

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 20080157949**

TO: Department of Enforcement
Financial Industry Regulatory Authority ("FINRA")

RE: Domenic Carlo Ruggiero, Respondent
CRD No. 3011030

Pursuant to FINRA Rule 9216 of FINRA's Code of Procedure, I Domenic Carlo Ruggiero ["Ruggiero" or "I"], submit this Letter of Acceptance, Waiver and Consent ("AWC") for the purpose of proposing a settlement of the alleged rule violations described below. This AWC is submitted on the condition that, if accepted, FINRA will not bring any future actions against me alleging violations based on the same factual findings described herein.

I.

ACCEPTANCE AND CONSENT

- A. I hereby accept and consent, without admitting or denying the findings, and solely for the purposes of this proceeding and any other proceeding brought by or on behalf of FINRA, or to which FINRA is a party, prior to a hearing and without an adjudication of any issue of law or fact, to the entry of the following findings by FINRA:

BACKGROUND

Ruggiero entered the securities industry on or about March 12, 1998 as an associate financial advisor with a FINRA member firm. On or about March 1, 1999, Ruggiero became registered as a general securities representative while employed by a FINRA member firm and remained continuously employed by various member firms through 2005. From on or about December 1, 2005 through November 21, 2008, Ruggiero was employed as a financial consultant and general securities representative with CCO Investment Services Corp. ("CCO" or the "Firm") and worked there until his termination on November 21, 2008.

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On December 18, 2008, the Firm filed a Uniform Termination Notice for Securities Industry Registration (the "Form U-5") reporting that Ruggiero was terminated for issuing "fraudulent letters of credit". Ruggiero's registration status as a general securities representative with CCO ended on December 18, 2008. Ruggiero is currently not employed in the securities industry.

FACTS AND VIOLATIVE CONDUCT

During the period from December 2005 through November 2008, Ruggiero was employed as a financial consultant with CCO. In his capacity as a financial consultant, Ruggiero did not have authority or approval to sign or issue Letters of Credit. On or about October 10, 2007, Ruggiero signed a Letter of Credit on Firm letterhead in the amount of \$55,000 and gave the Letter of Credit to customer RZ without the Firm's knowledge or authorization.¹ The Letter of Credit dated October 10, 2007 identified customer RZ as the "applicant" and company GO, a fuel supplier, as the "beneficiary". RZ gave the October 10, 2007 Letter of Credit to fuel supplier company GO.

Subsequently, on or about November 15, 2007, Ruggiero signed another Letter of Credit on Firm letterhead, without the Firm's knowledge or authorization, in the amount of \$75,000 and gave the Letter of Credit to customer RZ. The Letter of Credit dated November 15, 2007 listed RZ as the "applicant" and company PP as the "beneficiary". RZ gave the November 15, 2007 Letter of Credit to fuel supplier company PP.

During November 2008, company GO and company PP presented the Letters of Credit to RBS Citizens Bank, an affiliate of the Firm, for payment. Ruggiero's issuance of the unauthorized Letters of Credit to RZ, who then gave the Letters of Credit to the fuel suppliers, caused the Firm to pay a sum of money to company GO and company PP as part of a settlement in connection with the unauthorized Letters of Credit.

In addition, pursuant to FINRA Rule 8210, FINRA staff sent Ruggiero a request dated September 22, 2009, directing him to appear and provide on-the-record testimony on October 9, 2009, in connection with the information reported by the Firm on the Form U-5. On October 9, 2009, Ruggiero failed to appear and provide testimony as directed by FINRA staff's September 22, 2009 letter. FINRA staff sent Ruggiero a second request dated November 30, 2009, pursuant to FINRA Rule 8210, directing him to appear and testify on December 7, 2009, in connection with the information reported by the Firm on the Form U-5. On

¹ The Letters of Credit were issued on Charter One Investment Services letterhead, which was the predecessor of CCO.

December 7, 2009, Ruggiero again failed to appear and provide testimony as directed by FINRA staff's November 30, 2009 letter.

NASD Conduct Rule 2110 provides that [a] member, in the conduct of his business shall observe high standards of commercial honor and just and equitable principles of trade."

