

ADMINISTRATIVE PROCEEDING
FILE NO. 3-12239

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION
March 31, 2006

In the Matter of :
 :
DOMINICK J. SAVINO : ORDER POSTPONING HEARING
 : AND REPORT ON PREHEARING
 : CONFERENCE
 :

On March 16, 2006, the Securities and Exchange Commission (Commission) issued an Order Instituting Proceedings (OIP) alleging, among other things, that Dominick J. Savino (Savino) was enjoined by the United States District Court for the Southern District of New York from future violations of Section 17(a) of the Securities Act of 1933 and Section 10(b) of the Securities Exchange Act of 1934 and Rule 10b-5 thereunder. SEC v. Savino, 01 CV 2438 (GBD) (S.D.N.Y. Feb. 24, 2006).

At a telephonic prehearing conference on March 30, 2006, Michael J. Grudberg, who appeared representing Savino, agreed that Savino was served with the OIP on March 20, 2006, and that his Answer is due by April 10, 2006. Savino consented to a request by the Division of Enforcement (Division) that the OIP, Section II, paragraph 3, fourth sentence, be modified to read as follows:

The complaint further alleged that Savino failed to disclose that he had given these kickbacks to a New York Life bond trader in exchange for the flow of business and favorable prices, and that he took other steps to conceal the fraudulent scheme." 17 C.F.R. § 201.221(c)(10).

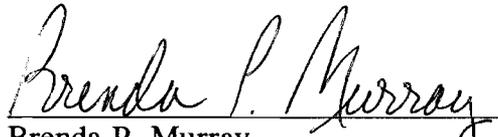
Pursuant to Rule 250 of the Commission's Rules of Practice, the Division requested leave to file a Motion for Summary Disposition. 17 C.F.R. § 201.250(a). I granted Savino until the close of business on Wednesday, April 5, 2006, to inform me whether he opposes the Division's request, and I will rule after Savino makes his position known. The Division proposes that it file the Motion for Summary Disposition by May 5, 2006; that Savino file a Brief in Opposition to the Motion for Summary Disposition by May 19, 2006; and that the Division file any Reply Brief by May 26, 2006. 17 C.F.R. § 201.154.

Based on the injunction, the allegations in the complaint, the extensive findings of fact and conclusions of law in the district court's Memorandum Decision, and other evidence, the Division intends to request that Savino be barred from association with any broker or dealer.

Savino stated that he is focused on reversing the district court's decision and final judgment. The pendency of an appeal, however, does not delay the imposition of sanctions based on an underlying injunction. If an appeal is successful, and the injunction is vacated, the Commission customarily entertains a request to lift a sanction imposed based on the injunction. Charles Phillip Elliot, 50 S.E.C. 1273, 1277 n.17, aff'd 36 F.3d 86 (11th Cir. 1994).

Ruling

Based on the contents of the prehearing conference, I ORDER that the hearing scheduled to begin on Monday, April 24, 2006, is postponed, and I ORDER a prehearing conference at noon Eastern Time on Tuesday, May 30, 2006.


Brenda P. Murray
Chief Administrative Law Judge