

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

INVESTMENT ADVISERS ACT OF 1940
Release No. 3156 / February 7, 2011

ADMINISTRATIVE PROCEEDING
File No. 3-14238

In the Matter of

MARK KURLAND,

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 Mark Kurland (“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 and III.4 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. Kurland, 61 years old, is a resident of Mount Kisco, New York. Kurland was a Senior Managing Director and General Partner at New Castle Funds, LLC ("New Castle"), a Delaware limited liability company and registered investment adviser based in White Plains, New York, that was formerly part of Bear Stearns Asset Management. He has held Series 7, 16, 24, 63 and 65 securities licenses.

2. On October 16, 2009, the Commission filed a civil action against Kurland in SEC v. Galleon Management, LP, et al., Civil Action No. 1:09-CV-8811 (SDNY). On January 31, 2011, the Court entered an order permanently enjoining Kurland, by consent, 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.

3. The Commission's complaint alleged that, in connection with the purchase, offer or sale of securities, Kurland knew, recklessly disregarded, or should have known, that the material non-public information he received from a tipper was disclosed or misappropriated in breach of a fiduciary duty, or similar relationship of trust and confidence, and Kurland is liable for the trading that occurred in New Castle funds because he effectuated trades on behalf of New Castle, controlled New Castle and/or unlawfully tipped inside information to New Castle.

4. On May 21, 2010, Kurland pled guilty to one count of securities fraud and one count of conspiracy to commit securities fraud in violation of 15 U.S.C. §§ 78j(b) and 78ff and 18 U.S.C. § 371 before the United States District Court for the Southern District of New York in United States v. Mark Kurland, 10-CR-0069. A judgment was entered on May 26, 2010. Kurland was sentenced to a term of 27 months imprisonment, 2 years supervised release and ordered to pay criminal forfeiture of \$900,000.

5. The counts of the criminal information to which Kurland pled guilty alleged, inter alia, that Kurland, and others, participated in a scheme to defraud by executing securities trades based on material, nonpublic information regarding certain inside information concerning public companies that had been misappropriated in violation of duties of trust and confidence, and that he unlawfully, willfully and knowingly did so, directly and indirectly, by use of the means and instrumentalities of interstate commerce, and of the mails, and of the facilities of national securities exchanges, in connection with the purchase and sale of 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 Kurland's Offer.

Accordingly, it is hereby ORDERED:

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

Valerie A. Szczepanik, Esq.
New York Regional Office
Securities and Exchange Commission
3 World Financial Center, Suite 400
New York, NY 10281-1022

Mr. Mark Kurland
c/o Theodore Altman, Esq.
DLA Piper LLP
1251 Avenue of the Americas
New York, NY 10020-1104

Theodore Altman, Esq.
DLA Piper LLP
1251 Avenue of the Americas
New York, NY 10020-1104
(Counsel for Mark Kurland)