



**U.S. Securities and
Exchange Commission**

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AP SUMMARY

SEC Institutes Settled Order as to Former Registered Adviser for Failing to Disclose Conflicts of Interest

Q **ADMINISTRATIVE PROCEEDING File No. 3-22660**

July 13, 2026 – The Securities and Exchange Commission today announced settled charges against Charlotte, North Carolina-based former registered investment adviser representative Derek L. Copeland for failing to adequately disclose conflicts of interest in connection with his advisory clients' investments.

According to the SEC's order, from August 2020 through January 2023, Copeland advised his clients on the merits of investing in a series of private real estate securities offerings but failed to disclose to those clients that he received both direct and indirect financial compensation from the sponsors of the offerings. The order finds that Copeland's advisory clients invested more than \$50 million in 25 separate securities offerings sponsored by real estate development groups, from which Copeland received nearly \$1.5 million in compensation from the private offering sponsors. The order further finds that Copeland did not disclose that he would personally receive compensation from the sponsors, that he held ownership interests in affiliated entities that stood to receive substantial distributions based upon the projects' success, and that these conditions created conflicts of interest because they gave Copeland an incentive to recommend these investments over others and to advise certain clients to use leverage to fund these investments.

The SEC's order finds that Copeland violated Section 206(2) of the Investment Advisers Act of 1940. Without admitting the SEC's findings, Copeland consented to the issuance of a cease-and-desist order, a censure, and agreed to pay a civil penalty of \$125,000.

The SEC's investigation was conducted by Dan Cristol, Brian Lechich, and Mark Dee and supervised by Jason R. Berkowitz, Russell Koonin, Fernando Torres, and Stephanie N. Moot of the SEC's Miami Regional Office, with the assistance of Samara Ross, Satyan Singh, Elaina Labossiere, and Robert Cowdin of the SEC's Division of Examinations in the Atlanta Regional Office.

Last Reviewed or Updated: July 13, 2026

RESOURCES

- **Order - Copeland**