

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2008011644802**

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

RE: Arjent Services LLC (BD No. 131431),
Respondent

Pursuant to FINRA Rule 9216 of FINRA's Code of Procedure, Arjent Services LLC ("Respondent" or "Arjent"), 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 me alleging violations based on the same factual findings described herein.

I.

ACCEPTANCE AND CONSENT

- A. Respondent 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

Arjent has been a FINRA member firm since December 1, 2004. The firm operates from a single branch and employs approximately 19 registered individuals. Its securities business consists of retailing corporate equity securities over-the-counter, selling corporate debt securities, acting as a U.S. government securities broker and as a mutual fund retailer.

RELEVANT DISCIPLINARY HISTORY

Arjent has no prior formal disciplinary history with the Securities and Exchange Commission, any self-regulatory organization or any state securities regulator.

OVERVIEW

Arjent conducted a securities business while under its net capital requirement on four dates between December 31, 2007 and June 27, 2008. The net capital

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violations arose from the fact that the firm improperly recorded intercompany balances.

FACTS AND VIOLATIVE CONDUCT

1. While conducting a securities business on the following date in 2007 and three dates in 2008, Arjent failed to maintain the required minimum net capital as required by SEC Rule 15c3-1. Specifically:

- a. On Monday, December 31, 2007, Arjent's minimum required net capital was the greater of \$5,000 or \$65,645.78, pursuant to SEC Rule 15c3-1(a)(1)(i) (the Aggregate Indebtedness Standard). On this date, the firm's actual net capital was (\$232,061.94), a deficiency of \$297,707.72.
- b. On Thursday, January 31, 2008, Arjent's minimum required net capital was the greater of \$5,000 or \$67,829.25, pursuant to SEC Rule 15c3-1(a)(1)(i) (the Aggregate Indebtedness Standard). On this date, the firm's actual net capital was (\$822,850.35), a deficiency of \$890,679.60.
- c. On Friday, February 29, 2008, Arjent's minimum required net capital was the greater of \$5,000 or \$53,548.93, pursuant to SEC Rule 15c3-1(a)(1)(i) (the Aggregate Indebtedness Standard). On this date, the firm's actual net capital was (\$190,136.57), a deficiency of \$243,685.50.
- d. On Friday, June 27, 2008, Arjent's minimum required net capital was the greater of \$5,000 or \$33,222, pursuant to SEC Rule 15c3-1(a)(1)(i) (the Aggregate Indebtedness Standard). On this date, the firm's actual net capital was (\$563,823), a deficiency of \$597,045.

The net capital deficiencies resulted from the fact that Arjent improperly recorded intercompany balances. Specifically, Arjent improperly reported receivables from one of Arjent's affiliates, net of payables to another of Arjent's affiliates. The net capital violation on January 31, 2008 also resulted from the fact that the firm inaccurately reported certain investment banking fees receivable as an allowable asset.

By reason of the foregoing, Arjent violated SEC Rule 15c3-1 and NASD Conduct Rule 2110.

2. Arjent filed inaccurate FOCUS Reports for the quarterly period of October 1, 2007 through December 31, 2007 (the fourth quarter of 2007). The filing was inaccurate in that, among other things, they inaccurately reported Arjent's minimum net capital requirements and net capital. By reason of the foregoing, Arjent violated Section 17(a) of the Exchange Act, SEC Rule 17a-5 thereunder, and NASD Conduct Rule 2110.

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

- A fine in the amount of \$12,500; and
- A censure.

Respondent agrees to pay the monetary sanction upon notice that this AWC has been accepted and that such payment is due and payable. Respondent has submitted an Election of Payment form showing the method by which it proposes to pay the fine imposed.

Respondent specifically and voluntarily waives any right to claim that it is unable to pay, now or at any time hereafter, the monetary sanction(s) imposed in this matter.

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

II.

WAIVER OF PROCEDURAL RIGHTS

Respondent specifically and voluntarily waives the following rights granted under FINRA's Code of Procedure:

- A. To have a Complaint issued specifying the allegations against Respondent;
- B. To be notified of the 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, Respondent 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.

Respondent further specifically and voluntarily waives any right to claim that a person violated

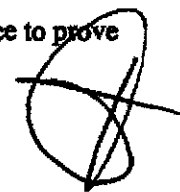
the ex parte prohibitions of FINRA Rule 9143 or the separation of functions prohibitions of FINRA Rule 9144, in connection with such person's or body's participation in discussions regarding the terms and conditions of this AWC, or other consideration of this AWC, including its acceptance or rejection.

III.

OTHER MATTERS

Respondent 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 FINRA Rule 9216;
- B. If this AWC is not accepted, its submission will not be used as evidence to prove any of the allegations against Respondent; and
- C. If accepted:
 - 1. this AWC will become part of Respondent's permanent disciplinary record and may be considered in any future actions brought by FINRA or any other regulator against Respondent;
 - 2. this AWC will be made available through FINRA's public disclosure program in response to public inquiries about Respondent's disciplinary record;
 - 3. FINRA may make a public announcement concerning this agreement and the subject matter thereof in accordance with FINRA Rule 8313; and
 - 4. Respondent 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. Respondent 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. Respondent may attach a Corrective Action Statement to this AWC that is a statement of demonstrable corrective steps taken to prevent future misconduct.

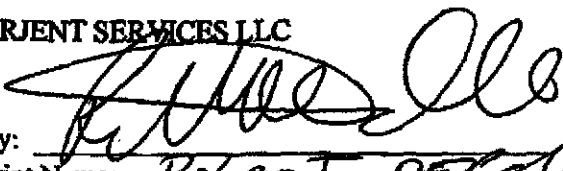


Respondent understands that it may not deny the charges or make any statement that is inconsistent with the AWC in this Statement. This Statement does not constitute factual or legal findings by FINRA, nor does it reflect the views of FINRA or its staff.

Respondent certifies that it has read and understands all of the provisions of this AWC and has been given a full opportunity to ask questions about it; that Respondent 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 induce Respondent to submit it.

6/11/09
Date

ARJENT SERVICES LLC

By: 

Print Name: ROBERT DEPAOLO

Title: CFO

Accepted by FINRA:

July 6, 2009

Date

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



Frank M. Weber
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