

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 20090161359-01**

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

RE: Charles Vista LLC (BD No. 132650),
Respondent

Pursuant to FINRA Rule 9216 of FINRA's Code of Procedure, Charles Vista LLC ("Respondent" or "Charles Vista") 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 it 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

Charles Vista has been a FINRA member firm since March 2009. The firm's primary place of business is in New York City. It employs approximately 28 registered persons operating out of one office.

RELEVANT DISCIPLINARY HISTORY

The Respondent does not have any prior formal disciplinary history with the Securities and Exchange Commission, FINRA, any state securities regulator or any other self-regulatory organization.

FACTS AND VIOLATIVE CONDUCT

1. On at least two dates, December 31, 2009 and February 28, 2010, Charles Vista failed to accurately compute its net capital, minimum required net capital (MRNC) and excess net capital (ENC). As a result of these errors the firm had inaccurate general ledgers, overstated net capital and inaccurate quarterly FOCUS filings for the periods ending December 31st and February 28th. The firm, however, did not fall below its minimum required net capital for the time periods noted above.

As a result of the firm's inaccurate net capital computations, Charles Vista violated Section 17(a) of the Securities Exchange Act of 1934 ("Exchange Act"), and Exchange Act Rules 17a-3 and 17a-5, promulgated thereunder. Additionally, the firm violated NASD Rule 3110 and FINRA Rule 2010.

2. In March, 2009, Charles Vista began operations after having purchased a former FINRA member firm, which had been in operation since 2004 under a different name and ownership structure. When Charles Vista took over the former member firm's operations it failed to obtain certain of its books and records that were required to be maintained consistent with SEC and FINRA rules. More specifically, the Member Regulation Staff of District 10 (the "Staff") found that Charles Vista was missing, and never obtained, the following required books and records:
 - a. Copies of Forms U4 and U5
 - b. Copies of Supervisory Controls Procedures
 - c. Anti-Money Laundering Procedures
 - d. Copies of AML Independent Tests
 - e. Copies of Annual Reports to senior management and CEO attestations
 - f. Correspondence to/from FINRA and other regulatory authorities
 - g. Copies of customer complaints, arbitrations and litigations

Charles Vista had an obligation to preserve and maintain the above required books and records for the periods of time specified under Exchange Act Rule 17a-4.

Charles Vista's failure to obtain the documents when it purchased the broker-dealer, or at any time subsequent to its purchase of the firm, resulted in its violation of Exchange Act Section 17(a), Exchange Act Rule 17a-4, promulgated thereunder, FINRA Rule 2010 and NASD Rule 3110.

3. Exchange Act Rule 17a-11 requires, *inter alia*, that broker-dealers that fail

to make and keep current books and records required to be maintained under Exchange Act Rule 17a-3 notify the SEC and FINRA (as its designated examining authority) of such failure on the same day of its occurrence. Charles Vista completed its purchase of a former member firm on or about March 17, 2009. At the time of the purchase, Charles Vista should have taken possession of all required books and records. Charles Vista failed to do so and failed to notify the SEC and FINRA of its failure to obtain and retain such documents.

By reason of the foregoing, Charles Vista violated Exchange Act Section 17(a), Exchange Act Rule 17a-11, promulgated thereunder, and FINRA Rule 2010.

4. Between April 2009 and January 2010, the firm employed an office assistant ("NC") who had, among her responsibilities, issuing and processing checks, handling securities and filing original books and records of the firm. Securities Exchange Act Rule 17f-2 requires the fingerprinting of broker-dealer employees with regular access to the keeping and handling of monies, securities, and original books and records. Charles Vista failed to require NC to become fingerprinted until after the deficiency was brought to the firm's attention by the Staff.

By reason of the foregoing, Charles Vista violated Exchange Act Section 17(a), Exchange Act Rule 17f-2, promulgated thereunder, and FINRA Rule 2010.

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

- A censure and a fine of \$12,500.

Respondent agrees to pay the monetary sanction(s) upon notice that this AWC has been accepted and that such payment(s) are 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 it;
- 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 prejudice 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 it; and

C. If accepted:

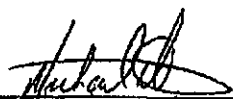
1. this AWC will become part of my permanent disciplinary record and may be considered in any future actions brought by FINRA or any other regulator against it;
2. this AWC will be made available through FINRA's public disclosure program in response to public inquiries about my disciplinary record;
3. FINRA may make a public announcement concerning this agreement and the subject matter thereof in accordance with 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 Respondent's 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.

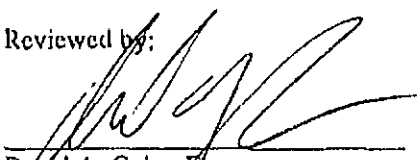
The undersigned, on behalf of the Respondent, certifies that a person duly authorized to act on its behalf has read and understands all of the provisions of this AWC and has been given a full opportunity to ask questions about it; that Respondent has agreed to its provisions voluntarily; and that no 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 the Respondent to submit it.

12/13/2011
Date (mm/dd/yyyy)

Michael Molinaro
Charles Vista LLC (BD No. 132650), Respondent

By: 

Reviewed by:

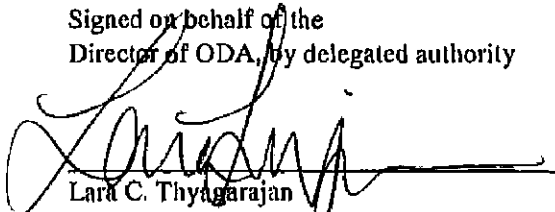


David A. Gehm, Esq.
Counsel for Respondent
Gusrae, Kaplan & Nussbaum PLLC
120 Wall Street
New York, NY 10005
212-269-1400

Accepted by FINRA:

January 3, 2012
Date

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



Lara C. Thyagarajan
Senior Regional Counsel
FINRA Department of Enforcement
One World Financial Center
New York, NY 10281