

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

INVESTMENT ADVISERS ACT OF 1940
Release No. 4070 / April 28, 2015

ADMINISTRATIVE PROCEEDING
File No. 3-16517

In the Matter of

Charles R. Kokesh,

Respondent.

**ORDER INSTITUTING ADMINISTRATIVE
PROCEEDINGS PURSUANT TO SECTION
203(f) OF THE INVESTMENT ADVISERS
ACT OF 1940 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 203(f) of the Investment Advisers Act of 1940 (“Advisers Act”) against Charles R. Kokesh (“Respondent” or “Kokesh”).

II.

After an investigation, the Division of Enforcement alleges that:

A. RESPONDENT

1. From at least 1995 through July 2007, Respondent was associated with and controlled two Commission-registered investment advisers, Technology Funding Ltd. (“TFL”) and Technology Funding, Inc. (“TFI”), which, in turn, provided investment advice to four Commission-registered business-development companies (“BDCs”), Technology Funding Medical Partners I, L.P.; Technology Funding Partners III, L.P.; Technology Funding Venture Partners IV, An Aggressive Growth Fund, L.P.; and Technology Funding Venture Partners V, An Aggressive Growth Fund, L.P. Respondent, 67 years old, resides in Fort Collins, Colorado.

B. ENTRY OF THE INJUNCTION

2. On March 30, 2015, a final judgment was entered against Respondent, permanently enjoining him from violating Section 37 of the Investment Company Act of 1940 and from aiding and abetting violations of Sections 13(a) and 14(a) of the Securities Exchange Act of 1934 and Rules 12b-20, 13a-1, 13a-13, and 14a-9 thereunder and Sections 205(a), 206(1), and 206(2) of the Advisers Act in the civil action entitled *Securities and Exchange Commission v. Charles R. Kokesh*, Case No. 1:09-cv-1021 SMV/LAM, in the United States District Court for the District of New Mexico.

3. The Commission's complaint alleged that, Respondent, acting by and through TFL and TFI, misappropriated millions of dollars from at least 1995 through July 2007 by causing the BDCs to pay illegal distributions, performance fees, and expense reimbursements to TFL and TFI. The Commission's complaint further alleged that, to conceal the scheme, Respondent caused TFL and TFI to distribute misleading proxy statements to BDC investors and to file false quarterly and annual reports with the Commission on behalf of the BDCs.

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 hereof 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 203(f) of the Advisers 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 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 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 Respondent as provided for in the Commission's Rules of Practice.

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.

For the Commission, by its Secretary, pursuant to delegated authority.

Brent J. Fields
Secretary