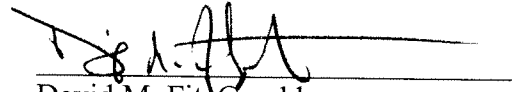


**Disciplinary Panel
American Stock Exchange LLC**

IN THE MATTER	:	Case No. 05-278
	:	
of	:	[AMXC08002]
	:	
JESSE ALBERT GREENWALD	:	Hearing Officer – DMF
	:	
	:	

NOTICE OF DECISION

Enclosed is a copy of the decision of the Disciplinary Panel in this disciplinary proceeding, dated February 19, 2008 (“Decision”). Under Article V, Section 2 of the Exchange Constitution, this Decision will become the final decision of the Exchange 10 days after service of the Decision upon you unless the Amex Adjudicatory Council calls the Decision for review. Pursuant to Exchange Disciplinary Rule 12, the Disciplinary Panel has decided that its Decision shall be publicized as provided therein. However, no publicity release shall be made until the Decision becomes final.



David M. FitzGerald
Hearing Officer

Dated: February 19, 2008

Copies to: Jesse Albert Greenwald (*via overnight and first-class mail*)
D. Christopher Walker, Esq. (*via electronic and first class mail*)
Joycelyn Thrower (*via electronic and first-class mail*)

**Disciplinary Panel
American Stock Exchange LLC**

IN THE MATTER	:	Case No. 05-278
	:	[AMXC08002]
of	:	Hearing Officer – DMF
JESSE ALBERT GREENWALD	:	DECISION
	:	February 19, 2008

Pursuant to Article V, Section 2 of the Exchange Constitution and Rules 2(a) and (b) of the Rules of Procedure Applicable to Exchange Disciplinary Proceedings, this proceeding came before the Hearing Officer for review of the attached Stipulation and Consent to Penalty (Stipulation), which was entered into by the Parties for the purposes of settling this proceeding and concluding all disciplinary actions by the Exchange against Respondent based upon or arising out of the facts set forth in the Stipulation. Respondent, without admitting or denying the facts, allegations and conclusions contained in the Stipulation, consented to the entry of findings of violations of the Exchange Constitution and Rules and the federal securities laws, and the imposition of penalties, as set forth in the Stipulation.

After considering the stipulated facts, as well as the analysis and authorities set forth in the Exchange’s Memorandum in Support of Proposed Settlement, and in particular noting that Respondent is no longer a Regular Member Organization of the Exchange, the Hearing Officer hereby accepts the Stipulation, and accordingly finds that Respondent:

1. Violated SEC Rule 15c3-1(c)(2)(vi)(A) and Exchange Rule 324 between April 2003 and August 2004 by failing to properly calculate Respondent's net capital as set forth in the Stipulation; and
2. Violated Exchange Rule 320, Commentary .08 during the period of April 2003 through August 2004 by failing to have Insider Trading and Securities Fraud Enforcement Act of 1988 (ITSFEA) written compliance procedures.

In accordance with the Stipulation, for these violations Respondent is censured and fined \$3,750.

SO ORDERED.


David M. FitzGerald
Hearing Officer

Copies to: Jesse Albert Greenwald (*via FedEx and first-class mail*)
D. Christopher Walker, Esq. (*via electronic and first class mail*)
Joycelyn Thrower (*via electronic and first-class mail*)

EXHIBIT A

**Disciplinary Panel
American Stock Exchange LLC**

RECEIVED
JAN 17 2007

IN THE MATTER
OF
JESSE ALBERT GREENWALD
(CRD# 32869)

**STIPULATION OF FACTS AND
CONSENT TO PENALTY**

Case No.: 05-278

This proceeding was instituted by the American Stock Exchange LLC (the "Exchange" or "Amex") against Jesse Albert Greenwald, a sole proprietorship ("Respondent", "Greenwald", or the "Firm") (CRD# 32869), a former Regular Member Organization of the Exchange. This Stipulation of Facts and Consent to Penalty ("Stipulation") is entered into with Greenwald pursuant to Article V, Section 2 of the Exchange Constitution in order to settle and conclude all disciplinary actions brought by the Exchange against the Respondent based upon or arising out of the facts hereinafter stipulated. The Respondent, without admitting or denying the facts, allegations and conclusions contained in this Stipulation, hereby consents to the entry of findings of violations of the Exchange Constitution and Rules, and the Federal securities laws, and the imposition of the penalties hereinafter provided. The Respondent understands that a hearing officer, without conducting a formal hearing, will determine whether the Respondent has committed the violations set forth herein and may fix and impose the agreed upon penalty or reject the Stipulation. This Stipulation can also be the subject of review by the Amex Adjudicatory Council ("AAC"). The Respondent understands and acknowledges that the hearing officer's acceptance of this Stipulation may not be appealed by the parties, will become

part of its respective disciplinary records and may be considered in any future proceeding brought by the Exchange.

