NASD
LETTER OF ACCEPTANCE, WAIVER AND CONSENT

20050030714-01

TO: **Department of Market Regulation**
NASD

RE: **INTL Trading, Inc.,** Respondent
Broker/Dealer
CRD No. 45993

Pursuant to Rule 9216 of the NASD Code of Procedure, INTL Trading, Inc. ("INTL" or the "firm"), submits this Letter of Acceptance, Waiver and Consent ("AWC") for the purpose of proposing a settlement of the alleged rule violations described in Part II below. This AWC is submitted on the condition that, if accepted, NASD will not bring any future actions against the firm alleging violations based on the same factual findings.

INTL understands that:

1. Submission of this AWC is voluntary and will not resolve this matter unless and until it has been reviewed and accepted by NASD's Market Regulation Department and National Adjudicatory Council ("NAC") Review Subcommittee or Office of Disciplinary Affairs ("ODA"), pursuant to NASD Rule 9216;

2. If this AWC is not accepted, its submission will not be used as evidence to prove any of the allegations against the firm; and

3. If accepted:

    a. this AWC will become part of the firm's permanent disciplinary record and may be considered in any future actions brought by the NASD or any other regulator against the firm;

    b. this AWC will be made available through NASD's public disclosure program in response to public inquiries about the firm's disciplinary record;

    c. NASD may make a public announcement concerning this agreement and the subject matter thereof in accordance with NASD Rule 8310 and IM-8310-2; and

    d. 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. Nothing in this provision affects the firm's testimonial obligations or right to take legal or factual positions in litigation or other legal proceedings in which NASD is not a party.

INTL also understands that the firm's experience in the securities industry and the firm's disciplinary history may be factors that will be considered in deciding whether to accept this AWC. That experience and history are as follows:

INTL has been a member of NASD since March 22, 1999, and its registration remains in effect. The firm has no prior relevant disciplinary history.

I.

WAIVER OF PROCEDURAL RIGHTS

INTL specifically and voluntarily waives the following rights granted under NASD'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 NAC and then to the U.S. Securities and Exchange Commission and a U.S. Court of Appeals.

INTL specifically and voluntarily waives 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.

INTL specifically and voluntarily waives any right to claim that a person violated the ex parte prohibitions of Rule 9143 or the separation of functions prohibitions of 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.

II.

ACCEPTANCE AND CONSENT

In connection with 20050030714 and 20060043459, the staff of the Department of Market Regulation (the "staff") conducted a review of INTL's compliance with SEC Rule 15c2-11 and NASD Marketplace Rule 6740 on October 18, 2005 and February 9, 2006, respectively, as well as INTL's written supervisory procedures and supervisory system with respect to such rules.

A. INTL 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 NASD, or to which NASD 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 NASD:

1. On October 18, 2005 and February 9, 2006, INTL submitted 30 and nine quotations, respectively, on a quotation medium, the Pink Sheets, L.L.C., and did not have in its records the documentation required by SEC Rule 15c2-11(a) and (b). The quotations did not represent a customer's indication of unsolicited customer interest.

2. The conduct described in paragraph one constitutes separate and distinct violations of SEC Rule 15c2-11 and NASD Conduct Rule 2110.

3. For each quotation described in paragraph one, INTL failed to file a Form 211 with NASD at least three business days before INTL's quotations were published or displayed in a quotation medium.

4. The conduct described in paragraph three constitutes separate and distinct violations of NASD Marketplace Rule 6740 and NASD Conduct Rule 2110.

5. INTL's supervisory system did not provide for supervision reasonably designed to achieve compliance with respect to the applicable securities laws and regulations, and the Rules of NASD, concerning SEC Rule 15c2-11 and NASD Marketplace Rule 6740. Specifically, the firm's supervisory system did not include written supervisory procedures providing for: (1) a statement of the supervisory step(s) to be taken by the identified person; (2) a statement as to how often such person should take such step(s); and (3) a statement as to how the completion of the step(s) included in the written supervisory procedures should be documented.

6. The conduct described in paragraph five constitutes a violation of NASD Conduct Rules 2110 and 3010.

B. INTL also consents to the imposition, at a maximum, of the following sanctions:

A censure and a fine of $10,000 (consisting of a $5,000 fine for the SEC Rule 15c2-11 and 6740 violations and a $5,000 fine for the supervisory violations) and an undertaking to revise the firm's written supervisory procedures with respect to the areas described in paragraph five. Within 30 business days of acceptance

of this AWC by the NAC, a registered principal of the Respondent shall submit to the **COMPLIANCE ASSISTANT, LEGAL SECTION, MARKET REGULATION DEPARTMENT, 9509 KEY WEST AVENUE, ROCKVILLE, MD 20850**, a signed, dated letter, providing the following information: (1) a reference to this matter; (2) a representation that the firm has revised its written supervisory procedures to address the deficiencies described in paragraph seven; and, (3) the date the revised procedures were implemented.

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

III.

OTHER MATTERS

A. INTL understands that it may attach a Corrective Action Statement to this AWC which is a statement of demonstrable corrective steps taken to prevent future misconduct. INTL understands that it 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 NASD nor does it reflect the views of NASD or its staff.

B. INTL agrees to pay any monetary sanctions imposed on it upon notice that this AWC has been accepted and that such payments are due and payable, and has attached the Election of Payment form showing the method by which the firm proposes to pay any fine imposed.

C. INTL specifically and voluntarily waives any right to claim that INTL is unable to pay, now or at any time hereafter, any monetary sanction imposed in this matter.

INTL certifies that the firm has read and understands all of the provisions of this AWC and has been given a full opportunity to ask questions about it, and that no offer, threat, inducement, or promise of any kind, other than the terms set forth herein, has been made to induce INTL to submit it.

Aug 18, 2006
Date

INTL Trading, Inc.

Respondent

By: Nancey M. McMurtry

Name: Nancey M. McMurtry
Title: CCO

Reviewed by:

_____
Counsel for Respondent

Accepted by NASD

10/4/06
Date

Cameron Funkhouser
Senior Vice President
Market Regulation Department

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

Attachment:
Standard Election of Payment Form

INTL Trading, Inc.
(Member NASD/SIPC)
220 E. Central Parkway, Suite 2060
Altamonte Springs, FL 32701
Tel (800) 541-1977 Fax (407) 740-0808

CORRECTIVE ACTION STATEMENT

INTL Trading, Inc. ("INTL") engaged a compliance consultant and has revised the entirety of its Equity Trading Written Supervisory Procedures, including its procedures regarding the filing of Form 211. INTL is prepared to make the representation as required within the signed AWC.

INTL has been searching for an appropriate candidate and has recently added an experienced compliance associate whose primary focus will be compliance oversight for the firm's equity trading business.

By: _____
Nancey M. McMurtry
CCO

This Corrective Action Statement is submitted by the Respondent. It does not constitute factual or legal finds by NASD, nor does it reflect the views of NASD, or its staff.