

**UNITED STATES OF AMERICA  
Before the  
SECURITIES AND EXCHANGE COMMISSION  
April 3, 2007**

**ADMINISTRATIVE PROCEEDING  
File No. 3-12606**

**In the Matter of**

**KENNETH KO,**

**Respondent.**

**ORDER INSTITUTING  
ADMINISTRATIVE PROCEEDINGS  
PURSUANT TO SECTION 15(b) OF THE  
SECURITIES EXCHANGE ACT OF 1934  
AND NOTICE OF HEARING**

**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 15(b) of the Securities Exchange Act of 1934 (“Exchange Act”) against Kenneth Ko (“Respondent”).

**II.**

After an investigation, the Division of Enforcement alleges that:

**A. RESPONDENT**

1. Respondent, 37 years old, is a resident of Arlington Heights, Illinois. From August 1992 through October 1998, Respondent was employed at John Dawson & Associates (“JDAI”), a broker-dealer registered with the Commission, as JDAI’s Director of Special Projects and a Managing Director. Respondent was responsible for providing technical support to JDAI employees, servicing computer and network systems used by JDAI’s trading operations, serving as a liaison with JDAI’s technical vendors and acting as an assistant to JDAI’s largest producing broker.

**B. RESPONDENT’S CRIMINAL CONVICTION**

2. On June 7, 2006, Respondent pled guilty to obstruction of justice under 18 U.S.C. § 1505 before the United States District Court for the Northern District of Illinois, in United States v. Ko, Crim. Indictment No. 1:05-CR-901. On August 26, 2006, a judgment in the criminal case was entered against Ko. He was sentenced to a term of imprisonment for one month and supervised release for a period of two years.

3. The counts of the criminal indictment to which Respondent pled guilty alleged, inter alia, that Respondent corruptly and knowingly endeavored to influence, obstruct and impede the due and proper administration of law before the Commission by knowingly making false statements under oath to Commission staff members investigating JDAI and certain of its officers, directors and employees.

### **III.**

In view of the allegations made by the Division of Enforcement, the Commission deems it necessary and appropriate in the public interest that public administrative proceedings be instituted to determine:

A. Whether the allegations set forth in Section II. are true and, in connection therewith, to afford Respondent an opportunity to establish any defenses to such allegations; and

B. What, if any, remedial action is appropriate in the public interest against Respondent pursuant to Section 15(b) of the Exchange Act.

### **IV.**

IT IS ORDERED that a public hearing for the purpose of taking evidence on the questions set forth in Section III. hereof shall be convened at a time and place to be fixed, and before an Administrative Law Judge to be designated by further order as provided by Rule 110 of the Commission's Rules of Practice, 17 C.F.R. § 201.110.

IT IS FURTHER ORDERED that the Respondent shall file an Answer to the allegations contained in this Order within twenty (20) days after service of this Order, as provided by Rule 220 of the Commission's Rules of Practice, 17 C.F.R. § 201.220.

If the Respondent fails to file the directed answer, or fails to appear at a hearing after being duly notified, the Respondent may be deemed in default and the proceedings may be determined against him upon consideration of this Order, the allegations of which may be deemed to be true as provided by Rules 155(a), 220(f), 221(f) and 310 of the Commission's Rules of Practice, 17 C.F.R. §§ 201.155(a), 201.220(f), 201.221(f) and 201.310.

This Order shall be served forthwith upon the Respondent personally or by certified mail.

IT IS FURTHER ORDERED that the Administrative Law Judge shall issue an initial decision no later than 210 days from the date of service of this Order, pursuant to Rule 360(a)(2) of the Commission's Rules of Practice.

In the absence of an appropriate waiver, no officer or employee of the Commission engaged in the performance of investigative or prosecuting functions in this or any factually related proceeding will be permitted to participate or advise in the decision of this matter, except as

witness or counsel in proceedings held pursuant to notice. Since this proceeding is not “rule making” within the meaning of Section 551 of the Administrative Procedure Act, it is not deemed subject to the provisions of Section 553 delaying the effective date of any final Commission action.

By the Commission.

Nancy M. Morris  
Secretary