

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 20090171952**

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REGISTRATION & DISCLOSURE

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

RE: Richard A. Pizzuti, Respondent
Former Registered Representative
CRD No. 1742894

Pursuant to FINRA Rule 9216 of FINRA's Code of Procedure, 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 Respondent 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

Richard A. Pizzuti ("Pizzuti") was first registered with FINRA as a General Securities Representative through a member firm in December 1987. From March 1, 2003 to November 5, 2004, Pizzuti was dually registered as a General Securities Representative with Merrimac Corporate Securities, Inc. ("Merrimac" or the "Firm") and another member firm. After November 5, 2004, Pizzuti was registered only with Merrimac. Pizzuti's employment with Merrimac terminated on April 23, 2009, when he voluntarily left the Firm. Pizzuti is not currently associated with a FINRA member firm.

FINRA retains jurisdiction over Pizzuti pursuant to Article V, Section 4(a) of the FINRA By-Laws, since the conduct which serves as the basis for this action commenced prior to his termination of registration from a member firm, and this AWC has been filed within two years after the effective date of his termination of registration from a member firm.

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FACTS AND VIOLATIVE CONDUCT

During his employment with Merrimac, Pizzuti was a principal of a holding company formed under Florida law that was used to raise funds for various business ventures in which Pizzuti also was a principal, such as coffee shop franchises. During 2006 to 2009, Pizzuti solicited numerous individuals to make loans to and equity investments in the holding company and its related companies. He also solicited investments in a real estate-related private placement.

In connection with FINRA's investigation into possible conversion of investor funds involving the above-described holding company and other entities and possible unsuitable and unapproved private securities transactions, FINRA requested that Pizzuti provide documents and testimony, pursuant to FINRA Rule 8210.

Specifically, in a letter dated September 2, 2009, FINRA requested that Pizzuti produce certain documents and information relevant to the matters under investigation. The response to the September 2nd letter was due on September 17, 2009. In a letter dated September 8, 2009, FINRA requested that Pizzuti appear at FINRA's offices on September 22, 2009 to give testimony relevant to this matter. Pizzuti received both letters.

In a letter dated September 15, 2009, an attorney representing Pizzuti informed FINRA that since Pizzuti was no longer associated with a member firm, he declined to comply with either the September 2nd or September 8th requests. In a letter dated September 18, 2009, FINRA advised Pizzuti's counsel that Pizzuti remained subject to FINRA's jurisdiction under Article V of the FINRA By-laws. In a letter dated September 21, 2009, which was received by FINRA on September 22nd, Pizzuti's attorney informed FINRA that Pizzuti did not intend to further engage in securities-related activities and otherwise indicated that he would not cooperate with the investigation. Pizzuti did not appear as requested on September 22nd to testify before FINRA. To date, Pizzuti has not provided testimony or documents and information as requested by FINRA.

FINRA Procedural Rule 8210(a) provides, in relevant part, that FINRA "shall have the right to require a member, person associated with a member, or person subject to FINRA's jurisdiction to provide information . . . and to testify at a location specified by FINRA staff . . . with respect to any matter involved in the investigation, complaint, examination, or proceeding." Moreover, FINRA Rule 8210(c) states that "no member or person shall fail to provide information or testimony or to permit an inspection and copying of books, records, or accounts pursuant to this Rule."

Moreover, FINRA Conduct Rule 2010 states that a person associated with a member firm "shall observe high standards of commercial honor and just and equitable principles of trade" in the conduct of his business.

Pizzuti violated FINRA Rules 8210 and 2010 in that he failed to comply with requests made on September 2 and September 8, 2009 to provide documents and information and testimony relevant to FINRA's investigation.

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

A bar from association with FINRA members.

Respondent 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, Respondent 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).

The sanction imposed herein shall be effective on a date set by FINRA staff. Pursuant to FINRA Rule 8313(e), a bar or expulsion shall become effective upon approval or acceptance of this AWC.

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 him;
- 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 waive 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 him;
 - 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 Respondent's right to take legal or factual positions in litigation or other legal proceedings in which FINRA is not a party.

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

11/17/09
Date

Richard A. Byrd
Respondent

Reviewed by:

Harrison T. Slaughter, Jr., Esq.
Counsel for Respondent
Leventhal & Slaughter
111 North Orange Avenue, Suite 700
Orlando, FL 32801
(407) 849-6161

Accepted by FINRA:

12/08/09
Date

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

Susan Light
Susan Light
Senior Vice President and Chief Counsel
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