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REGISTRATION & DISCLOSURE

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 20050014668-01**

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

RE: Assent LLC, Respondent
Broker-Dealer
CRD No. 104162

Pursuant to NASD Rule 9216 of the FINRA Code of Procedure, Assent LLC (the "firm") submits 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 the firm alleging violations based on the same factual findings described herein.

I.

ACCEPTANCE AND CONSENT

- A. The firm hereby accepts and consents, 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

The firm has been a member of FINRA (f/k/a NASD) since October 12, 2000 and its registration remains in effect. On March 9, 2007, NASD accepted an Offer of Settlement which fined the firm \$7,500 for violations of NASD Marketplace Rule 6955(a).

OVERVIEW

In Matter 20050014668, the OATS Compliance Team of the Department of Market Regulation conducted an interfirm route matching regulatory lookback of the firm for the purpose of determining the firm's compliance with the OATS rules during the October 1, 2003 through September 30, 2004 time period.

In Matter 20050023922, the OATS Compliance Team of the Department of Market Regulation conducted a Nasdaq Execution System ("NES") route matching regulatory sweep of the firm for the purpose of determining the firm's compliance with the OATS rules during the April 1, 2005 through June 30, 2005 time period.

In Matter 20050036079, the Department of Market Regulation conducted a Trading and Market Making Examination (the "2005 TMMS Exam") for trade dates in October and November 2005. For purposes of the 2005 TMMS Exam, the staff reviewed the items on Exhibit A attached hereto.

In Matter 20060039441, the OATS Compliance Team of the Department of Market Regulation conducted an interfirm route matching regulatory sweep of the firm for the purpose of determining the firm's compliance with the OATS rules during the April 1, 2005 through June 30, 2005 review period.

The violations contained herein are a result of these reviews.

FACTS/VIOLOGATIVE CONDUCT BY RESPONDENT

Matter 20050014668 (October 1, 2003 – September 30, 2004 Interfirm Route Match Lookback):

1. During the October 1, 2003 through September 30, 2004 review period, the firm transmitted to OATS 2,191,692 reports that contained inaccurate, incomplete, or improperly formatted data. Specifically, OATS was unable to match the reports to the identified receiving firm's related new order reports. These inaccurate and/or incomplete reports represented 99 percent of all reports (2,193,722) transmitted by the firm during the review period. The conduct described in this paragraph constitutes separate and distinct violations of NASD Marketplace Rule 6955(a).

Matter 20050023922 (2Q'05 NES Route Match Sweep):

2. During the 2Q'05 review period, the firm transmitted to OATS 1,987,630 reports that contained inaccurate, incomplete, or improperly formatted data. Specifically, OATS was unable to match the reports to the related reports in SuperMontage or SelectNet. These inaccurate and/or incomplete reports represented 13 percent of all reports (14,401,675) transmitted by the firm during the review period. The conduct described in this paragraph constitutes separate and distinct violations of NASD Marketplace Rule 6955(a).

Matter 20050036079 (2005 TMMS Exam):

3. During the 2005 TMMS Exam review period, the firm failed to report to the Nasdaq Market Center the correct symbol indicating whether the firm executed 9,808 transactions in eligible securities in a principal or agency capacity. Specifically, the firm improperly reported its capacity as principal. The conduct described in this paragraph constitutes separate and distinct violations of NASD Marketplace Rule 6130(d).
4. During the 2005 TMMS Exam review period, the firm transmitted to OATS 60 reports that contained inaccurate, incomplete, or improperly formatted data. Specifically, the firm inaccurately denoted limit orders as market orders and failed to include the time-in-force in new order reports. These inaccurate and/or incomplete reports represented 100 percent of the sample of reports reviewed in the TMMS examination that the firm transmitted during the review period. The conduct described in this paragraph constitutes separate and distinct violations of NASD Marketplace Rule 6955(a).

