

**UNITED STATES OF AMERICA**  
**Before the**  
**SECURITIES AND EXCHANGE COMMISSION**

**SECURITIES EXCHANGE ACT OF 1934**  
**Release No. 56475 / September 20, 2007**

**ADMINISTRATIVE PROCEEDING**  
**File No. 3-12815**

**In the Matter of**

**JOSEPH CARACCILO,**

**Respondent.**

**ORDER INSTITUTING**  
**ADMINISTRATIVE PROCEEDINGS**  
**PURSUANT TO SECTION 15(b) OF THE**  
**SECURITIES EXCHANGE ACT OF 1934,**  
**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 15(b) of the Securities Exchange Act of 1934 (“Exchange Act”) against Joseph Caracciolo (“Caracciolo” or “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, and without admitting or denying the findings herein, except as to the Commission’s jurisdiction over him and the subject matter of these proceedings, and the findings contained in Section III.2 below, which are admitted, Respondent consents to the entry of this Order Instituting Administrative Proceedings Pursuant to Section 15(b) of the Securities Exchange Act of 1934, 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. Caracciolo, age 33, resides in Staten Island, New York. From 2000 to 2005, he was a securities lending representative associated with National Investor Services Corp. ("NISC"), a broker-dealer that was formerly registered with the Commission.

2. On June 15, 2007, Caracciolo pled guilty to one count of conspiracy to commit securities fraud and wire fraud in violation of Title 18 United States Code, Section 1349 before the United States District Court for the Eastern District of New York, in United States v. Joseph Caracciolo, Crim. Information No. 07-CR-439.

3. The count of the criminal information to which Caracciolo pled guilty alleged, inter alia, that Caracciolo, together with others, did knowingly and intentionally conspire to execute a scheme and artifice to defraud NISC of money and property and to obtain money and property from NISC by means of materially false and fraudulent pretenses, representations and promises and in executing such scheme and artifice to defraud did so by means of wire communication in interstate and foreign commerce.

### IV.

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

Accordingly, it is hereby ORDERED:

Pursuant to Section 15(b)(6) of the Exchange Act, the Respondent Caracciolo be, and hereby is barred from association with any broker or dealer.

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.

Nancy M. Morris  
Secretary