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JACK D. LADD
MEMBER

SSB Docket No. 02-43

IN THE MATTER OF THE
APPLICATION FOR INVESTMENT
ADVISER REGISTRATION OF
KLEINHEINZ CAPITAL PARTNERS, INC.
AND THE INVESTMENT ADVISER
REPRESENTATIVE REGISTRATION OF
JOHN BURKE KLEINHEINZ

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Order No. CAF-1488

TO: John Burke Kleinheinz, President and CEO
Kleinheinz Capital Partners, Inc. (IARD # 119235)
201 Main Street, Suite 2001
Fort Worth, Texas 76102

John Burke Kleinheinz (CRD # 1306695)
201 Main Street, Suite 2001
Fort Worth, Texas 76102

DISCIPLINARY ORDER REPRIMANDING AND FINING AN INVESTMENT ADVISER AND INVESTMENT ADVISER REPRESENTATIVE

Be it remembered that Kleinheinz Capital Partners, Inc. ("Respondent KCP"), by and through John Burke Kleinheinz, its President and CEO, and John Burke Kleinheinz ("Respondent Kleinheinz"), individually, (collectively "Respondents") appeared before the Securities Commissioner of the State of Texas ("Securities Commissioner") and consented to the entry of this Order and the Findings of Fact and Conclusions of Law contained herein.

FINDINGS OF FACT

1. Respondents have waived (a) Respondents' right to appear and present evidence in this matter; (b) Respondents' right to appeal this Order; and (c) all other procedural rights granted to Respondents by The Securities Act, TEX. REV. CIV. STAT. ANN. art. 581-1 et seq. (Vernon 1964 & Supp. 2002) ("Texas Securities Act"), and the Administrative Procedure Act, TEX. GOV'T CODE ANN. § 2001.001 et seq. (Vernon Supp. 2002) ("Administrative Procedure Act").

2. Respondent KCP is a Texas corporation with a business address of 201 Main Street, Suite 2001, Fort Worth, Texas. Respondent Kleinheinz is President and CEO of Respondent KCP.
3. Respondent KCP has filed for investment adviser registration with the Securities Commissioner, which is currently pending. Respondent Kleinheinz has filed for registration with the Securities Commissioner as investment adviser representative of Respondent KCP, which is currently pending.
4. Respondent KCP has rendered services as an investment adviser at a time when Respondent KCP was not registered with the Securities Commissioner, as required by Section 12 of the Texas Securities Act.
5. Respondent Kleinheinz has rendered services as investment adviser representative at a time when he was not registered with the Securities Commissioner, as required by Section 12 of the Texas Securities Act.

CONCLUSIONS OF LAW

1. Pursuant to Section 14.A(6) of the Texas Securities Act, the foregoing violations constitute bases for the issuance of an order reprimanding an investment adviser and investment adviser representative.
2. Pursuant to Section 23-1 of the Texas Securities Act, the foregoing violations constitute bases for the issuance of an order assessing an administrative fine against an investment adviser.

ORDER

1. It is therefore ORDERED that the investment adviser registration of Kleinheinz Capital Partners, Inc. and the investment adviser representative registration of John Burke Kleinheinz are hereby GRANTED.
2. It is further ORDERED that Kleinheinz Capital Partners, Inc. and John Burke Kleinheinz are hereby REPRIMANDED.

3. It is further ORDERED that Kleinheinz Capital Partners, Inc. is hereby assessed AN ADMINISTRATIVE FINE in the amount of Sixty Thousand Dollars (\$60,000.00). Payment shall be made by delivery of a cashier's check to the Securities Commissioner in the amount of Sixty Thousand Dollars (\$60,000.00), payable to the State of Texas, contemporaneously with the delivery of this Order.

SIGNED AND ENTERED BY THE SECURITIES COMMISSIONER this 19th day of December, 2002.



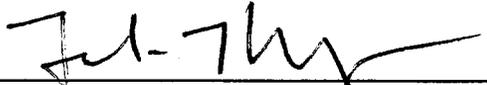
DENISE VOIGT CRAWFORD
Securities Commissioner

Respondents:

Kleinheinz Capital Partners, Inc.

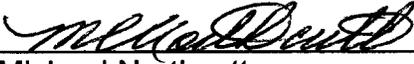


John Burke Kleinheinz, President and CEO



John Burke Kleinheinz, Individually

Approved as to Form:



Michael Northcutt
Director
Registration Division



Andy Stewart
Attorney for Respondents

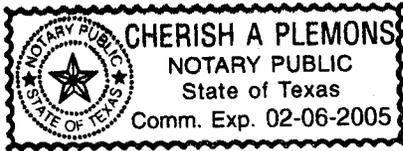


David Grauer
Director
Enforcement Division

ACKNOWLEDGMENT

On the 10 day of December, 2002, Kleinheinz Capital Partners, Inc. ("Respondent KCP"), by and through John Burke Kleinheinz, its President and CEO, personally appeared before me, executed the foregoing Order, and acknowledged that:

1. John Burke Kleinheinz is duly authorized to enter into the foregoing Order on behalf of Respondent KCP;
2. John Burke Kleinheinz has read the foregoing Order;
3. Respondent KCP has been fully advised of its rights under the Texas Securities Act and the Administrative Procedure Act;
4. Respondent KCP knowingly and voluntarily consents to the entry of the foregoing Order and the Findings of Fact and Conclusions of Law contained herein; and,
5. Respondent KCP, by consenting to the entry of the foregoing Order, has knowingly and voluntarily waived its rights as set forth therein.



[affix notary seal here]

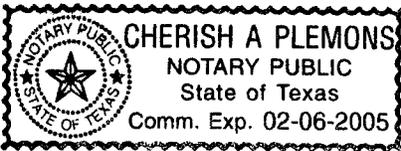
Cherish A Plemons
Notary Public in and for Tarrant County
The State of Texas

My commission expires on: 2-6-05

ACKNOWLEDGMENT

On the 10th day of December, 2002, John Burke Kleinheinz ("Respondent Kleinheinz") personally appeared before me, executed the foregoing Order, and acknowledged that:

1. Respondent Kleinheinz has read the foregoing Order;
2. Respondent Kleinheinz has been fully advised of his rights under the Texas Securities Act and the Administrative Procedure Act;
3. Respondent Kleinheinz knowingly and voluntarily consents to the entry of the foregoing Order and the Findings of Fact and Conclusions of Law contained herein; and,
4. Respondent Kleinheinz, by consenting to the entry of the foregoing Order, has knowingly and voluntarily waived his rights as set forth therein.



[affix notary seal here]

Cherish A Plemons
Notary Public in and for
The State of Texas

My commission expires on: 2-6-2005