

**BEFORE THE NATIONAL ADJUDICATORY COUNCIL
NASD REGULATION, INC.**

Department of Enforcement,
Complainant,

v.

Stuart G. Horowitz
CRD No. 2942375,

Respondent.

Disciplinary Proceeding
No. C07980027

**ORDER ACCEPTING OFFER OF
SETTLEMENT**

Date: May 13, 1999

INTRODUCTION

Disciplinary Proceeding No. C07980027 was filed on May 6, 1998 by the Department of Enforcement ("Enforcement"). Respondent Horowitz failed to respond to the Complaint. Enforcement moved for entry of a default decision, and a Hearing Office granted the motion, issuing the default decision on September 15, 1998. On October 9, 1998, Respondent Horowitz appealed to the National Adjudicatory Council ("NAC").

The NAC has accepted the Offer of Settlement submitted by Respondent Horowitz. The findings, conclusions and sanctions set forth in this Order are those stated in the Offer and approved by the NAC.

Under the terms of the Offer, Respondent Horowitz has consented for the purpose of this proceeding only, without admitting or denying the allegations of the Complaint, to the entry of findings of facts 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 his permanent disciplinary record and may be considered in any future actions brought by the National Association of Securities Dealers.

FINDINGS AND CONCLUSIONS

It has been determined that the Offer be accepted and that findings be made as follows:¹

Respondent Horowitz was registered as a general securities representative with Dean Witter Reynolds, Inc. between September 1997 and January 1998. Respondent Horowitz is not currently associated with any member firm.

The Complaint alleged as follows:

The First Cause of Complaint alleged that in September 1997, the Florida Bar filed with the Supreme Court of Florida a 20-count complaint against Horowitz, a licensed attorney, alleging, among other things, forgery, fraud, misrepresentation, and misappropriation of funds, in connection with adoption services provided by Horowitz to various clients; that in October 1997, the Florida Bar filed a

¹ The findings herein are pursuant to Respondent Horowitz' Offer of Settlement and are not binding on any other person or entity named as a respondent in this or any other proceeding.

"Petition for Emergency Suspension" of Horowitz from the practice of law, describing a compliance audit that the Bar had conducted of Horowitz' trust accounts which disclosed "numerous account irregularities," including "conversion of client monies"; that in November 1997, the Supreme Court of Florida suspended Horowitz from the practice of law until further order by the Court; that Horowitz failed to amend his Form U-4 to disclose that he was the subject of an investigation by the Florida Bar and that his license to practice law had been suspended; and that Horowitz' failures to amend the Form U-4 constituted violations of Conduct Rule 2110.

The Second Cause of Complaint alleged that by letters dated January 16 and February 13, 1998, NASD Regulation, Inc. staff requested that Horowitz provide a written statement pursuant to Procedural Rule 8210 relating to the Florida Bar investigation and his failure to amend his Form U-4 to disclose the investigation and his suspension from the practice of law; that Horowitz failed to respond to these requests; and that these failures to respond constituted violations of Conduct Rule 2110 and Procedural Rule 8210.

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 NASD Regulation, Inc., of its regulatory responsibility under the Securities Exchange Act of 1934.

SANCTIONS

It is ordered that Respondent Horowitz be censured and barred in all capacities from association with any member of the Association.

SO ORDERED.

NASD Regulation, Inc.

By: _____
Alden S. Adkins,
Senior Vice President and General Counsel

CERTIFICATE OF SERVICE

I, Susan L. Beesley, certify that on this 13th day of May 1999, I caused a copy of the foregoing Order Accepting Offer of Settlement to be served by overnight delivery service on:

Mr. Stuart G. Horowitz
Boca Raton, FL

Mr. Gene E. Carasick
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