

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SECURITIES EXCHANGE ACT OF 1934
Release No. 57334/February 14, 2008

INVESTMENT ADVISERS ACT OF 1940
Release No. 2705/February 14, 2008

ADMINISTRATIVE PROCEEDING
File No. 3-12835

In the Matter of	:	
	:	
KANGSAN KIM	:	ORDER MAKING FINDINGS AND
	:	IMPOSING REMEDIAL SANCTIONS
	:	BY DEFAULT
	:	

The Securities and Exchange Commission (Commission) issued its Order Instituting Proceedings (OIP) on September 26, 2007, pursuant to Section 15(b) of the Securities Exchange Act of 1934 and Section 203(f) of the Investment Advisers Act of 1940. The January 15, 2008, hearing date in this matter was postponed pending proof of service of the OIP. The Division of Enforcement (Division) has provided evidence that the Commission served Respondent Kangsan Kim (Kim) with the OIP on January 4, 2008. No Answer has been received and the time for filing an Answer has expired.

On January 25, 2008, I held a telephonic prehearing conference, at which Kim failed to participate. On February 4, 2008, the Division filed a Motion for Default, to which Kim has not responded and for which the time to respond has passed. Accordingly, Kim is in default for failing to submit an Answer, for failing to appear at a prehearing conference, and for failing to respond to a dispositive motion. See Rules 155(a)(1)-(2) and 220(f) of the Commission's Rules of Practice. As authorized by Commission Rule of Practice 155(a), the following allegations of the OIP are deemed to be true.

Kim, 35, is a resident of Anaheim, California. At all relevant times, Kim was the president of Unus Capital Management, Inc. (Unus), an investment adviser registered with the State of California from November 2002 to November 2004. Kim also served as the chief financial officer of PeopleN Investment, Inc., which purported to be a brokerage house through which Unus clients could buy and sell securities. From August 2001 to October 2003, Kim was associated with Centaurus Financial Management, Inc., a registered broker-dealer. During the relevant period, Kim held Series 7, 24, and 63 licenses with the NASD. Kim's Series 7 and 24 licenses lapsed in October 2005, and his Series 63 license lapsed in November 2006.

On March 6, 2007, Kim pled guilty to one count of wire fraud in violation of 18 U.S.C. § 1341 in the United States District Court for the Central District of California. See United States v. Kim, No. 06-CR-00625-ER-2. On September 17, 2007, a judgment in the criminal case was entered against Kim. Kim was sentenced to a prison term of fifty-two months followed by three years of supervised release, and ordered to make restitution in the amount of approximately \$3.8 million.

Specifically, the criminal superseding indictment count to which Kim pled guilty alleged, among other things, that from approximately July 2001 through at least September 2005, Kim knowingly and with the intent to defraud, devised, participated in, and executed a scheme to defraud investors as to a material matter, and to obtain money and property from investors by means of material false and fraudulent representations and concealment of material facts. The superseding indictment further alleged that Kim claimed Unus was an investment adviser that provided advice regarding the purchase and sale of stocks and bonds, and that all funds provided by investors would be used to purchase securities. Further, the superseding indictment alleged that, contrary to representations made to investors, Kim used investor monies for business purposes, payments on his residence, and entertainment, and used some investor monies to operate a “Ponzi” scheme.

In light of the above, the public interest requires that Kim should be barred from association with any broker or dealer and any investment adviser.

IT IS ORDERED that, pursuant to Section 15(b)(6) of the Securities Exchange Act of 1934, Kangsan Kim is barred from association with any broker or dealer.

IT IS FURTHER ORDERED that, pursuant to Section 203(f) of the Investment Advisers Act of 1940, Kangsan Kim is barred from association with any investment adviser.

Robert G. Mahony
Administrative Law Judge