

SECURITIES EXCHANGE ACT OF 1934  
Release No. 56536 / September 26, 2007

INVESTMENT ADVISERS ACT OF 1940  
Release No. 2659 / September 26, 2007

ADMINISTRATIVE PROCEEDING  
File No. 3-12835

In the Matter of Kangsan Kim

SEC INSTITUTES ADMINISTRATIVE PROCEEDING AGAINST KANGSAN KIM

On September 26, 2007, the Securities and Exchange Commission (“Commission”) issued an Order Instituting Administrative Proceedings 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”) and Notice of Hearing (“Order”) against Kangsan Kim.

The Division of Enforcement alleges in the Order that Kim was the president of Unus Capital Management, Inc. (“Unus”), an investment adviser, from November 2002 to November 2004, and was also the chief financial officer of PeopleN Investment, Inc., which purported to be a brokerage house through which Unus clients could buy and sell securities. The Division of Enforcement alleges in the Order that on March 6, 2007, Kim pleaded guilty to one count of wire fraud in the United States District Court for the Central District of California, *United States of America v. Kangsan Kim, aka Kang Blaine Kim, aka Blaine Kim*, Case No. 06-CR-00625-ER-2. On September 17, 2007, a judgment in the criminal case was entered against Kim. He was sentenced to a prison term of 52 months followed by three years of supervised release, and ordered to make restitution in the amount of approximately \$3.8 million. The wire fraud count to which Kim pleaded guilty alleged 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 Order alleges 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. The Order further alleges 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.

A hearing will be scheduled before an Administrative Law Judge to determine whether the allegations of the Division of Enforcement contained in the Order are true, to provide Kim with the opportunity to dispute these allegations, and to determine what remedial sanctions, if any, are appropriate and in the public interest.

The Order requires the Administrative Law Judge to issue an initial decision no later than 210 days from the date of service of the Order, pursuant to the Commission's Rules of Practice.