

**Disciplinary Panel
American Stock Exchange LLC**

IN THE MATTER
OF
JASON DOMINICAK

:
:
: Case Nos. 05-413 [20050028198]

:
: Hearing Officer – RSH

:
: **DECISION**

:
: February 28, 2007

In accordance with a Stipulation of Facts and Consent to Penalty, the Disciplinary Panel Chair determined that Respondent violated Exchange Rules 924(a) and 345(a)(6), as stipulated, and as a penalty imposed a censure, a \$10,000 fine and a sixty business day suspension from employment.

I. Introduction

The American Stock Exchange, LLC (“Exchange”) instituted a formal disciplinary proceeding against Jason Dominicak (“Dominicak”), a former employee of Citigroup Global Markets (f/k/a Solomon Smith Barney, Inc.), a regular member organization of the Exchange. The Disciplinary Panel Chair (“Chair”), presiding without convening a full Disciplinary Panel, pursuant to Article V, Section 1(b) of the Exchange Constitution, held a hearing on January 23, 2007, pursuant to Article V, Section 2 of the Exchange Constitution, to review a Stipulation of Facts and Consent to Penalty (“Stipulation”), which is attached as Exhibit A. The Exchange and Dominicak entered into the Stipulation for the purposes of settling this proceeding and concluding all disciplinary actions by the Exchange against Dominicak based upon or arising out of the facts set forth in the Stipulation.

II. Facts

Dominicak, without admitting or denying liability, stipulated to the facts set forth in the attached Stipulation. The Chair has determined to accept the facts for purposes of this Decision, and they are incorporated herein.

III. Violations

Based upon the stipulated facts, the Chair concludes that Dominicak violated Exchange Rules 924(a) and 345(a)(6) by exercising discretion in connection with options trading in customer A's account without obtaining the customer's prior written discretionary trading authorization.

IV. Penalties and Publicity

The Stipulation proposes that the Chair impose on Dominicak a censure, a \$10,000 fine, and a sixty (60) business day suspension from employment, or prospective employment, or association in any capacity with an Exchange member or member firm.

After considering the stipulated facts and the statements of the parties, as well as the decisions cited in the Exchange's precedent memorandum, the Chair finds that the proposed penalty is appropriate under the facts and circumstances of this case, and therefore it will be imposed. The Chair further finds that the results of this disciplinary proceeding should be publicly disclosed, as provided in Rule 12 of the Exchange Rules on Disciplinary Proceedings.¹

V. Conclusion

The Chair accepts the Stipulation of Facts and Consent to Penalty and

¹ Rule 12 exempts from publicity those cases in which the Panel finds that the offense "related solely to minor administrative requirements of the Exchange and does not materially affect the public interest or the interest of investors." That exemption does not apply to the facts of this case.

hereby imposes upon Jason Dominicak a censure, a fine of \$10,000 and a sixty (60) business day suspension from employment, or prospective employment, or association in any capacity with an Exchange member or member firm.

FOR THE DISCIPLINARY PANEL

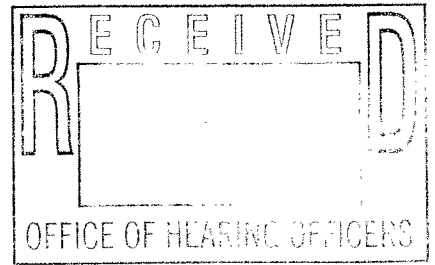
A handwritten signature in cursive script, appearing to read "Rochelle S. Hall", written over a horizontal line.

Rochelle S. Hall, Chair

Copies to: Jason Dominicak (*via overnight and first class mail*)
Jeff Minett, Esq. (*via electronic and first class mail*)
Arlene Collins-Day (*via electronic and first class mail*)

EXHIBIT A

Disciplinary Panel
American Stock Exchange LLC



.....X
X
IN THE MATTER X
X
OF X
X
JASON DOMINICAK X
X
.....X

STIPULATION OF FACTS
AND
CONSENT TO PENALTY
Case No. 05-413
(20050028198)

This proceeding was instituted by the American Stock Exchange LLC (“the Exchange”) against JASON DOMINICAK (“DOMINICAK”) (CRD #2917631), a former employee of Citigroup Global Markets (f/k/a Solomon Smith Barney, Inc.) (the “Firm”), a regular member organization of the Exchange. This Stipulation of Facts and Consent to Penalty is entered into with Dominicak pursuant to Exchange Rule 345(k) in order to settle and conclude all disciplinary actions by the Exchange against Dominicak based upon or arising out of the facts hereinafter stipulated. Dominicak, without admitting or denying the facts, allegations and conclusions contained in this Stipulation of Facts and Consent to Penalty, hereby consents to the findings of violations of the Exchange Rules and to the imposition of the penalties hereinafter provided. Dominicak understands that this settlement is subject to approval by an Exchange Disciplinary Panel and can be the subject of review by the Amex Adjudicatory Council and that, if so approved, shall constitute a final decision, which may not be appealed by the parties. Dominicak understands and acknowledges that the Disciplinary Panel’s decision in this matter will become part of his disciplinary record and may be considered in any future proceeding brought by the Exchange.

