

1 STATE OF ALASKA  
2 DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT  
3 DIVISION OF BANKING AND SECURITIES

3 IN THE MATTER OF: )  
4 Baron Investment Fund Trust ) ALASKA ORDER NO. 10-06-S  
5 Respondent. )

6 CONSENT ORDER

7 I. INTRODUCTION

8 The Department of Commerce, Community and Economic Development, Division of Banking and  
9 Securities (the division), is responsible for the administration of the Alaska Securities Act (the Act)  
10 at AS 45.55 and the regulations adopted under the Act at 3 AAC 08. Having conducted an  
11 investigation pursuant to AS 45.55.910(a)(1), the division finds as follows:

12 II. FACTS

- 13 1. The Baron Investment Fund Trust (Respondent) is a issuer of a mutual fund registered under  
14 the Securities Act of 1933 (15 U.S.C. 77r(b)(2)).
- 15 2. On or about August 22, 2007, respondent filed a renewal notice filing with the division for  
16 the sale of Baron Small Cap Fund in the state of Alaska. The renewal notice filing was  
17 approved by the division on August 22, 2007, under file number 6003-6745.
- 18 3. On August 27, 2009, the notice filing under file number 6003-6745 expired and was not  
19 renewed in accordance with AS 45.55.075(b).
- 20 4. On or about July 15, 2010, the respondent provided a notice filing for the continued sale of  
21 Baron Investment Fund Trust / Baron Small Cap Fund.
- 22 5. Respondent continued to offer and conduct sales of the security in the state of Alaska. From  
23 the date of expiration of file number 6003-6745 until the date of this Order, Respondent has  
24 sold \$50,052.70 in securities to Alaska residents.

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**III. LEGAL STANDARDS**

1. AS 45.55.070 requires that a security sold in the state of Alaska must be either registered under AS 45.55, exempted under AS 45.55.900, or a federal covered security.
2. AS 45.55.075 restricts a federal covered security that is not otherwise exempt under AS 45.55.900, such that it may only be offered for sale or sold if the issuer has filed specific registration or notice filing with the division. For securities subject to 15 U.S.C. 77r(b)(2), an issuer must file a registration statement or notice filing form, a consent to service of process, and an application fee specified in regulation.
3. AS 45.55.075(b) requires an issuer who has registered or notice filed its security for offer or sale in this state, must before the expiration of an effective notice filing, file a renewal notice and filing fee as prescribed by the division.
4. 3 AAC 08.085 provides the specific requirements for registration of a security subject to 15 U.S.C. 77r(b)(2).

**IV. FINDINGS**

1. The division finds the respondent did not file a renewal notification as required in AS 45.55.075 or 3 AAC 08.085.
2. The division finds the respondent continued to offer and sell securities in the state of Alaska, without proper registration under AS 45.55.070.

**V. ORDER AND NOTICE**

1. Pursuant to AS 45.55.920(c), the division finds the respondent has committed a violation of the Alaska Securities Act as specified above and further finds it is in the public interest to issue this Order.
2. Respondent acknowledges the violation of the Alaska Securities Act as specified in this Order.

- 1 3. Respondent enters into this Order as a means to resolve its outstanding violations, and as a  
2 matter of efficiency and the conservation of resources.
- 3 4. By entering into this Order, respondent agrees to waive its rights of appeal under AS  
4 45.55.920.
- 5 5. Respondent agrees to pay all fees under 3 AAC 08.920(a)(4), for amounts that would have  
6 been paid if the respondent had properly filed all renewal filings.
- 7 6. Respondent agrees to pay a fine under AS 45.55.920(c), in the amount of \$500, for violating  
8 AS 45.55.075(b).

9  
10 10-07-10

/s/ Lorie Hovanec

11 Date

Lorie Hovanec, Administrator

12 Division of Banking and Securities

13 Acceptance

14 By signing below, I agree, as the representative of the issuer, to the terms and conditions of this

15 Consent Order.

16 September 17, 2010

/s/ Peggy Wong

17 Date

Name: Peggy Wong

Title: CEO

18 Issuer: Baron Investment Funds Trust

19 Contact Person:

20 Roger W. Prince

21 Securities Examiner

(907) 269-8144

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