

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

**SECURITIES EXCHANGE ACT OF 1934**  
**Release No. 70577 / September 30, 2013**

**ADMINISTRATIVE PROCEEDING**  
**File No. 3-15542**

**In the Matter of**  
  
**CRAIG SHAPIRO,**  
  
**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 Craig Shapiro (“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 consents to the Commission’s jurisdiction over him and the subject matter of these proceedings and to the entry of this Order Instituting Administrative Proceedings Pursuant to Section 15(b) of the Exchange Act, 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. Shapiro, 37 years old, resides in Brooklyn, New York. From April 1999 through April 2008, Shapiro was a registered representative associated with Joseph Stevens & Company, Inc., a broker-dealer registered with the Commission at the time.

2. On September 23, 2011, Shapiro pled guilty in the Supreme Court of the State of New York in People v. Joseph Stevens & Co., Inc., et al., Case Number 02394-2009 to: (1) one count of engaging in securities fraud in violation of New York General Business Law 0352-c(5); (2) one count of engaging in securities fraud in violation of New York General Business Law 0352-c(6); (3) one count of criminal possession of stolen property in the second degree in violation of New York Penal Law 165.52; and (4) one count of criminal possession of stolen property in the third degree in violation of New York Penal Law 165.50. People v. Joseph Stevens & Co., No. 02394-2009 (N.Y. App. Div. 2011). On January 27, 2012, Shapiro was sentenced to ten months' incarceration, three years' probation and 75 hours of community service. He was also ordered to make restitution in the amount of \$87,500.

3. The indictment alleged that Shapiro, a registered representative, participated in a firm-wide scheme while he was associated with Joseph Stevens & Co., to generate excessive and undisclosed commissions. As part of that scheme, Shapiro encouraged customers to purchase shares so that he would receive extra commissions that were not disclosed to customers. Shapiro obtained money and property by means of material false representations while engaged in promoting the sales and purchases of securities. In addition, Shapiro knowingly possessed stolen property, the money generated as a result of the manipulation of securities, with the intent to benefit himself or a person other than the money's true owner.

#### IV.

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

Accordingly, it is hereby ORDERED pursuant to Section 15(b)(6) of the Exchange Act that Respondent be, and hereby is:

barred from association with any broker, dealer, investment adviser, municipal securities dealer, municipal advisor, transfer agent, or nationally recognized statistical rating organization; and barred from participating in any offering of a penny stock, including: acting as a promoter, finder, consultant, agent or other person who engages in activities with a broker, dealer or issuer for purposes of the issuance or trading in any penny stock, or inducing or attempting to induce the purchase or sale of any penny stock.

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.

By the Commission.

Elizabeth M. Murphy  
Secretary