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REGISTRATION & DISCLOSURE

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2007010181801**

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

RE: Liam Patrick Heinz, Respondent
CRD No. 4470644

Pursuant to NASD Rule 9216 of FINRA's Code of Procedure, Liam Patrick Heinz ("Heinz" or "Respondent") 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 Heinz alleging violations based on the same factual findings described herein.

I.

ACCEPTANCE AND CONSENT

- A. Heinz 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

Heinz obtained his Series 7 General Securities Representative license on November 28, 2001 and his Series 63 license on January 23, 2002. Between September 2001 and September 2007, Heinz was associated with various member firms. Between June 2, 2008, and June 23, 2008, Heinz was associated with member firm John Thomas Financial. On June 24, 2008, John Thomas filed a Form U5 on behalf of Heinz, terminating his association with the firm as of June 23, 2008.

RELEVANT PRIOR DISCIPLINARY HISTORY

Heinz has no prior disciplinary history.

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OVERVIEW

Heinz effected an unauthorized transaction in a customer account, in violation of NASD Conduct Rule 2110 and IM-2310-2.

FACTS AND VIOLATIVE CONDUCT

On or about November 15, 2006, Heinz entered an order to buy 6,000 shares of Titan Pharmaceuticals, Inc. ("Titan") at a price of approximately \$2.29 per share in the account of customer GH, without the knowledge and consent of customer GH. As a result, Heinz violated NASD Conduct Rule 2110 and IM-2310-2.

OTHER FACTORS

B. Heinz also consents to the imposition of the following sanctions:

A suspension from association with any FINRA member firm in any capacity for ten business days and a fine of \$5,000.

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(s) imposed in this matter.

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

Heinz 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, Heinz 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.

Heinz 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

It is understood that:

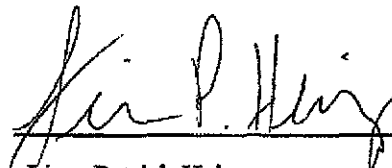
- A. Submission of this AWC is voluntary and will not resolve this matter unless and until it has been reviewed and accepted by the NAC, a Review Subcommittee of the NAC, or the Office of Disciplinary Affairs ("ODA"), pursuant to NASD Rule 9216;

- B. If this AWC is not accepted, its submission will not be used as evidence to prove any of the allegations against Heinz; and
- C. If accepted:
1. this AWC will become part of Heinz's permanent disciplinary record and may be considered in any future actions brought by FINRA or any other regulator against Heinz;
 2. this AWC will be made available through FINRA's public disclosure program in response to public inquiries about Heinz'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. Heinz 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. Heinz 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 Heinz's right to take legal or factual positions in litigation or other legal proceedings in which FINRA is not a party.
- D. Heinz may attach a Corrective Action Statement to this AWC that is a statement of demonstrable corrective steps taken to prevent future misconduct. Heinz 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.

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.

12/8/08

Date


Liam Patrick Heinz

Accepted by FINRA:

1/28/09
Date

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



Brian D. Donnelly
Principal Regional Counsel
FINRA Department of Enforcement
2500 N. Military Trail, Suite 302
Boca Raton, FL 33431-6324
Phone: (561) 443-8120
Fax: (561) 443-7998