

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

**SECURITIES EXCHANGE ACT OF 1934**  
**Release No. 60599 / September 1, 2009**

**INVESTMENT ADVISERS ACT OF 1940**  
**Release No. 2922 / September 1, 2009**

**ADMINISTRATIVE PROCEEDING**  
**File No. 3-13484**

**In the Matter of**

**JOSE DANIEL IRIARTE, JR.**

**Respondent.**

**ORDER MAKING FINDINGS AND  
IMPOSING REMEDIAL SANCTIONS  
PURSUANT TO SECTION 15(b) OF THE  
SECURITIES EXCHANGE ACT OF 1934  
AND SECTION 203(f) OF THE  
INVESTMENT ADVISERS ACT OF 1940**

**I.**

On May 26, 2009, the Securities and Exchange Commission (“Commission”) deemed it appropriate and in the public interest that public administrative proceedings be instituted pursuant to Section 15(b) of the Securities Exchange Act of 1934 (“Exchange Act”) and Section 203(f) of the Investment Advisers Act of 1940 (“Advisers Act”) against Jose Daniel Iriarte, Jr. (“Iriarte” or “Respondent”).

**II.**

In settlement 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 Making Findings and Imposing Remedial Sanctions Pursuant to Section 15(b) of the

Securities Exchange Act of 1934 and Section 203(f) of the Investment Advisers Act of 1940 (“Order”), as set forth below.

### III.

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

1. At all relevant times in which he engaged in the misappropriation of customer funds, which is the conduct underlying the information and criminal conviction described below, Iriarte was a registered broker-dealer representative at a company that is registered with the Commission as a broker-dealer and an investment adviser. Iriarte, 37 years old, is currently incarcerated at the Federal Correctional Institute in Cumberland, Maryland.

2. On August 19, 2008, Iriarte pled guilty to the sole count of an information charging him with wire fraud involving the misappropriation of customer funds. *U.S. v. Jose Daniel Iriarte*, Criminal No. RWT-08-0294 (D. Md. 2008). On January 23, 2009, Iriarte was sentenced to a prison term of eighteen months to be followed by three years of supervised release, and was ordered, among other things, to make restitution in the amount of \$130,000.

3. The information alleged, and Iriarte in his plea agreement admitted, that in April 2007, while employed as a financial adviser for a registered broker dealer and investment adviser, Iriarte committed wire fraud by knowingly transmitting and causing to be transmitted in interstate commerce, by means of a wire communication, a wire transfer of \$130,000. The \$130,000 was given to Iriarte by one of his brokerage customers for purposes of investment. However, instead of depositing the funds in that customer’s account, Iriarte deposited the funds into the account of another of his brokerage customers in order to repay a personal debt.

### IV.

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

Accordingly, it is hereby ORDERED:

Pursuant to Section 15(b)(6) of the Exchange Act and Section 203(f) of the Advisers Act, that Respondent Iriarte be, and hereby is barred from association with any broker, dealer, or investment adviser.

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.

Elizabeth M. Murphy  
Secretary