



FORMAT FOR
PRINTING
sponsored by

XEROX

April 12, 2005 9:06 a.m. EDT

US Attorney To Announce Indictments On NYSE Specialists

DOW JONES NEWSWIRES

April 12, 2005 9:06 a.m.

By Gaston F. Ceron
OF DOW JONES NEWSWIRES

NEW YORK -- The U.S. attorney for the southern district of New York plans to announce a set of indictments against 15 former and current New York Stock Exchange "specialists," charging them with stock-trading abuses.

The indictments against the specialists, whose names haven't yet been officially announced, will be unveiled at a 10:30 a.m. EDT press conference, said the office for U.S. Attorney David Kelley. Officials from the Federal Bureau of Investigation and the Securities and Exchange Commission also are expected to be on hand.

Specialists enjoy a unique and powerful position at the NYSE. Acting as auctioneers, they oversee the buying and selling in their assigned stocks and are expected to keep trading functioning in a fair and orderly manner. But last year, the NYSE's and the SEC's investigation of the specialists led to a combined \$247 million in civil and disgorgement penalties against the firms for putting their own trading interests ahead of those of their customers. The firms didn't admit or deny wrongdoing in settling the regulatory actions.

After the investigation against the firms, the regulators still had actions pending against individual specialists, and that's what led to Tuesday's announcement.


The U.S. attorney's office said the specialists would be charged "with violating federal securities laws through patterns of fraudulent and improper trading over approximately four years."

-By Gaston F. Ceron, Dow Jones Newswires, 201-938-5234; gaston.ceron@dowjones.com

URL for this article:

http://online.wsj.com/article/0,,BT_CO_20050412_003202,00.html

DOW JONES REPRINTS

 This copy is for your personal, non-commercial use only. To order presentation-ready copies for distribution to your colleagues, clients or customers, use the Order Reprints tool at the bottom of any article or visit: www.djreprints.com.

- See a sample reprint in PDF format.
- Order a reprint of this article now.

Start a **FREE**
trial of the
Online Journal



Subscribe to
The Print Journal



Free US Quotes:

- Symbol
 Name

Get **FREE E-Mail** by topic

Check Out our **Mobile & Wireless Services**

DIGEST OF EARNINGS

Details of the latest corporate earnings reported for FREE.

Copyright 2005 Dow Jones & Company, Inc. All Rights Reserved

This copy is for your personal, non-commercial use only. Distribution and use of this material are governed by our [Subscriber Agreement](#) and by copyright law. For non-personal use or to order multiple copies, please contact Dow Jones Reprints at 1-800-843-0008 or visit www.djreprints.com.