

**UNITED STATES OF AMERICA**  
**Before the**  
**SECURITIES AND EXCHANGE COMMISSION**

**INVESTMENT ADVISERS ACT OF 1940**  
**Release No. 3097 / October 5, 2010**

**ADMINISTRATIVE PROCEEDING**  
**File No. 3-14085**

**In the Matter of**

**ROBERT P. PINKAS,**

**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 Robert P. Pinkas (“Pinkas” 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, 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.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. Pinkas, age 56, served as Chairman of the Board, Chief Executive Officer, and Treasurer of Brantley Capital Corp. ("Brantley Capital") from 1996 until September 28, 2005. He was also Chairman of the Board, Chief Executive Officer, and Treasurer of Brantley Capital Management, LLC ("BCM").

2. BCM was, at all relevant times, a limited liability company headquartered in Ohio, which served as Brantley Capital's investment adviser from Brantley Capital's 1996 inception until September 28, 2005. BCM was registered with the Commission as an investment adviser until 2006, but currently is not registered and is not serving as an investment adviser. Brantley Capital's prospectus and BCM's investment advisory agreement and Form ADV indicated that BCM was responsible for Brantley Capital's records and financial reporting requirements.

3. Brantley Capital was, at all relevant times, a closed-end, non-diversified investment company, incorporated in Maryland and headquartered in Ohio, which elected to be regulated as a business development company under the Investment Company Act of 1940. Brantley Capital's common stock is registered with the Commission pursuant to Section 12(g) of the Securities Exchange Act of 1934 ("Exchange Act"). Prior to August 3, 2005, Brantley Capital's common stock traded on The Nasdaq National Market system.

4. On August 13, 2009, the Commission filed a complaint against Pinkas in SEC v. Brantley Capital Management, LLC et al. (Civil Action No. 1:09-cv-01906). On September 28, 2010, the court entered an order permanently enjoining Pinkas, by consent, from future violation of Exchange Act Sections 10(b) and 13(b)(5) and Rules 10b-5, 13a-14, 13b2-1, and 13b2-2 and Advisers Act Sections 206(1) and 206(2), and from aiding and abetting violation of Exchange Act Sections 13(a), 13(b)(2)(A), and 13(b)(2)(B) and Rules 13a-1 and 13a-13. Pinkas was also ordered to pay disgorgement in the amount of \$482,561, plus prejudgment interest thereon in the amount of \$150,168, and a civil money penalty of \$325,000. In addition, Pinkas was barred from serving as an officer or director of a publicly-traded company for five years.

5. The Commission's complaint alleges, among other things, that in Brantley Capital's Forms 10-Q, 10-K, and 8-K for the period 2002 to 2005, Pinkas knowingly or recklessly overstated the value of two companies, Flight Options International ("FOI") and Disposable Products Company ("DPC"), that together represented over one-half of Brantley Capital's investment portfolio. The Complaint alleges that Pinkas also knowingly or recklessly made material misrepresentations and failed to make required disclosures regarding FOI and DPC to Brantley Capital's board of directors, independent auditors, and to investors in Brantley Capital's public filings.

#### IV.

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

Accordingly, it is hereby ORDERED:

Pursuant to Section 203(f) of the Advisers Act, Respondent Pinkas be, and hereby is barred from association with any investment adviser, with the right to reapply for association after one (1) year to the appropriate self-regulatory organization, or if there is none, to the Commission;

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  
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