

CORRECTED

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 53178 / January 25, 2006

ADMINISTRATIVE PROCEEDING
File No. 3-12161

In the Matter of

JAMES J. CAPRIO,

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 James J. Caprio (“Respondent” or “Caprio”).

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 and III.4 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. Caprio holds various professional brokerage licenses including the Series 4, 7, 24, 55, and 63 licenses. Brookstreet Securities Corporation of Boca Raton, Florida currently employs him as a stockbroker. When the events described herein took place, Providential Securities, Inc. employed Respondent. Respondent is 42 years old and a resident of Westin, Florida.

2. On January 9, 2006, a final judgment was entered by consent against Respondent, permanently enjoining him from future violations of Sections 5(a) and 5(c) of the Securities Act of 1933 ("Securities Act") and Section 13(d) of the Exchange Act and Rules 13d-1 and 13d-2 thereunder, in the civil action entitled SEC v. Morgan Cooper et al., Case No. 1:05CV00207, in the United States District Court for the District of Columbia.

3. The Commission's complaint alleged, among other things, that Respondent, in raising funds for a public company, sold hundreds of thousands of shares of that public company's stock to the public. Respondent failed to register the sales of any of this stock with the Commission, as Section 5 of the Securities Act requires. Additionally, Respondent obtained over 5% of the public company's stock but failed to file Schedule 13D reports with the Commission, as Section 13(d) of the Exchange Act requires.

4. Respondent undertakes to provide to the Commission, within ten days after the end of the six month suspension period described below, an affidavit that he has fully complied with the sanction imposed in paragraph IV below.

IV.

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

Accordingly, it is hereby ORDERED:

- A. Pursuant to Section 15(b)(6) of the Exchange Act that Respondent James J. Caprio be, and hereby is, suspended from association with any broker or dealer for a period of six months, effective on the second Monday following entry of the Order.
- B. Respondent shall comply with the undertaking enumerated in Section III.4 above.

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

Nancy M. Morris
Secretary

