

**ADMINISTRATIVE PROCEEDING
BEFORE THE
SECURITIES COMMISSIONER OF MARYLAND**

IN THE MATTER OF: *

Person(s) T/A KFK-Enterprises.org * Case No. 2012-0136

Person(s) T/A PP Alexey Klimenko *

Respondents. *

* * * * *

Serve on:

KFK Enterprises.org, *et al.*
325 Lehigh Street
Catasauqua, PA 18032
Info@kfk-enterprises.org

**FINAL ORDER TO CEASE AND DESIST
AND
ORDER OF BAR**

WHEREAS, the Maryland Securities Commissioner (the “Securities Commissioner”), pursuant to the authority granted in Section 11-701 of the Maryland Securities Act, Md. Ann. Code, Corps. & Ass’ns, §§11-101, *et seq.* (2007 Repl. Vol. & Supp. 2011) (the “Securities Act”), initiated an investigation into the activities of persons t/a: KFK-Enterprises (“KFK”), kfk-enterprises.org (“kfk.org”), and PP Alexey Klimenko (“Klimenko”) (collectively, “Respondents”); and

WHEREAS, on the basis of that investigation, the Securities Commissioner concluded that Respondents violated the Securities Act by engaging in violations of Sections 11-302 and 11-401 of the Securities Act; and

WHEREAS, pursuant to Section 11-701 of the Securities Act, on March 12, 2012, the Securities Commissioner issued a Summary Order To Cease And Desist And Order To Show Cause (the “Summary Order”), incorporated herein by reference, ordering Respondents to immediately cease and desist from further violations of the Securities Act, and requiring Respondents to show cause: why a final order should not be entered, ordering that each Respondent is permanently barred from engaging in the securities and investment advisory business in Maryland and that Respondents cease and desist from further violations of the Securities Act, and assessing a civil monetary penalty against each Respondent for each violation of the Securities Act; and

WHEREAS, the Summary Order gave Respondents notice of the opportunity for a hearing in this matter, provided that Respondents submitted an answer within 15 days of service of the Summary Order, including any request for a hearing, and gave notice to Respondents that failure to do so would be deemed a waiver of the right to a hearing and result in the entry of a final order; and

WHEREAS, the Summary Order was forwarded to Respondent’s last known addresses via certified mail, return receipt, and via electronic mail; and

WHEREAS, the Summary Order was publicly posted on the Securities Division’s website shortly after its issuance; and

WHEREAS, the Summary Order forwarded to Respondents at their internet-published address located in Catasauqua, PA was delivered but returned by the United States Postal Service with the message that the mail was “not deliverable as addressed – unable to forward”; and

WHEREAS, the Summary Order forwarded to Respondents at their internet-published

address, info@kfk-enterprises.org, was rejected and determined to be undeliverable because the electronic mail address was identified as an “unknown user”; and

WHEREAS, Respondents have neither answered the Summary Order nor requested a hearing; and

WHEREAS, the Securities Commissioner has determined that it is in the public interest to issue this Final Order.

NOW, THEREFORE, THE SECURITIES COMMISSIONER FINDS AND ORDERS:

I.

JURISDICTION

1. The Securities Commissioner has jurisdiction in this proceeding pursuant to Section 11-701 of the Securities Act.

II.

RESPONDENTS

2. KFK-Enterprises has a website located www.kfk-enterprises.org. PP Alexey Klimenko is identified as the administrator for that website.

3. According to KFK.org’s website, KFK Enterprises has a place of business located at 325 Lehigh Street, Catasauqua, PA 18032.

4. The Securities Division’s records reflect that there is no person registered as a broker-dealer or broker-dealer agent or investment adviser or investment adviser representative

with the name “KFK Enterprises,” “PP Alexey Klimenko” or “Alexey Klimenko.” *See* Ex. 1, Affidavit of Kelvin Blake.

III.

STATEMENT OF FACTS

5. In January 2012, kfk.org became an operational website, advertising professional portfolio management services and business wealth planning strategies. The website, located at www.whoishostingthis.com, reflects that kfk.org has been hosted by “PP Alexey Klimenko” upon its inception, and that Klimenko is located in the Ukraine.

6. Kfk.org falsely claims that KFK is a “registered investment advisory firm” with a “highly experienced team of investment portfolio managers,” and further falsely claims that the company was founded by Jonathan E. Bradley and William J. Riley, whose business and educational credentials are listed.

7. In point of fact, the information regarding Messrs. Bradley and Riley, who are actual registered investment advisers, was copied from a website for their SEC-registered investment advisory firm. Messrs. Bradley and Riley, both of Maryland, did not authorize KFK or anyone affiliated with that company to use their personal or business information.

8. In February 2012, Messr. Bradley was contacted via electronic mail by several individuals who had obtained his information via the internet. Those individuals believed that Messr. Bradley was affiliated with KFK because of the kfk.org website, and they advised that KFK had extended job offers to them via electronic mail.

9. At least one of the job offers extended by KFK to a student at a U.S.-based

university claimed to involve “a part-time job, with a [sic] flexible hours a stable salary of \$3500 p/month and benefits that includes [sic] bonus potential.” The email further stated, “[w]e appreciate your time and sincerely hope to see you in [sic] our company’s team!”

10. The electronic mail from KFK to the U.S. university student was from the electronic mail address buystuur@hotmail.com, and purported to be from a “Madeline Mullins” at KFK. KFK contacted the student after seeing his resume posted online.

11. KFK is not what it purports to be at kfk.org. It is not a registered investment adviser, and it is not affiliated in any way with Messrs. Bradley or Riley. It appears that KFK is involved in a scheme targeting persons looking for jobs and advertising their employment backgrounds over the internet. KFK may claim to require an up-front fee to fulfill its promises of employment.

IV. CONCLUSIONS OF LAW

The Securities Commissioner concludes that:

12. Respondents KFK-Enterprises.org and PP Alexey Klimenko have engaged in violations of Sections 11-302 and 11-401 of the Securities Act.

V. SANCTIONS

NOW, THEREFORE, the Securities Commissioner finds it to be in the public interest to issue this Final Order, and IT IS HEREBY **ORDERED** THAT:

13. Respondents permanently cease and desist from engaging in activities in violation of Sections 11-302 and 11-401 of the Securities Act.

14. Respondents are permanently barred from the securities and investment advisory business in Maryland.

15. Respondents are assessed a civil monetary penalty, pursuant to Section 11-701.1 of the Securities Act, in the amount of \$30,000.

VI. APPEAL RIGHTS

16. Respondents may appeal this Final Order to the appropriate Circuit Court of the State of Maryland within 30 days from the date this Final Order is mailed by the Securities Division.

SO ORDERED:

**Commissioner's Signature is
on File with Original Document**

DATED: April 26, 2012

Melanie Senter Lubin
Securities Commissioner