

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 20070094329**

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

RE: Farhang Oshidary, Respondent
CRD No. 1545176

Pursuant to Rule 9216 of FINRA Code of Procedure, Farhang Oshidary ("Oshidary") 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 Oshidary alleging violations based on the same factual findings.

I.

ACCEPTANCE AND CONSENT

- A. Oshidary 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

Oshidary entered the securities industry in July 1986 as a registered representative at Merrill Lynch, Pierce, Fenner & Smith Incorporated. In August 1994 he joined Citigroup Global Markets Inc. (the "Firm") as a registered representative. On September 7, 2006 Oshidary's employment was terminated and he has not been employed in the securities industry in any capacity since that time. Oshidary is currently not registered with any FINRA member, and has no disciplinary history.

VIOLATIVE CONDUCT BY RESPONDENT

1. NASD Rule 3040(a) states that no person associated with a member shall participate in any manner in a private securities transaction

000047184 2008

except in accordance with requirements of the Rule. NASD Rule 3040(b) states that an associated person shall provide written notice detailing the proposed transaction, to the member with which he is associated, prior to participating in any private securities transaction. NASD Rule 2110 requires observance of high standards of commercial honor and just and equitable principles of trade.

2. In April 2005, Oshidary, a registered representative, facilitated a private securities transaction investment in an outside private business for at least one of his clients.
3. Oshidary facilitated the purchase of shares by his client in BCT, a private company. In April 2005, the client invested approximately \$416,000, in the form of a check payable to BCT, and received in exchange a certificate evidencing ownership of 555,555 shares of preferred stock in the company.
4. Oshidary facilitated the investment and introduced the client to the principals of the private company.
5. Oshidary did not provide written or oral notice to his member firm employer of the proposed transaction or his role in the transaction.
6. Oshidary facilitated the exchange of money for the shares of stock in the private company in that he facilitated the transfer of funds from the client's account to the client's bank account.
7. Such acts, practices and conduct constitute separate and distinct violations of NASD Rules 2110 and 3040 by Oshidary.

OTHER FACTORS

- B. Oshidary consents to the imposition of a suspension of four months from association with any FINRA member in any capacity.

Respondent has asserted an inability to pay and has submitted a financial statement. In light of the financial status of Respondent, no monetary sanction has been imposed.

The sanction imposed herein shall be effective on a date set by FINRA staff. Oshidary understands that if he is barred or suspended from associating with any FINRA member, he becomes 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, Oshidary 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.)

II.

WAIVER OF PROCEDURAL RIGHTS

Oshidary 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 him;
- 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, Oshidary 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.

Oshidary further 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.

III.

OTHER MATTERS

Oshidary understands that:

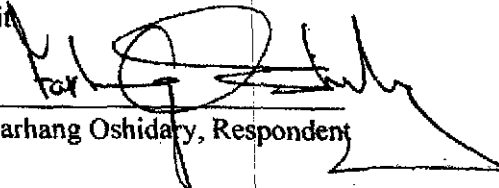
- A. Submission of this AWC is voluntary and will not resolve this matter unless and until it has been reviewed and accepted by the NAC, a Review Subcommittee of the NAC, or the Office of Disciplinary Affairs ("ODA"), pursuant to NASD Rule 9216;
- B. If this AWC is not accepted, its submission will not be used as evidence to prove any of the allegations against him; and
- C. If accepted:
 - 1. this AWC will become part of his permanent disciplinary record and may be considered in any future actions brought by FINRA or any other regulator against him;
 - 2. this AWC will be made available through FINRA's public disclosure program in response to public inquiries about his 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-8310-2; and
 - 4. Oshidary 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. Oshidary 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 his right to take legal or factual positions in litigation or other legal proceedings in which FINRA is not a party.
- D. Oshidary may attach a Corrective Action Statement to this AWC that is a statement of demonstrable corrective steps taken to prevent future misconduct. He understands that he 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.

Oshidary certifies that he has read and understand all of the provisions of this AWC and has been given a full opportunity to ask questions about it; that he 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 him to induce him to submit it

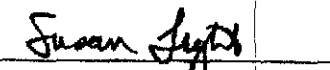
May 28, 2008

Date


Farhang Oshidary, Respondent

June 24, 2008

Date


Susan Light
Senior Vice President

FINRA Department of Enforcement
14 Wall St., 14th Floor
New York, NY 10005
Phone Number: (646) 315-7337
Fax Number: (646) 315-7425

16559.12