Matter 20060039441 (2Q'05 Interfirm Route Match Sweep):

5. During the 2Q'05 review period, the firm transmitted to OATS 93,120,668 reports that contained inaccurate, incomplete, or improperly formatted data. Specifically, OATS was unable to match the reports to the identified receiving firm's related new order reports. These inaccurate and/or incomplete reports represented 24 percent of all reports (381,676,787) transmitted by the firm during the review period. The conduct described in this paragraph constitutes separate and distinct violations of NASD Marketplace Rule 6955(a).

B. The firm hereby consents to the imposition of the following sanctions:

A censure and a fine of \$110,000 (\$10,000 for the OATS violations in 20050014668, \$5,000 for the OATS violations in 20050023922, \$5,000 for the trade reporting violations in 20050036079, \$5,000 for the OATS violations in 20050036079, and \$85,000 for the OATS violations in 20060039441).

The sanctions imposed herein shall be effective on a date set by FINRA staff.

The firm agrees to pay the monetary sanction(s) upon notice that this AWC has been accepted and that such payment(s) are due and payable. The firm has submitted an Election of Payment form showing the method by which the firm proposes to pay the fine imposed.

The firm specifically and voluntarily waives any right to claim that the firm is unable to pay, now or at any time hereafter, the monetary sanction(s) imposed in this matter.

II.

WAIVER OF PROCEDURAL RIGHTS

The firm specifically and voluntarily waives the following rights granted under FINRA's Code of Procedure:

- A. To have a Formal Complaint issued specifying the allegations against the firm;
- 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, the firm 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.

The firm further specifically and voluntarily waives 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

The firm understands 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 the firm; and
- C. If accepted:
1. this AWC will become part of the firm's permanent disciplinary record and may be considered in any future actions brought by FINRA or any other regulator against the firm;
 2. this AWC will be made available through FINRA's public disclosure program in response to public inquiries about the firm's 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. 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 AWC or create the impression that the AWC is without factual basis. The firm 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 the firm's right to take legal or factual positions in litigation or other legal proceedings in which FINRA is not a party.
- D. The firm may attach a Corrective Action Statement to this AWC that is a statement of demonstrable corrective steps taken to prevent future misconduct. The firm understands that the firm 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.

The firm certifies that the firm has read and understand all of the provisions of this AWC and has been given a full opportunity to ask questions about it; that the firm has 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 the firm to submit it.

August 10, 2007
Date

Date _____

**Respondent
Assent LLC**

Bv:

Name:

Title:

Reviewed by:

Counsel for Respondent

Accepted by FINRA:

9/21/07
Date

Date _____

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

Thomas R. Gira
Thomas R. Gira
Executive Vice President
Department of Market Regulation

Thomas R. Gira

Executive Vice President

Department of Market Regulation

Statement of Corrective Action
(Examination Nos. 20050014668, 20050023922, 20050036079, 20060039441)

This Statement of Corrective Action is submitted by Assent LLC ("Assent" or the "Firm"). It does not constitute factual or legal findings by FINRA, nor does it reflect the views of FINRA or its staff (the "Staff").

The Firm was the subject of a Trading and Market Making Surveillance ("TMMS") examination, as well as several reviews conducted by the Staff as part of certain sweeps relating to Order Audit Trail System ("OATS") reporting.

The remedial measures that Assent has undertaken include revising its OATS written supervisory procedures. In addition, Assent has enhanced its OATS program by instituting regular periodic meetings of personnel with OATS responsibilities, enhancing its procedures relating to the routing of orders, the transmission and review of Reportable Order Events ("ROEs"), revising and enhancing its OATS Logs, and instituting procedures to coordinate enhancements or changes to its order handling and trading system that may affect the Firm's OATS reports. In an effort to meet the highest compliance standards, Assent has also employed an outside consultant to conduct a field-by-field review of the Firm's OATS reporting program.

As a result of Assent's efforts, Assent has not experienced material issues with Route Report or Combined Order/Route Report matching since these enhancements were implemented.