

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 75171 / June 15, 2015

INVESTMENT ADVISERS ACT OF 1940
Release No. 4113 / June 15, 2015

ACCOUNTING AND AUDITING ENFORCEMENT
Release No. 3663 / June 15, 2015

ADMINISTRATIVE PROCEEDING
File No. 3-16587

In the Matter of

Keith E. Rode, CPA,

Respondent.

**ORDER INSTITUTING
ADMINISTRATIVE PROCEEDINGS
PURSUANT TO SECTION 203(f) OF THE
INVESTMENT ADVISERS ACT OF 1940
AND RULE 102(e) OF THE
COMMISSION'S RULES OF PRACTICE,
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”) and Rule 102(e)(3)(i) of the Commission’s Rules of Practice¹ against Keith E. Rode, CPA (“Rode” or “Respondent”).

¹ Rule 102(e)(3)(i) provides, in relevant part, that:

The Commission, with due regard to the public interest and without preliminary hearing, may, by order, . . . suspend from appearing or practicing before it any . . . accountant . . . who has been by name . . . permanently enjoined by any court of competent jurisdiction, by reason of his or her misconduct in an action brought by the Commission, from violating or aiding and abetting

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 Sections III.2. and III.4. below, and consents to the entry of this Order Instituting Administrative Proceedings Pursuant to Section 203(f) of the Investment Advisers Act of 1940 and Rule 102(e) of the Commission’s Rules of Practice, 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. Rode, 47 years old, resides in Franklin, Wisconsin and is a certified public accountant licensed to practice in Wisconsin since 2007 and in California from 1994 to February 2015. From 2003 to the present, Rode has been a managing member of GLR Capital Management, LLC (“GLR Capital”), the general partner of, and unregistered investment adviser to, the GLR Growth Fund, L.P. (the “Fund”), a private investment fund organized as a California limited partnership and based in Scotts Valley, California.

2. On June 10, 2015, a final judgment was entered by consent against Rode, permanently enjoining him from future violations of Section 17(a) of the Securities Act of 1933, Sections 10(b) and 26 of the Securities Exchange Act of 1934 and Rule 10b-5 thereunder, and Section 206(4) of the Advisers Act and Rule 206(4)-8 thereunder, in the civil action entitled Securities and Exchange Commission v. GLR Capital Management, LLC, et al., Civil Action Number 12-CV-2663-EJD, in the United States District Court for the Northern District of California.

3. The Commission’s amended complaint alleged that since at least 2005, Rode’s business partner, John A. Geringer (“Geringer”), raised in excess of \$60 million from investors by misrepresenting the Fund’s performance and strategy. The amended complaint further alleged that beginning in or around April 2009, Rode became aware of Geringer’s misrepresentations and thereafter, Rode induced investors to rollover their investments and add to their investments by preparing and mailing false account statements to investors. The amended complaint also alleged that the account statements Rode sent to investors falsely claimed that the Fund investments were “SEC Approved.”

the violation of any provision of the Federal securities laws or of the rules and regulations thereunder.

4. On December 15, 2014, Rode pleaded guilty to one count of mail fraud in violation of Title 18 United States Code, Section 1341 before the United States District Court for the Northern District of California, in United States v. Keith Rode, Criminal Action Number CR-12-0888-EJD.

5. The count of the criminal indictment to which Rode pleaded guilty alleged that Rode engaged in a scheme to defraud Fund investors by sending through the United States Postal Service a misleading investor interest statement to a Fund investor.

IV.

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

Accordingly, it is hereby ORDERED, effective immediately, that:

- A. Pursuant to Section 203(f) of the Advisers Act, that Respondent Rode 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, 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.

- B. Pursuant to Rule 102(e)(3)(i) of the Commission's Rules of Practice, Respondent Rode is suspended from appearing or practicing before the Commission as an accountant.

By the Commission.

Brent J. Fields
Secretary