

Docket No. HHD-CV-07-4027611 S

HOWARD F. PITKIN, BANKING
COMMISSIONER

v.

KENNETH VON KOHORN

: SUPERIOR COURT
:
:
: JUDICIAL DISTRICT OF HARTFORD
:
: AT HARTFORD
:
:
: SEPTEMBER 27, 2007

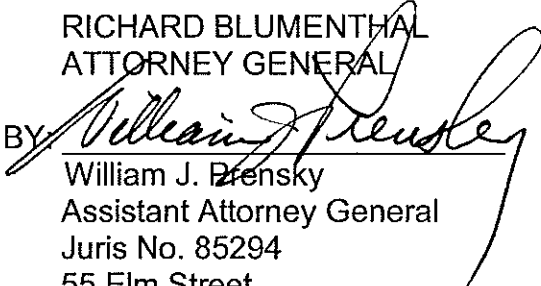
MOTION FOR JUDGMENT
IN ACCORDANCE WITH STIPULATION

The Plaintiff in the above-captioned case hereby moves for judgment in accordance with attached Stipulation for Judgment.

PLAINTIFF

RICHARD BLUMENTHAL
ATTORNEY GENERAL

BY


William J. Bzensky
Assistant Attorney General
Juris No. 85294
55 Elm Street
P.O. Box 120
Hartford, CT 06141-0120
Tel: (860) 808-5270

ORDER

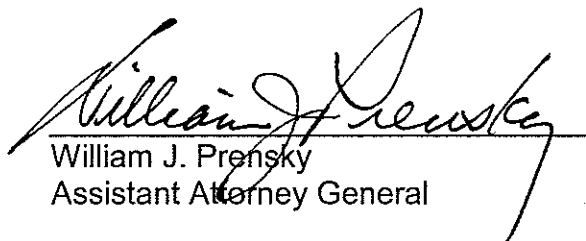
The foregoing Motion for Judgment in Accordance with Stipulation having been heard, it is hereby ORDERED: Granted / Denied.

BY THE COURT

Clerk/Judge

CERTIFICATION

I hereby certify that a copy of the foregoing Motion for Judgment in Accordance with Stipulation was mailed, first class postage prepaid, this 27th day of September, 2007 to Attorney Richard Slavin, Cohen and Wolf, P.C., 115 Broad Street, P. O. Box 1821, Bridgeport, CT 06601-1821



William J. Prenskey
Assistant Attorney General

Docket No. HHD-CV-07-4027611 S

HOWARD F. PITKIN, BANKING COMMISSIONER	:	SUPERIOR COURT
	:	
v.	:	JUDICIAL DISTRICT OF HARTFORD AT HARTFORD
	:	
KENNETH VON KOHORN	:	SEPTEMBER 26, 2007

STIPULATION FOR JUDGMENT

The parties hereby stipulate and agree as follows:

1. The plaintiff is the Banking Commissioner ("Commissioner") and he is charged with the administration of chapter 672a of the Connecticut General Statutes, the Connecticut Uniform Securities Act ("Act"), and sections 36b-31-2 *et seq.* of the Regulations of Connecticut State Agencies promulgated under the Act ("Regulations").
2. In March 1996, the Commissioner entered into a Consent Order with the defendant whereby the Commissioner ordered the defendant Kenneth Von Kohorn ("Von Kohorn") to cease and desist from violating the Act or any regulation or order under the Act ("1996 Consent Order").
3. In May 1998, the Commissioner entered into a second Consent Order with Von Kohorn whereby the Commissioner ordered him to cease and desist from violating the Act or any regulation or order under the Act ("1998 Consent Order").

4. During 2005 and 2006, the Commissioner, through the Securities and Business Investments Division of the Department of Banking ("Division"), conducted an investigation pursuant to § 36b-26(a) of the Act into the activities of Von Kohorn to determine whether he had violated, was violating or was about to violate any provisions of the Act or Regulations.

5. As a result of the investigation, the Commissioner alleged that during 2004 and 2005 Von Kohorn acted as an investment adviser in Connecticut absent registration in violation of § 36b-6 of the Act, the 1996 Consent Order and the 1998 Consent Order.

6. As a result of the investigation, the Commissioner alleged that Von Kohorn offered and sold limited partnership interests in Value Investors, LP and Merwin Associates LP, without filing the required exemption notices in violation of § 36b-21(e) of the Act.

7. On December 26, 2006, the Commissioner filed this action seeking an injunction against Von Kohorn for the violations alleged herein.

8. Von Kohorn acknowledges that the Commissioner has made the following allegations, without admitting or denying them:

- a. This Stipulation for Judgment is necessary or appropriate in the public interest or for the protection of investors and consistent with the purposes fairly intended by the policy and provisions of the Act.
- b. Von Kohorn violated § 36b-6 of the Act by acting as an investment adviser in Connecticut absent registration.

