

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2007011172601**

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

RE: Diane J. Savage, Respondent
General Securities Representative
CRD No. 1006815

Pursuant to NASD Rule 9216 of FINRA's Code of Procedure, I 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

Diane J. Savage ("Savage") first became affiliated with a FINRA (f/k/a National Association of Securities Dealers or NASD) registered firm in July 1975. In 1981, Savage became registered as a General Securities Representative. From November 2, 2001 to November 1, 2007, she was registered as a General Securities Representative at a member firm (the "firm"). Savage is not currently associated with any FINRA member and has no disciplinary history.

FACTS AND VIOLATIVE CONDUCT

Savage altered a subscription agreement by signing the customer's initials on the agreement in violation of NASD Rule 2110. Savage worked as a Client Services Administrator at the firm, assisting brokers in its Pittsburgh branch. In October 2007, Savage prepared the paperwork for a limited partnership investment for client RS. She sent the paperwork to RS indicating on the document the places where RS needed to sign and/or initial the document. The client signed the document in two places, but failed to initial the placement fee disclosure section of the document. The placement fee disclosure section was the space on the agreement where the customer acknowledged that his broker would receive compensation in the form of a

placement fee.

Savage subsequently received the paperwork and noticed that RS had failed to initial the placement fee disclosure. Savage had an informal arrangement with the customer to complete his paperwork where necessary. Accordingly, she initialed the section on behalf of RS and later admitted to doing so. In signing the customer's initials, however, Savage violated NASD Rule 2110 and the firm's written policies. The firm had both a specific policy prohibiting the alteration of subscription agreements and a more general policy requiring that firm records be accurate and truthful. Savage acknowledged that she was aware of the firm's policy against alteration of documents and knew it was a violation of the policy when she initialed the paperwork on RS's behalf. Accordingly, Savage violated NASD Rule 2110.

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

1. 30 day suspension; and
2. Fine in the amount of \$5,000.

The fine shall be due and payable either immediately upon reassociation with a member firm following the 30 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.

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 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.

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.

- D. I may attach a Corrective Action Statement to this AWC that is a statement of demonstrable corrective steps taken to prevent future misconduct. I understand that I 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.

Date Nov. 13, 2008


Diane J. Savage, Respondent

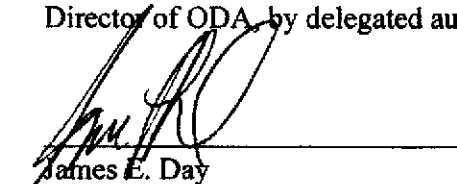
Reviewed by:


Samuel J. Pasquarelli, Esq.
Counsel for Respondent
Sherrard, German & Kelly, P.C.
28th Floor, Two PNC Plaza
620 Liberty Avenue
Pittsburgh, Pennsylvania 15222
(412) 355-0200

Accepted by FINRA:

12/22/08
Date

Signed on behalf of the
Director of ODA by delegated authority

A handwritten signature in black ink, appearing to read "James E. Day", is written over a horizontal line.

James E. Day
Associate Vice President and Chief Counsel
FINRA Department of Enforcement
1801 K Street, NW
8th Floor
Washington, DC 20036

FINANCIAL INDUSTRY REGULATORY AUTHORITY (FINRA)

CORRECTIVE ACTION STATEMENT

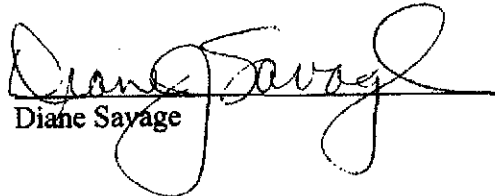
Diane Savage, No. 2007011172601

I am submitting this Corrective Action Statement to demonstrate steps to be taken by me to correct the problem outlined in the Letter of Acceptance, Waiver and Consent that accompanies this statement:

The problem that is outlined in the Letter of Acceptance, Waiver and Consent occurred because my client, RS, indicated to me that he was comfortable with my completing any deletions that might appear on any documents that he was required to sign or initial, because he was interested in expediting his investment directions, and I mistakenly thought that I was helping him by doing this. I realize that notwithstanding his trust in me, doing so is a violation of the rules of member institutions and FINRA, and my corrective action will be to simply refuse to correct or complete any client documents, notwithstanding what the client might prefer.

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

Dated: Nov. 13, 2008


Diane Savage