

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

INVESTMENT ADVISERS ACT OF 1940
Release No. 4911 / May 10, 2018

ADMINISTRATIVE PROCEEDING
File No. 3-18477

In the Matter of

YASUNA MURAKAMI,

Respondent.

ORDER INSTITUTING
ADMINISTRATIVE PROCEEDINGS
PURSUANT TO SECTION 203(f) OF THE
INVESTMENT ADVISERS ACT OF 1940,
MAKING FINDINGS, AND IMPOSING
REMEDIAL SANCTIONS

I.

The Securities and Exchange Commission (“Commission”) deems it appropriate and in the public interest that public administrative proceedings be, and hereby are, instituted pursuant to Section 203(f) of the Investment Advisers Act of 1940 (“Advisers Act”) against Yasuna Murakami (“Respondent”).

II.

In anticipation of the institution of these proceedings, Respondent has submitted an Offer of Settlement (the “Offer”) which the Commission has determined to accept. Solely for the purpose of these proceedings and any other proceedings brought by or on behalf of the Commission, or to which the Commission is a party, Respondent admits the Commission’s jurisdiction over him and the subject matter of these proceedings, and the findings contained in paragraphs III.2 below, and consents to the entry of this Order Instituting Administrative Proceedings Pursuant to Section 203(f) of the Investment Advisers Act of 1940, Making Findings, and Imposing Remedial Sanctions (“Order”), as set forth below.

III.

On the basis of this Order and Respondent's Offer, the Commission finds that

1. Murakami was a managing member of MC2 Capital Management, LLC, and MC2 Canada Capital Management, LLC, two unregistered investment advisory firms. Through these firms, from approximately 2007 to 2017, Murakami acted as an investment adviser to three unregistered pooled investment vehicles: MC2 Capital Partners, LLC; MC2 Capital Value Partners, LLC; and MC2 Capital Canadian Opportunities Fund, LLC. Murakami, 45 years old, is a resident of Cambridge, Massachusetts.

2. On January 9, 2018, Murakami pled guilty to one count of wire fraud in violation of Title 18 United States Code, Section 1343 before the United States District Court for the District of Massachusetts, in United States v. Yasuna J. Murakami, No. 1:17-CR-10346-DPW.

3. In connection with that plea, Murakami admitted, inter alia that:

- (a) Beginning in or around May 2011, and continuing through in or around December 2016, as part of a scheme to defraud, Murakami solicited and obtained investments in a hedge fund he managed through MC2 Canada Capital Management, LLC, an investment advisory firm in which he was a managing member;
- (b) After investors provided Murakami with assets to invest in the fund, Murakami misappropriated millions of investor dollars by fraudulently diverting the investments to business and personal bank accounts he controlled and using investor funds to make personal investments in the fund;
- (c) Murakami misused investor assets to make payments to other individuals who had invested in earlier hedge funds managed by Murakami; and
- (d) In order to prevent detection and to lull investors into believing their investments were safe, Murakami routinely provided them with documents containing false and fraudulent information regarding the investors' assets.

IV.

In view of the foregoing, the Commission deems it appropriate and in the public interest to impose the sanctions agreed to in Respondent Murakami's Offer.

Accordingly, it is hereby ORDERED pursuant to Section 203(f) of the Advisers Act, that Respondent Murakami be, and hereby is barred from association with any investment adviser, broker, dealer, municipal securities dealer, municipal advisor, transfer agent, or nationally recognized statistical rating organization.

Any reapplication for association by the Respondent will be subject to the applicable laws and regulations governing the reentry process, and reentry may be conditioned upon a number of factors, including, but not limited to, the satisfaction of any or all of the following: (a) any disgorgement ordered against the Respondent, whether or not the Commission has fully or partially waived payment of such disgorgement; (b) any arbitration award related to the conduct that served as the basis for the Commission order; (c) any self-regulatory organization arbitration award to a customer, whether or not related to the conduct that served as the basis for the Commission order; and (d) any restitution order by a self-regulatory organization, whether or not related to the conduct that served as the basis for the Commission order.

For the Commission, by its Secretary, pursuant to delegated authority.

Brent J. Fields
Secretary