

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2008013190201**

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

RE: Ari David Pace, Respondent
CRD No. 2991826

Pursuant to Rule 9216 of FINRA Code of Procedure, Respondent, Ari David Pace (Pace) 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 Pace alleging violations based on the same factual findings described herein.

I.

ACCEPTANCE AND CONSENT

- A. Pace 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

Pace was associated with LPL Financial Corporation (LPL) from on or about October 14, 2005 through on or about April 14, 2008, where he was registered as a General Securities Representative. From on or about December 19, 1997 through on or about August 19, 2005, Pace was associated with Ameriprise Financial Services, Inc. (Ameriprise), where he was registered as a General Securities Representative. Pace is not currently associated with a member of FINRA. Pace has no relevant disciplinary history with the Securities and Exchange Commission, FINRA, other self-regulatory organizations, or state regulators.

FACTS AND VIOLATIVE CONDUCT

By certified and first class mailings dated January 29, 2009 and March 6, 2009, and sent pursuant to FINRA Rule 8210, staff requested that Pace appear for an

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on-the-record interview to provide certain information to staff concerning his alleged participation in private securities transactions and outside business activities that had not been disclosed to or approved by his then employer firms, LPL and Ameriprise. On March 25, 2009 and April 7, 2009, Pace, through counsel, advised that he would not appear for an on-the-record interview.

As a result of the above acts, practices and conduct, Pace violated FINRA Rule 8210 and FINRA Conduct Rule 2010.

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

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

Pursuant to FINRA Rule 8313(e), a bar or expulsion shall become effective upon approval or acceptance of this AWC.

Pace 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, Pace 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 FINRA Rules 8310 and 8311).

II.

WAIVER OF PROCEDURAL RIGHTS

Pace 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, Pace 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.

Pace 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

Pace 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 him; and
- C. If accepted:
 - 1. this AWC will become part of Pace's 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 Pace'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. Pace 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. Nothing in this provision affects Pace's right to take legal or factual positions in litigation or other legal proceedings in which FINRA is not a party.

Pace certifies that he has read and understands all of the provisions of this AWC and has been given a full opportunity to ask questions about it; that Pace has agreed to its provisions voluntarily; and that no offer, threat, inducement, or promise of any kind, other than the terms set forth herein, has been made to induce him to submit this AWC.

7/29/09
Date


Ari David Pace

Accepted by FINRA:

August 5, 2009
Date

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


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