

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 65982 / December 15, 2011

INVESTMENT ADVISERS ACT OF 1940
Release No. 3339 / December 15, 2011

ADMINISTRATIVE PROCEEDING
File No. 3-14668

In the Matter of

KEVIN KING,

Respondent.

**ORDER INSTITUTING
ADMINISTRATIVE PROCEEDINGS
PURSUANT TO SECTION 15(b) OF THE
SECURITIES EXCHANGE ACT OF 1934
AND 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 15(b) of the Securities Exchange Act of 1934 (“Exchange Act”) and Section 203(f) of the Investment Advisers Act of 1940 (“Advisers Act”) against Kevin King (“King” 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.2 below, which are admitted, Respondent consents to the entry of this Order Instituting Administrative Proceedings Pursuant to Section 15(b) of the Securities Exchange Act of 1934 and 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. King, age 56, resides in Freehold, New Jersey. From May 1997 to January 2005, he was a securities lending representative associated with Van der Moolen Specialist USA, LLC ("VDM"), a broker-dealer registered with the Commission, and from June 2006 to September 2008 he was a securities lending representative associated with KDC Merger Arbitrage Fund, LP, a broker-dealer and investment adviser registered with the Commission.

2. On July 21, 2009, King pled guilty to one count of conspiracy to commit securities and wire fraud in violation of Title 18 United States Code, Section 1349 before the United States District Court for the Eastern District of New York, in United States v. Kevin King, Crim. No. 09-464.

3. The count of the criminal information to which King pled guilty alleged, inter alia, that King knowingly and intentionally conspired to execute a scheme to defraud VDM and others by means of false and fraudulent pretenses, representations and promises, and to deprive VDM and others of the right to honest services of their employees, in connection with securities of issuers with a class of securities registered under Section 12 of the Exchange Act.

IV.

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

Accordingly, it is hereby ORDERED that pursuant to Section 15(b)(6) of the Exchange Act and Section 203(f) of the Advisers Act, that Respondent King be, and hereby is barred from association with any broker, dealer, or investment adviser.

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