

DENISE VOIGT CRAWFORD
SECURITIES COMMISSIONER



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KENNETH W. ANDERSON, JR.
MEMBER

SSB DOCKET NO. 01-32

IN THE MATTER OF THE
AGENT REGISTRATION OF
JAMES GALINSKY

§
§
§

ORDER NO. CEN-1445

TO: Mr. James Galinsky (CRD # 4433461)
1717 Capital Management Company
1300 Post Oak Boulevard, #1200
Houston, TX 77056

DISCIPLINARY ORDER REPRIMANDING AN AGENT

Be it remembered that James Galinsky ("Respondent") appeared before the Securities Commissioner of the State of Texas ("Securities Commissioner") and consented to the entry of this Order and the Findings of Fact and Conclusions of Law contained herein.

FINDINGS OF FACT

1. Respondent has waived (a) Respondent's right to notice and hearing in this matter; (b) Respondent's right to appear and present evidence in this matter; (c) Respondent's right to appeal this Order; and (d) all other procedural rights granted to Respondent by The Securities Act, TEX. REV. CIV. STAT. ANN. art. 581-1 et seq. (Vernon 1964 & Supp.2001) ("Texas Securities Act"), and the Administrative Procedure Act, TEX. GOV'T CODE ANN. §2001.001 et seq. (Vernon Supp. 2001) ("Administrative Procedure Act").
2. Respondent has filed an application for registration with the Securities Commissioner as an agent of 1717 Capital Management Company.
3. On or about June 14, 2000, Respondent offered for sale and sold interests in a coin-operated, customer-owned telephone program to one investor.
4. The interests in the coin-operated, customer-owned telephone program are securities as defined in Section 4.A of the Texas Securities Act.

5. Respondent offered for sale and sold the securities which were not registered with the Securities Commissioner or exempt from registration in violation of Section 7 of the Texas Securities Act.
6. Respondent was not registered as a dealer with the Securities Commissioner to sell the securities as required by Section 12 of the Texas Securities Act.
7. Respondent has cooperated with the Enforcement Division in its investigation of this matter.
8. Respondent has reimbursed the investor double the amount earned in commissions from the sale of the securities.

UNDERTAKING

1. Respondent hereby agrees to cooperate with any investigation by the Enforcement Division of the State Securities Board or other law enforcement agencies, relating to any employer who has engaged in the offer and/or sale of coin-operated, customer-owned telephones programs including, but not limited to, providing information or documents and testifying in any civil, administrative or criminal proceeding brought by this Agency or any other law enforcement entity or self-regulatory organization.
2. Respondent hereby agrees not to engage in any business activity without being properly registered with the Securities Commissioner, as required by Section 12 of the Texas Securities Act. In the event Respondent believes such activity is exempt from registration under Section 5 of the Texas Securities Act, Respondent will not engage in such activity without first obtaining approval from his dealer.
3. Respondent agrees not to engage in any outside business activity without receiving written approval from his dealer prior to engaging in such activity.
4. Respondent agrees to immediately file an amended Form U-4 disclosing his past employment with Communications Marketing Association, Inc. and ETS Payphones, Inc.

CONCLUSIONS OF LAW

Pursuant to Section 14.A(6) of the Texas Securities Act, the foregoing violations constitute a basis for the issuance of an order reprimanding an agent.

ORDER

1. It is therefore ORDERED that the registration of James Galinsky as an agent of 1717 Capital Management Company is hereby GRANTED;
2. It is further ORDERED that James Galinsky is hereby REPRIMANDED.

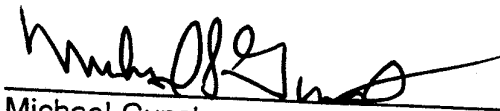
SIGNED AND ENTERED BY THE SECURITIES COMMISSIONER this 3rd day
of December, 2001.

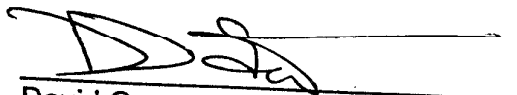

DENISE VOIGT CRAWFORD
Securities Commissioner

Respondent: Respondent's name and address
[Faint text]


James Galinsky

Approved as to Form:

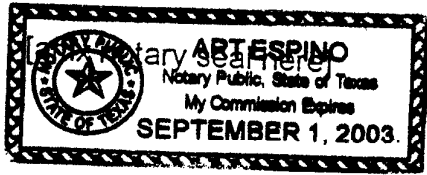

Michael Gunst
Director
Inspection and Compliance Division

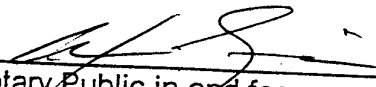

David Grauer
Director
Enforcement Division

ACKNOWLEDGMENT

On the 10 day of OCTOBER, 2001, James Galinsky ("Respondent") appeared before me, executed the foregoing Order and acknowledged that:

1. Respondent has read the foregoing Order;
2. Respondent has been fully advised of his rights under the Texas Securities Act and the Administrative Procedure Act;
3. Respondent knowingly and voluntarily consents to the entry of the foregoing Order and the Findings of Fact and Conclusions of Law contained herein; and,
4. Respondent, by consenting to the entry of the foregoing Order, has knowingly and voluntarily waived his rights as set forth herein.





Notary Public in and for
the State of TEXAS

My commission expires on: SEPT 1 03