicating that clients had earned profits, and otherwise engaged in a variety of conduct which operated as a fraud and deceit on Tiger Wolf clients. The complaint also alleged that Mercado and Tiger Wolf offered and sold unregistered securities.

IV.

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

Accordingly, it is hereby ORDERED, pursuant to Section 203(f) of the Advisers Act, that Respondent be, and hereby is barred from association with any investment adviser, broker, dealer, municipal securities dealer, municipal advisor, transfer agent, or nationally recognized statistical rating organization.

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, compliance with the Commission's order and payment of any or all of the following: (a) any disgorgement or civil penalties ordered by a Court against the Respondent in any action brought by the Commission; (b) any disgorgement amounts ordered against the Respondent for which the Commission waived payment; (c) any arbitration award

related to the conduct that served as the basis for the Commission order; (d) 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 (e) 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.

Vanessa A. Countryman
Secretary