

ENFORCEMENT SUMMARY

In the Matter of The Securities Act And in the matter of ROBERT WALTER KALAPACA

Charges:

On March 19, 2004, Robert Walter Kalapaca ("Kalapaca") pled guilty in the Provincial Court of Manitoba to two counts of trading

Summary:

Kalapaca pled guilty to 2 counts of trading without registration which involved an investment in a condominium project and the trading of a promissory note issued by Kaiser Holdings, a company owned by Kalapaca. Both trades took place in 1998 and involved the same investor. A total of \$20,000.00 (U.S.D.) was invested with \$2,500.00 going into the condominium investment and the remaining amount going to Kaiser Holdings. Kalapaca caused Kaiser Holdings to purchase shares in a company called MLB Industries Ltd. and subsequently had these shares sold, at a loss, converting the proceeds to personal use. The investor did not receive any returns. Prior to sentencing, Kalapaca paid the sum of \$5,400.00 (Cdn) towards restitution.

Sentence:

On October 14, 2004, Judge Chartier accepted the joint recommendation of 30 days imprisonment concurrent on both counts. Kalapaca was also placed on one year supervised probation which included a condition that he not work in the securities industry, nor manage or invest client money or trade in securities for others.

The Manitoba Securities Commission