

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 20120304115 -01**

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

RE: Commonwealth Australia Securities LLC, Respondent ("Commonwealth" or the "Firm")
BD No. 136321

Pursuant to FINRA Rule 9216 of FINRA's Code of Procedure, Commonwealth 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 the Respondent alleging violations based on the same factual findings described herein.

I.

ACCEPTANCE AND CONSENT

- A. The 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

Commonwealth has been a member of FINRA since January 2006 and conducts a variety of brokerage business in U.S. and foreign securities. The Firm employs approximately 24 registered representatives working from a single home office.

RELEVANT DISCIPLINARY HISTORY

Commonwealth does not have any relevant disciplinary history with the Securities and Exchange Commission, any self-regulatory organization or any state securities regulator.

OVERVIEW

During the period from January 1, 2012, through September 30, 2012, Commonwealth failed to report 610 transactions in U.S. dollar-denominated corporate bonds to FINRA's Trade Reporting and Compliance Engine ("TRACE"), in violation of FINRA Rules 6730 and 2010.

FACTS AND VIOLATIVE CONDUCT

During the Relevant Period, Commonwealth executed 610 TRACE-eligible trades in U.S. dollar-denominated corporate bonds, in each transaction acting as an agent for a foreign affiliate that was doing business with institutional counterparties in the United States pursuant to SEC Rule 15a-6. Although the affiliate issued the trade confirmation to the counterparty, Commonwealth executed the trades. In the mistaken belief that it did not act as a "Party to the Transaction" (as that term is defined in FINRA Rule 6710(c)), Commonwealth did not report these trades to TRACE.

Such acts, practices and conduct constitute separate and distinct violations of FINRA Rules 6730 and 2010 by Commonwealth.

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

- a censure;
- a fine in the amount of \$10,000; and
- an undertaking that Commonwealth, within thirty calendar days of acceptance of this AWC, will report to TRACE the corporate bond transactions that are referenced in this AWC.

The 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. The Respondent has submitted an Election of Payment form showing the method by which the Respondent proposes to pay the fine imposed.

The 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.

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 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:

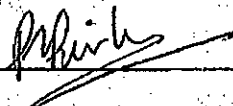
- A. Submission of this AWC is voluntary and will not resolve this matter unless and until it has been reviewed and accepted by the NAC, a Review Subcommittee of the NAC, or the Office of Disciplinary Affairs ("ODA"), pursuant to FINRA Rule 9216;
- B. If this AWC is not accepted, its submission will not be used as evidence to prove any of the allegations against it; and
- C. If accepted:
 - 1. this AWC will become part of its 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 its 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: (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. 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 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 the Firm 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.

March 23, 2013
Date (mm/dd/yyyy)


Respondent

Commonwealth Securities LLC
BD No. 136321

By: Richard Barkins
[Name and Title]

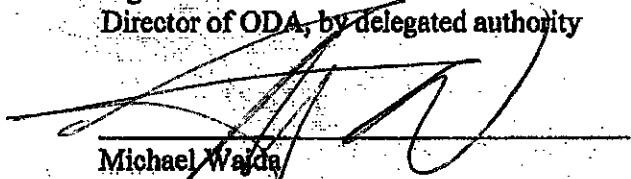
CEO Commonwealth Australia Securities, LLC

Accepted by FINRA:

March 22, 2013

Date

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

A handwritten signature in black ink, appearing to read "Michael Wajda", is written over a horizontal line.

Michael Wajda
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