

FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2005001198801

RECEIVED
2007 OCT 25 A 8:07
REGISTRATION & DISCLOSURE

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

RE: Frank A. Coniglio, Respondent
CRD No. 2560370

Pursuant to NASD Rule 9216 of FINRA's Code of Procedure, I, Frank A. Coniglio ("Coniglio" or "Respondent"), 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

Coniglio first became an associated person of FINRA (f/k/a National Association of Securities Dealers or NASD) in October 1994, by virtue of the fact that he completed and executed a Uniform Application for Securities Industry Registration or Transfer ("Form U-4") that was submitted to, and received by, FINRA on his behalf on October 27, 1994. Since that time, he has been associated with eight additional member firms, including Whitaker Securities LLC (BD No. 121465) ("Whitaker"), where he was an associated person for the period from May 1, 2004, through March 8, 2006.¹ Coniglio's most recent period as an associated person with a member firm ended on June 21, 2007.

¹ Whitaker submitted a Form U-4 to FINRA on Coniglio's behalf on May 18, 2004, on which Coniglio's first date of employment with Whitaker was listed as May 3, 2004. However, subsequently, on July 1, 2006, and March 8, 2006, Whitaker submitted additional Forms U-4 to FINRA on Coniglio's behalf on which Coniglio's first date of employment with Whitaker was listed as May 1, 2004.

F.S.

In addition to being an associated person of nine member firms, Coniglio was registered with FINRA, through his association with one of these firms, as a Government Securities Limited Representative during the following two periods: (i) June 3, 1996 through June 10, 1996; and (ii) August 12, 1997, through October 30, 1998. Otherwise, Coniglio has not been registered with FINRA in any capacity.

Coniglio has no disciplinary history with the Securities and Exchange Commission, any self-regulatory organization, or state securities regulator.

OVERVIEW

From May 1, 2004, through March 8, 2006, while an associated person of Whitaker, Coniglio acted in a capacity requiring registration with FINRA when he was not registered in any capacity. By reason of the foregoing, Coniglio violated NASD Membership and Registration Rule 1031 and Conduct Rule 2110.

FACTS AND VIOLATIVE CONDUCT

During the period from May 1, 2004, through March 8, 2006, Coniglio was employed by Whitaker to work on the firm's emerging markets desk. As such, he was engaged in activity involving the purchase and sale of fixed income securities on behalf of institutional customers. Such activity included sending and receiving price information of securities to other securities dealers, and assisting in the execution of securities transactions. This activity required that Coniglio be registered as a General Securities Representative; however, he was not registered with FINRA in any capacity. Thus, Coniglio acted in a capacity requiring registration without being registered with FINRA in any capacity and thereby violated NASD Membership and Registration Rule 1031 and Conduct Rule 2110.

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

- A suspension from associating with any FINRA member in any capacity for a period of ten business days; and
- A fine in the amount of \$10,000.

The fine shall be due and payable either immediately upon reassociation with a member firm following the ten business day suspension noted above, or prior to any application or request for relief from any statutory disqualification resulting from this or any other event or proceeding, whichever is earlier.

I specifically and voluntarily waive any right to claim that I am unable to pay, now or at any time hereafter, the monetary sanction imposed in this matter.

F.C.

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 3(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 NASD Rule 8310 and IM-8310-1.)

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 Formal Complaint issued specifying the allegations against me;
- B. To be notified of the Formal 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 participation 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 NASD Rule 9143 or the separation of functions prohibitions of NASD 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 or 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 NASD 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 NASD Rule 8310 and IM-8310-3; 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.
- D. I may attach a Corrective Action Statement to this AWC that is a statement of demonstrable corrective steps taken to prevent future misconduct. I understand that I may not deny the charges or make any statement that is inconsistent with the AWC in this Statement. This Statement does not constitute factual or legal findings by FINRA, nor does it reflect the views of FINRA or its staff.

9/19/07
Date

Reviewed by:

George F. Meierhofer
Counsel for Respondent
Becker & Poliakoff, LLP
45 Broadway, 11th Floor
New York, NY 10006
Tel: 212-599-3322

Accepted by FINRA:

October 24, 2007

Date _____

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

Christina J. Kang
Senior Regional Attorney
FINRA Department of Enforcement
One Liberty Place
New York, New York 10006
Tel: 212-858-4009; Fax: 212-858-4770

F.L.