

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2010020992501**

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

RE: Olympia Asset Management, LTD., Respondent
Member Firm
CRD No. 126331

Pursuant to FINRA Rule 9216 of FINRA's Code of Procedure, Olympia Asset Management, LTD. 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. Olympia Asset Management, LTD. 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

Olympia Asset Management, LTD., located in New York City, New York, has been a FINRA-regulated firm since September 8, 2003. The firm has three branches and 24 registered representatives. The firm's primary business is trading equity securities.

FACTS AND VIOLATIVE CONDUCT

Research

From January 2010 through September 2010, Olympia Asset Management, LTD. ("Olympia" or the "Firm") employed three research analysts and issued at least twenty-two equity research reports. Prior to undertaking these activities, the Firm did not file for and obtain approval of a change in business operations, in violation of NASD Rule 1017. Seven of the Firm's equity

research reports published during that period failed to provide required disclosures in violation of NASD Rule 2711(h). The seven reports also failed to prominently disclose the Firm name, in violation of NASD Rule 2210(d)(2)(C).

Website Advertising

From June 2009 through September 2010, Olympia's website inaccurately referred to Olympia Capital Markets Group (an operating unit of the Firm) as the broker dealer, failed to make clear which services were offered by the Firm, and failed to hyperlink to the Securities Insurance Protection Corporation (SIPC) in violation of NASD Rule 2210. The website also improperly implied that regulators endorsed the services provided by the Firm's clearing provider and failed to hyperlink to FINRA, in violation of IM-2210-4.

Supervision

Between June 2009 and September 2010, the Firm's written supervisory procedures ("WSPs") failed to establish reasonable criteria to identify registered representatives who should be placed under heightened supervision and reasonable procedures for how to supervise someone on heightened supervision. In addition, the Firm's WSPs failed to address supervisory responsibilities for allocation of exercise assignment notices in violation of NASD Rule 3010(b). The WSPs also failed to address the types of disclosures that were lacking in research reports published between January 2010 and September 2010. Accordingly, the Firm violated NASD Rule 3010(a) and NASD Rule 2711(i).

From April 2010 through September 2010, Olympia failed to establish written policies and procedures reasonably designed to prevent the misuse of material, nonpublic information between the Firm and an affiliated hedge fund co-located with the Firm, as required by Section 15(f) of the Securities Exchange Act of 1934.¹ As a result of the foregoing conduct, Olympia violated Section 15(f) of the Securities Exchange Act of 1934 and NASD Rule 3010(a).

Each of these rule violations also violated FINRA Rule 2010.

B. Olympia Asset Management, LTD. also consents to the imposition of the following sanctions:

1. A censure; and
2. A \$22,000 fine.

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

¹ Section 15(f) has been renumbered to Section 15(g) without change.

Olympia Asset Management, LTD. specifically and voluntarily waives any right to claim that it is unable to pay, now or at any time hereafter, the monetary sanction imposed in this matter.

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

II.

WAIVER OF PROCEDURAL RIGHTS

Olympia Asset Management, LTD. specifically and voluntarily waives the following rights granted under FINRA's Code of Procedure:

- A. To have a Complaint issued specifying the allegations against Olympia Asset Management, LTD.;
- 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, Olympia Asset Management, LTD. 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.

Olympia Asset Management, LTD. 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

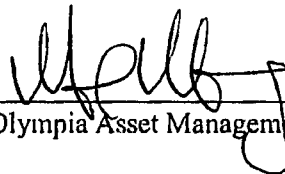
Olympia Asset Management, LTD. understands that:

- 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 Olympia Asset Management, LTD.; and
- C. If accepted:
 - 1. this AWC will become part of Olympia Asset Management, LTD.'s permanent disciplinary record and may be considered in any future actions brought by FINRA or any other regulator against Olympia Asset Management, LTD.;
 - 2. this AWC will be made available through FINRA's public disclosure program in response to public inquiries about Olympia Asset Management, LTD.'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. Olympia Asset Management, LTD. 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. Olympia Asset Management, LTD. 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 Olympia Asset Management, LTD.'s: (i) testimonial obligations; or (ii) right to take legal or factual positions in litigation or other legal proceedings in which FINRA is not a party.
- D. Olympia Asset Management, LTD. may attach a Corrective Action Statement to this AWC that is a statement of demonstrable corrective steps taken to prevent future misconduct. Olympia Asset Management, LTD. 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.

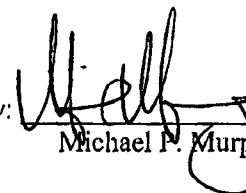
The undersigned, on behalf of the Firm, certifies that a person duly authorized to act on its behalf has read and understands all of the provisions of this AWC and has been given a full opportunity to ask questions about it; that person has agreed to its provisions voluntarily; and that no offer, threat,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

7.11.13

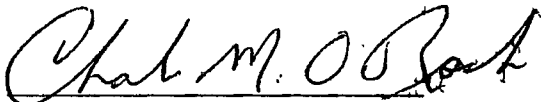
Date (mm/dd/yyyy)



Olympia Asset Management, LTD., Respondent

By: 
Michael P. Murphy, CEO

Reviewed by:



Charles M. O'Rourke, Esq.

Counsel for Respondent Olympia Asset Management, LTD.

Law Offices of Charles M. O'Rourke

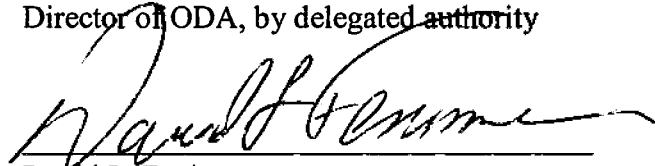
2 Swenson Drive, Woodbury, New York 11797

Telephone: 516.677.9785

Accepted by FINRA:

July 24, 2013
Date

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

A handwritten signature in black ink, appearing to read "David L. Fenimore", written over a horizontal line.

David L. Fenimore
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FINRA Department of Enforcement
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