

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2007007609901**

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2008 DEC 16 P 4: 05
REGISTRATION & DISCLOSURE

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

RE: Brian R. Nord, Respondent
Registered Representative
CRD No. 2759032

Pursuant to NASD Rule 9216 of FINRA's Code of Procedure, I, Brian R. Nord ("Nord"), 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

Nord entered the securities industry as a General Securities Representative of a FINRA member on July 1, 1996. Between July 1, 1996 and March 14, 2008, he was registered in this capacity with ACAP Financial Inc., a FINRA member. Nord is not currently associated with any FINRA members.

RELEVANT PRIOR DISCIPLINARY HISTORY

On April 16, 2001, Nord signed an AWC and accepted a \$3,500 fine in case number E8A20010447 for opening an on-line securities account away from his firm without informing the firm.

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OVERVIEW

Nord borrowed money from and lent money to seven customers of his firm without prior firm knowledge or approval. Nord engaged in outside business activities without notifying his firm. Nord declined to appear for an On-the-Record interview, requested by FINRA staff pursuant to NASD Procedural Rule 8210

FACTS AND VIOLATIVE CONDUCT

Borrowing from and Lending to Customers

Between the dates of July 1, 1996 and March 14, 2008, Nord was employed by ACAP Financial Inc. ("ACAP") as a registered representative. ACAP's written supervisory procedures prohibited its registered representatives from borrowing from or lending to customers of the firm unless the registered representative requested permission in writing and received firm permission in writing prior to the transaction.

Between December 26, 2003 and June 20, 2006, Nord loaned to or borrowed from seven of his firm's customers in amounts ranging from \$4,000 to \$500,000. Nord loaned to three of these customers on more than one occasion. Nord engaged in these activities without obtaining written approval in accordance with his firm's written procedures.

These acts described above constitute separate and distinct violations of NASD Conduct Rules 2370 and 2110.

Outside Business Activity

ACAP required that outside business activities be disclosed in writing prior to the commencement of outside business activities.

Between the dates of January 20, 2004 and May 10, 2005, Nord accepted \$59,000 in compensation from a corporate non-customer for consulting services, without providing prompt notice, written or otherwise, to ACAP in any form.

These acts described above constitute separate and distinct violations of NASD Rules 3030 and 2110.

Failure to Respond to Requests for Information

On September 27, 2007, FINRA staff requested that Nord appear for an On-the-Record interview ("OTR"), pursuant to NASD Procedural Rule 8210, regarding borrowing from and lending to ACAP customers and regarding Nord's outside business activities. On November 5, 2007, Nord sent FINRA staff a letter

acknowledging the OTR request but stating that he did not intend to appear to give testimony.

These acts described above constitute a violation of NASD Rule 2110 and NASD Procedural Rule 8210.

OTHER FACTORS

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

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

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. Pursuant to NASD IM-8310-3(e), a bar or expulsion shall become effective upon approval or acceptance of this AWC.

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 prejudice 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.

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.

11-20-08

Date



Brian R. Nord

Reviewed by:



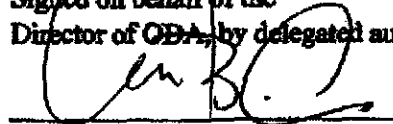
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Accepted by FINRA:

12-16-08

Date

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



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