STIPULATED FACTS:

- 1.0 During all relevant periods herein, Greenwald was a Regular Member organization of the Exchange.
- 1.1 On or about June 30, 2007, Greenwald terminated its membership with the Exchange. Jurisdiction was retained over Greenwald by letter dated December 5, 2007 that was delivered by hand.
- 2.0 **Net Capital Computations**
- 2.1 During all relevant periods herein, Exchange Rule 324 required members and member organizations to keep true and complete books of account and records adequately setting forth the transactions of such members and member organizations in accordance with the requirements of the Constitution and rules of the Exchange and the Securities Exchange Act of 1934 and the rules thereunder.
- 2.2 During all relevant periods herein, SEC Rule 15c3-1(c)(2)(vi)(A) specified the percentage and method of deductions to be taken to comply with the net capital requirements.
- 2.3 During the period of April 1, 2003 through August 30, 2004, Greenwald's net capital computations and haircut work-papers indicated that the firm used a 2.5% haircut rate on U.S. Treasury Bills when the applicable SEC Rule 15c31(c)(2)(vi)(A) prescribed rate was .5% (one half of one percent).
- 2.4 The conduct described in paragraph 2.3 constitutes a violation of Amex Rule 324 and SEC Rule 15c3-1(c)(2)(vi)(A).

3.0 Supervision

- 3.1 During all periods herein, Exchange Rule 320, Commentary .08 required member organizations consisting of a single individual (e.g., a sole proprietorship) to maintain a written compliance manual specifying the obligations to which such member organization is subject under applicable securities laws and regulations and Exchange Rules and the processes and controls in place that are reasonably designed to achieve compliance with such obligations.
- 3.2 Amex Floor Members Circular #91-624 stated that Congress enacted the Insider Trading and Securities Fraud Enforcement Act ("ITSFEA") and that ITSFEA requires all registered broker and dealers to establish and enforce written procedures reasonably designed, taking into consideration the nature of the broker-dealer's business, to prevent the misuse of material non-public information.
- 3.3 During the period of April 1, 2003 through August 30, 2004, Greenwald failed to have Insider Trading and Securities Fraud Enforcement Act of 1988 (ITSFEA) written compliance procedures.
- 3.4 The conduct described in paragraph 3.3 constitutes the violation of Amex Rule 320, Commentary .08.

CONCLUSION:

By reason of the foregoing Stipulated Facts, a Disciplinary Panel may conclude:

- 4.1 Greenwald violated Exchange Rule 324 and SEC Rule 15c3-1(c)(2)(vi)(A) by failing to use the proper haircuts on the firm's capital computations and haircut work-papers, as described above in paragraphs 2.3 and 2.4.
- 4.2 Greenwald violated Exchange Rule 320, Commentary .08 by failing to have ITSFEA written compliance procedures, as described in paragraphs 3.3 and 3.4.

* * * * *

DISCIPLINARY ACTION:

By reason of the foregoing Stipulated Facts and violations, a Hearing Officer may impose the following penalties against the Respondent:

- (a) censure; and
- (b) a fine in the amount of \$3,750.00.

The Respondent hereby acknowledges that he or any other qualified representative of the firm has read carefully this Stipulation and understands all of the provisions contained herein; that he and the firm agree to its provisions voluntarily; and that no offer, promise, threat or inducement of any kind has been tendered to the Respondent by the Exchange, its staff or representatives to induce the Respondent 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, as provided by Exchange rules.

Further, the Respondent hereby agrees that neither he nor the firm may not take any action or make or permit to be made any public statement, 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 the Respondent'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.

Further, the Respondent understands and agrees that the Exchange may make a public announcement concerning this Stipulation and the subject matter thereof in a manner

consistent with those specified in Rule 12 of the Rules and Procedures Applicable to Exchange Disciplinary Proceedings.

Finally, it is understood and agreed that in any written submission to or proceeding before any person reviewing and/or body convened to consider this Stipulation of Facts and Consent to Penalty (including any reviewing person or body authorized by the Amex Constitution and/or Rules), neither Enforcement nor the Respondent, 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 (including arguing that no penalty should be imposed) other than that agreed upon in this Stipulation of Facts and Consent to Penalty.

AMERICAN STOCK EXCHANGE LLC

By: Claudia Crowley

Claudia Crowley
Senior Vice President
Chief Regulatory Officer
American Stock Exchange LLC

Agreed to this 17 day of December, 2007.

Jesse Albert Greenwald S.P.
Jesse Albert Greenwald, Sole Proprietorship