Based on the foregoing conduct, Respondent violated NASD Conduct Rule 2110 by signing two Letters of Credit on Firm letterhead totaling \$130,000 and providing them to a customer without the Firm's knowledge or authorization.

In addition, pursuant to FINRA Rule 8210, FINRA may require any person subject to its jurisdiction to provide testimony regarding any matter under investigation. Further, Rule 8210 (c) provides that "No member or person shall fail to provide, information or testimony or to permit an inspection and copying of books, records, or accounts pursuant to this Rule." By failing to appear and provide testimony on October 9, 2009 and December 7, 2009, Ruggiero violated FINRA Rules 8210 and 2010.

B. I also consent to the imposition of the following sanctions:

1. A bar from association with any FINRA member in any capacity.

The sanction imposed herein shall be effective on a date set by FINRA staff. Pursuant to FINRA Rule 8313(e), a bar or expulsion shall become effective upon approval or acceptance of this AWC.

I understand that if I am barred or suspended from associating with any FINRA member, I become subject to a statutory disqualification as that term is defined in Section 39(a)(39) of the Securities Exchange Act of 1934, as amended. Accordingly, I may not be associated with any FINRA member in any capacity, including clerical or ministerial functions, during the period of the bar or suspension (see FINRA Rule 8310 and 8311). The sanctions imposed herein shall be effective on a date set by FINRA staff.

II.

WAIVER OF PROCEDURAL RIGHTS

I specifically and voluntarily waive the following rights granted under FINRA's Code of Procedure:

A. To have a Complaint issued specifying the allegations against me;

- B. To be notified of the Complaint and have the opportunity to answer the allegations in writing;
- C. To defend against the allegations in a disciplinary hearing before a hearing panel, to have a written record of the hearing made and to have a written decision issued; and
- D. To appeal any such decision to the National Adjudicatory Council ("NAC") and then to the U.S. Securities and Exchange Commission and a U.S. Court of Appeals.

Further, I specifically and voluntarily waive any right to claim bias or prejudgment of the General Counsel, the NAC, or any member of the NAC, in connection with such person's or body's participating in discussions regarding the terms and conditions of this AWC, or other consideration of this AWC, including acceptance or rejection of this AWC.

I further, specifically and voluntarily waive any right to claim that a person violated the ex parte prohibitions of FINRA Rule 9143 or the separation of functions prohibitions of FINRA Rule 9144, in connection with such person's or body's participation in discussions regarding the terms and conditions of this AWC, or other consideration of this AWC, including its acceptance and rejection.

III

OTHER MATTERS

I understand that:

- A. Submission of this AWC is voluntary and will not resolve this matter unless and until it has been reviewed and accepted by the NAC, a Review Subcommittee of the NAC, or the Office of Disciplinary Affairs ("ODA"), pursuant to FINRA Rule 9216;
- B. If this AWC is not accepted, its submission will not be used as evidence to prove any of the allegations against me; and
- C. If accepted:
 - 1. This AWC will become part of my permanent disciplinary record and may be considered in any future actions brought by FINRA or any other regulator against me;

2. This AWC will be made available through FINRA's public disclosure program in response to public inquiries about my disciplinary record;
3. FINRA may make a public announcement concerning this agreement and the subject matter thereof in accordance with FINRA Rule 8313; and
4. I 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 AWC or create the impression that the AWC is without factual basis. I may not take any position in any proceeding brought by or on behalf of FINRA, or to which FINRA is a party, that is inconsistent with any part of this AWC. Nothing in this provision affects my right to take legal or factual positions in litigation or other legal proceedings in which FINRA is not a party.

I certify that I have read and understand all of the provisions of this AWC and have been given a full opportunity to ask questions about it; that I have agreed to its provisions voluntarily; and that no offer, threat, inducement, or promise of any kind, other than the terms set forth herein and the prospect of avoiding the issuance of a Complaint, has been made to induce me to submit it.

5-26-2010
Date

Domenic Carlo Ruggiero
Respondent
Domenic Carlo Ruggiero

By: Domenic Carlo Ruggiero
Domenic Carlo Ruggiero

Accepted by FINRA:

July 7, 2010
Date

Signed on behalf of the
Director of ODA, by delegated authority

Thomas B. Lawson
Thomas B. Lawson
Chief Counsel
FINRA Department of Enforcement
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