STIPULATION OF FACTS:

1.0 During the period from September 2000 through January 2003, Dominicak was employed as a registered representative for the Firm in its La Jolla, California branch office. Dominicak is no longer employed in the securities industry.¹

2.0 During the period from September 2000 through January 2003, Exchange Rule 924(a) provided, in pertinent part:

No member and no partner or employee of a member organization shall exercise any discretionary power with respect to trading in options contracts in a customer's account unless such customer has given prior written authorization and the account has been accepted in writing by a Registered Options Principal who is qualified with respect to the category of options trading for which discretionary power is to exercised (debt or equity).

2.1 During the period from September 2000 through January 2003, Exchange Rule 345(a)(6) provided, in pertinent part:

If the Exchange determines that any employee of a member or member organization has been guilty of any failure to adhere to the principles of good business practice in the conduct of his business affairs, the Exchange may disapprove or suspend or withdraw its approval of his employment by a member or member organization and the Exchange may, in addition to or in lieu of any such action, censure him, declare him ineligible for employment in specified capacities, or assess a fine against him.

¹ Dominicak was terminated from the Firm according to a Form U-5 filed on February 7, 2003 and a Form U-5 amendment filed on July 12, 2005. The Exchange retained jurisdiction over Dominicak pursuant to a jurisdiction letter sent to him on May 31, 2006.

Dominicak's Handling of Account

- 3.0 In September 2000, Dominicak opened an account at the Firm for public customer A. The account was updated and approved for options trading in May 2002. The account was non-discretionary.
- 3.1 During the period May 2002 through January 2003, in the absence of securing the customer's prior written discretionary trading authorization and approvals by the Firm, Dominicak initiated and effected several hundred discretionary options trades in customer A's account.
- 3.2 At no time before or during the time period referred to in paragraph 3.1 had Dominicak obtained prior written discretionary trading authorization from customer A to exercise discretion in trading options in her account.

CONCLUSION:

- 5.0 By reason of the foregoing Stipulated Facts, a Disciplinary Panel may conclude that Dominicak violated Exchange Rules 924(a) and 345(a)(6) in that he exercised discretion in connection with options trading in customer A's account in the absence of securing the customer's prior written discretionary trading authorization, as set forth in above paragraphs 3.1 through 3.2.

DISCIPLINARY ACTION:

- 6.0 By reason of the foregoing Stipulated Facts, a Disciplinary Panel may impose the following penalties upon Dominicak: (1) a censure; (2) a \$10,000 fine; and (3) a sixty (60) business day suspension from employment, or prospective employment, or association in any capacity with an Exchange member or member firm.

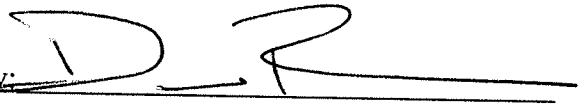
Dominicak hereby acknowledges that he has read carefully this Stipulation and understands all of the provisions contained herein; that he has agreed to its provisions voluntarily; and that no offer, promise, threat or inducement of any kind has been tendered to Dominicak by the Exchange, its staff or representatives to induce him to enter into this Stipulation, aside from the prospect of settling this disciplinary proceeding based on the terms and conditions set forth in this Stipulation rather than adjudicating this matter by way of a hearing on a Charge Memorandum as provided by Exchange rules.

Further, Dominicak hereby agrees that he may not take any action or make or permit to be made any public statements, including in regulatory filings or otherwise, denying, directly or indirectly, any finding in this Stipulation or create the impression that the Stipulation is without factual basis. Nothing in this provision affects Dominicak's testimonial obligations or right to take legal or factual positions in litigation or other legal proceedings in which the Exchange is not a party.

By signing this stipulation, Dominicak understands and acknowledges that Amex Rule 341A, which concerns the continuing education requirements for registered persons, requires him to re-take the Regulatory Element of the Continuing Education Program should he re-enter the securities industry as a registered person.

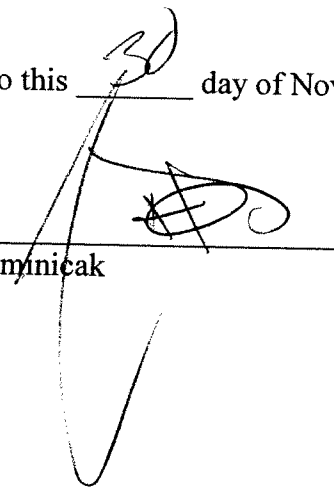
Further, it is understood and agreed that in any written submission to or proceeding before any person or body convened to consider this Stipulation of Facts and Consent to Penalty (including to a Hearing Officer acting alone, a Hearing Panel or any reviewing body authorized by the Amex Constitution and/or Rules), neither Enforcement nor Dominicak shall offer any argument that is inconsistent with the stipulated facts or the agreed-upon penalty, nor shall either party ask for the imposition of any penalty other than that agreed upon in this Stipulation of Facts and Consent to Penalty.

ON BEHALF OF THE
AMERICAN STOCK EXCHANGE LLC:

By: 

David Rosenstein
Vice-President and Chief Counsel
Enforcement Department
NASD Amex Regulation Division

Agreed to this 30 day of November, 2006.



Jason Dominick