

NEW YORK STOCK EXCHANGE, INC.

EXCHANGE HEARING PANEL DECISION 03-118

June 12, 2003

JAMES CHRISTOPHER URIOSTE, JR.
FORMER REGISTERED REPRESENTATIVE

* * *

Violated Rule 627(g) by failing to satisfy an arbitration award and violated Rule 477 by failing to comply with requests to provide information to the Exchange – Censure and bar until the arbitration award is paid plus six months.

Appearances:

For the Division of Enforcement
James D. O'Donnell, Esq.
Kathleen S. Lynch, Esq.

For the Respondent
No Appearance

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An Exchange Hearing Panel conducted a hearing on charges contained in a Charge Memorandum issued by the Exchange's Division of Enforcement against James Christopher Urioste, Jr., a former registered representative with Prudential Securities Incorporated (the "Firm"). Mr. Urioste was charged with having violated Exchange Rule 627(g) by:

- I. Failing to satisfy an arbitration award.
- II. Violated Exchange Rule 477 by failing to comply with one or more written requests to provide information to the Exchange.

Mr. Urioste submitted an Answer to the Charge Memorandum which did not address the non-payment of the arbitration award or failure to cooperate charges. At the hearing, the Division of Enforcement moved, pursuant to Exchange Rule 476, to have the facts in the Charge Memorandum deemed admitted. The Hearing Panel granted the motion and found as follows:

1. James Christopher Urioste, Jr. ("Urioste") was born in August 1967. He entered the securities industry in 1989.
2. From October 1998 through January 1999, he was employed the Firm. His employment with the Firm terminated on January 29, 1999.
3. On or about September 21, 2001, Urioste joined a non-member firm. He was terminated on July 12, 2002.

4. Urioste is currently not employed in the securities industry in a capacity known to the Exchange.
5. In August 2002, the Division of Enforcement (“Enforcement”) initiated an investigation based upon information from the Firm that Urioste failed to satisfy an arbitration award to the Firm issued by an Exchange arbitration panel.
6. By letter dated September 10, 2002, which Urioste received, Enforcement informed Urioste of its investigation.

Urioste’s Failure to Pay Arbitration Award

7. On March 15, 2001, the Firm filed an arbitration claim against Urioste with the New York Stock Exchange Arbitration Department.
8. On or about November 2, 2001, the Exchange arbitration panel issued an award in the matter, finding in favor of the Firm. The arbitration award assessed damages against Urioste in the amount of approximately \$147,385 which included interest, fees, and other costs.
9. On or about November 8, 2001, the decision of the arbitration panel was transmitted to Urioste.
10. Exchange Rule 627(g) requires that all Exchange monetary arbitration awards be satisfied, or a motion to vacate be filed with the appropriate court within 30 days of receipt of the decision.
11. Urioste did not file a motion to vacate the award of the arbitration panel.
12. To date, the arbitration award has not been satisfied.

Failure to Cooperate

13. By letter dated April 8, 2002, sent by first class mail, Enforcement advised Urioste that the Exchange had been informed that he failed to satisfy the arbitration award. The April 8, 2002 letter further advised Urioste that in accordance with Exchange Rule 627(g), monetary awards are required to be paid or a motion to vacate filed within 30 days of receipt of the award. The April 8, 2002 letter requested that Urioste notify Enforcement about his satisfaction of the award by April 22, 2002, and warned him that if the award was not satisfied, the Exchange would bring charges against him, pursuant to Exchange Rules 627 and 476. Urioste did not respond. The first class letter was not returned to Enforcement by the Post Office.
14. By letter dated September 10, 2002, sent by certified mail, return receipt requested, with a copy sent by first class mail, Enforcement enclosed the April 8, 2002 letter and requested a detailed written statement from Urioste regarding his failure to satisfy the

arbitration award. Enforcement requested a response to the September 10, 2002 letter by October 2, 2002.

15. The September 10, 2002 certified letter to Urioste was returned to Enforcement marked "unclaimed". The first class letter to Urioste was not returned to Enforcement by the Post Office.
16. By letter dated October 25, 2002, sent by certified mail, return receipt requested, with a copy sent by first class mail, Enforcement enclosed copies of the April 8, 2002 and September 10, 2002 letters and renewed its request to Urioste for a detailed written statement regarding his failure to satisfy the arbitration award. Urioste's response to the October 25, 2002 letter was due on November 8, 2002.
17. The October 25, 2002, certified letter was returned to Enforcement marked "unclaimed". The first class October 25, 2002 letter was not returned to Enforcement by the Post Office.
18. Urioste has failed to provide a detailed written statement regarding his failure to satisfy the arbitration award requested by the Exchange.

DECISION

The Hearing Panel, by unanimous vote, found Mr. Urioste guilty as charged.

PENALTY

In view of the above findings, the Hearing Panel, by unanimous vote, determined that Mr. Urioste be censured and barred from membership, allied membership, approved person status, and from employment or association in any capacity with any member or member organization until he satisfies the arbitration award against him and for an additional period of six months following satisfaction of the award.

For the Hearing Panel

Edward W. Morris, Jr.
Chief Hearing Officer