

FINANCIAL INDUSTRY REGULATORY AUTHORITY

OFFICE OF HEARING OFFICERS

DEPARTMENT OF ENFORCEMENT,
COMPLAINANT,

V.

LOUIS CESARIO (CRD NO. 22588035),

RESPONDENT.

DISCIPLINARY PROCEEDING
No. 20070107207-01

HEARING OFFICER--LBB

**ORDER ACCEPTING OFFER OF
SETTLEMENT**

Date: December 9, 2009

INTRODUCTION

Disciplinary Proceeding No. 20070107207-01 was filed on September 11, 2009, by the Department of Enforcement of the Financial Industry Regulatory Authority ("FINRA") ("Complainant"). Respondent Louis Cesario ("Cesario" or "Respondent") submitted an Offer of Settlement ("Offer") to Complainant on November 4, 2009. Pursuant to FINRA Rule 9270(e), the Complainant and the National Adjudicatory Council ("NAC"), a Review Subcommittee of the NAC, or the Office of Disciplinary Affairs ("ODA") have accepted the uncontested Offer. Accordingly, this Order now is issued pursuant to FINRA Rule 9270(e)(3). The findings, conclusions and sanctions set forth in this Order are those stated in the Offer as accepted by the Complainant and approved by the NAC.

Under the terms of the Offer, Respondent has consented, without admitting or denying the allegations of the Complaint, and solely for the purposes of this proceeding and any other proceeding brought by or on behalf of FINRA, or to which FINRA is a party, to the entry of findings and violations consistent with the allegations of the

Complaint, and to the imposition of the sanctions set forth below, and fully understands that this Order will become part of Respondent's permanent disciplinary record and may be considered in any future actions brought by FINRA.

BACKGROUND

In October 2002, Cesario first became registered with FINRA as a Corporate Securities Representative. In 2005, Cesario became registered as a General Securities Representative and Registered Commodity Representative. Cesario has been associated with several member firms during his tenure in the securities industry. He became registered with former member firm Hamershlag, Dodeles & Co. LLC (BD No. 2117)("Hamershlag") in January 2005. Sometime in the fall of 2007, Cesario stopped reporting to work at Hamershlag. On December 10, 2007, Hamershlag filed a Form BDW with FINRA. On February 15, 2008 the firm's FINRA membership was suspended and Cesario's registration was terminated without the submission of a Uniform Termination Notice for Securities Industry Registration ("Form U-5"). Cesario is no longer employed in the securities industry. FINRA retains jurisdiction over Cesario pursuant to Article V, Section 4 of the By-Laws.

FINDINGS AND CONCLUSIONS

It has been determined that the Offer be accepted and that findings be made as follows:

1. On September 28, 2007, FINRA commenced an investigation into a series of suspicious bond trades that were executed through Hamershlag's trading desk in July and August 2007.
2. On March 12, 2008, FINRA staff conducting this investigation sent Cesario a written request via first class mail and by certified mail, return receipt requested, to provide information pursuant to NASD Procedural Rule 8210. This request set a March 27, 2008 response date and was sent to the residential address listed for Cesario in FINRA's Central Registration Depository ("CRD"), [REDACTED] [REDACTED] (the "CRD address").
3. When the staff did not receive a response from Cesario by the stated deadline, it sent a second request to Cesario's CRD address on April 1, 2008, setting an April 11, 2008 response deadline. This request was sent via first class mail and by certified mail, return receipt requested.
4. Each of these NASD Procedural Rule 8210 requests for information was sent by both certified and first class mail. The letters sent by first class mail were not returned. Each certified letter was returned marked "unclaimed."
5. Both of the requests for information were sent to Cesario's CRD address. To date, Cesario has failed to respond to any of FINRA's NASD Procedural Rule 8210 requests.
6. Based on the foregoing, Cesario violated NASD Procedural Rule 8210 and NASD Conduct Rule 2110.

Based on these considerations, the sanctions hereby imposed by the acceptance of the Offer are in the public interest, are sufficiently remedial to deter Respondent from any future misconduct, and represent a proper discharge by FINRA, of its regulatory responsibility under the Securities Exchange Act of 1934.

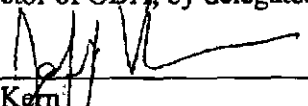
SANCTIONS

It is ordered that Respondent be

- permanently barred from associating with any FINRA member in any capacity.

The sanctions imposed herein shall be effective on a date set by FINRA staff. Pursuant to FINRA Rule 8313(e), a bar or expulsion shall become effective upon approval or acceptance of this Order.

SO ORDERED.

FINRA
Signed on behalf of the
Director of ODA, by delegated authority


Jeff Kern
Senior Regional Counsel
FINRA Department of Enforcement
One Liberty Plaza
New York, NY 10006
Ph.: (212) 858-4080/Fax: (212) 858-4770