- c. Von Kohorn violated the 1996 Consent Order and 1998 Consent Order by acting as an investment adviser in Connecticut absent registration; and
- d. Von Kohorn violated § 36b-21(e) of the Act by offering and selling limited partnership interests and failing to file the required exemption notices for such offers and sales.

9. Von Kohorn hereby stipulates and agrees to a judgment imposing on him the following sanctions:

- a. A permanent injunction from violating, directly or indirectly, under any name or names or through any corporate or other device, the Act and the Regulations thereunder, the 1996 Consent Order and the 1998 Consent Order.
- b. For a period of six years commencing on the date of the judgment, Von Kohorn shall not destroy, erase, mutilate, conceal, alter, transfer, or otherwise dispose of, in any manner, directly or indirectly, any contracts, accounting data, correspondence, advertisements, computer tapes, discs, or other computerized records, books, written or printed records, handwritten notes, telephone logs, telephone scripts, receipts, receipt books, ledgers, personal and business canceled checks and check registers, bank statements, appointment books, copies of business, personal or property tax returns for any federal, state or local government, and other documents of any kind, which relate to Von Kohorn's business as an investment adviser during 2004 and 2005.
- c. A fine in the amount of Thirty-five Thousand Dollars(\$35,000) that Von Kohorn shall remit to the plaintiff's counsel in this action no later than ten (10) business days after the entry of judgment by the Court, and Von Kohorn shall pay said fine by cashier's or certified check made payable to "Treasurer, State of Connecticut."
- d. For a five-year period commencing on the date of judgment, Von Kohorn shall retain an individual, who shall be responsible for ensuring that his investment advisory activities comply with all applicable securities laws and regulations ("Compliance Officer"). The Compliance Officer shall be approved in writing in advance by

the Director of the Division, but that approval shall not be unreasonably withheld. Von Kohorn agrees that the Compliance Officer shall be other than Von Kohorn, himself. During this five year period Von Kohorn shall notify the Commissioner in writing of any change in Compliance Officer within forty-eight hours of such change and shall provide the reason for such change, and such notification shall be subject to Conn. Gen. Stat. § 36b-23 .. Failure to comply with the terms of the appointment of a Compliance Officer under this subparagraph shall grant the Commissioner the right to enter Von Kohorn's place of business and conduct an examination of Von Kohorn's books and records or the books and records of any entity which is an investment adviser of which he is the principal owner, director, or officer.

- e. The Commissioner may enforce any violation of subparagraph c of paragraph 9 of this Stipulated Judgment by motion to the Court or any other appropriate post-judgment remedy.

10. Any provision of this Stipulation for Judgment that is binding upon Von Kohorn is binding upon him and upon his successors, assigns, officers, agents, servants, employees, and those persons in active concert or participation with him who receive actual notice of this Stipulation for Judgment by personal service or otherwise, whether acting directly or through any corporation, partnership or other entity or device.

11. Von Kohorn knowingly and voluntarily waives any right he may have to judicial review by any court by way of suit, appeal, or extraordinary relief resulting from the entry of judgment based upon this Stipulation for Judgment.

12. Von Kohorn executes this Stipulation for Judgment voluntarily and in so doing represents that no threats, offers, promises or inducements of any kind have been made by the Commissioner or any employee, agent or representative of the Commissioner to induce Von Kohorn to agree to this Stipulation for Judgment.

13. In agreeing to this Stipulation for Judgment, Von Kohorn acknowledges that he has been represented by counsel in this matter, that he has reviewed this Stipulation for Judgment with his attorney and that he understands all of the terms and conditions contained herein.

14. Von Kohorn admits the Court has personal jurisdiction over him.

15. Von Kohorn agrees that the Court shall retain jurisdiction over this matter for the purpose of enforcing the terms of any judgment based upon this Stipulation for Judgment.

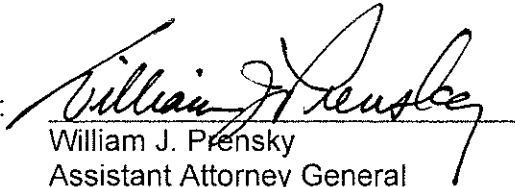
THE PLAINTIFF
HOWARD F. PITKIN,
BANKING COMMISSIONER

THE DEFENDANT

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KENNETH VON KOHORN

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William J. Prenskey
Assistant Attorney General
Juris No. 85294
55 Elm Street
P.O. Box 120
Hartford, CT 06141-0120
Tel: (860) 808-5270
Fax: (860) 808-5385
william.prenskey@po.state.ct.us

BY:



Richard Slavin, Esq.
Cohen and Wolf, P.C.
Juris. No. 10032
115 Broad Street
P.O. Box 1821
Bridgeport, CT 06601-1821
Tel: (203) 368-0211
Fax: (203) 394-9901
rslavin@cohenandwolf.com

ORDER

In accordance with the foregoing Stipulation for Judgment, judgment is so ordered this ___ day of _____, 2007.

BY THE COURT

, J.