

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

**STATE OF CALIFORNIA
BUSINESS, TRANSPORTATION AND HOUSING AGENCY
DEPARTMENT OF CORPORATIONS**

TO: Jose A. Kalapuracan also known as Joe Kalapuracan
JK Trades
146 Merano Way
Palm Desert, CA 92211-0787

**DESIST AND REFRAIN ORDER
(For violations of Corporations Code Section 25230)**

The California Corporations Commissioner finds that:

1. At all relevant times, Jose A. Kalapuracan also known as Joe Kalapuracan (“Kalapuracan”) was a natural person and a resident of the State of California. Kalapuracan’s last known address was 146 Merano Way, Palm Desert, CA 92211-0787. From May 1987 to December 2007, Kalapuracan was employed as a registered representative by a succession of five firms. Subsequently, he has held himself out as an independent financial services professional.

2. At all relevant times, JK Trades was allegedly a company owned and operated by Kalapuracan, located at 146 Merano Way, Palm Desert, CA 92211-0787.

3. Since at least April 2010, Kalapuracan conducted business as an investment adviser with at least one California resident (“Client”). Kalapuracan represented himself as an investment adviser and claimed that he invested people’s money for incentive-based fees.

4. Kalapuracan entered into an agreement (“Agreement”) with the Client. Pursuant to the (“Agreement”), an IRA account and a regular brokerage account (the “Accounts”) were set up at TD Ameritrade. The Client transferred a total of \$1.2 million to the Accounts. Kalapuracan had access to the Accounts and used the monies to trade and/or invest on behalf of the Client. The Agreement also provided for Kalapuracan to be paid on a quarterly basis providing the Accounts

1 rose by a total of 12 percent per quarter. In the event the Accounts rose by 12 percent, Kalapuracan
2 would receive 20 percent of the profits made above the 12 percent.

3 5. On or about September 1, 2010, Kalapuracan was paid \$8,000 as a consulting fee.

4 6. On or about January 10, 2011, Kalapuracan was paid \$36,200 as management fee.

5 Based upon the foregoing findings, the California Corporations Commissioner is of the
6 opinion that Jose A. Kalapuracan also known as Joe Kalapuracan conducted business as an
7 investment adviser in this state without first applying for and securing from the Commissioner a
8 certificate, then in effect, authorizing him to do so, in violation of section 25230 of the California
9 Corporate Securities Law of 1968.

10 Pursuant to section 25532, subdivision (b) of the California Corporate Securities Law of
11 1968, Jose A. Kalapuracan also known as Joe Kalapuracan is hereby ordered to desist and refrain
12 from acting as an investment adviser in the State of California unless and until he has first applied
13 for and secured from the Commissioner a certificate, then in effect, authorizing him to act as an
14 investment adviser.

15 This Order is necessary, in the public interest, for the protection of investors and consistent
16 with the purposes, policies, and provisions of the Corporate Securities Law of 1968.

17 Dated: June 19, 2012
18 Los Angeles, California

JAN LYNN OWEN
California Corporations Commissioner

19
20
21 By _____
22 ALAN S. WEINGER
23 Deputy Commissioner
24 Enforcement Division
25
26
27
28