

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2012034246201**

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

RE: Michael Fasciglione, Respondent
CRD No. 1806486

Pursuant to FINRA Rule 9216 of FINRA's Code of Procedure, Respondent Michael Fasciglione ("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

Respondent first became registered with FINRA as a General Securities Representative ("GSR") through his association with a member firm in October 1988. Subsequently, he was associated with various member firms where he was registered as a GSR, a General Securities Principal ("GSP"), and a General Securities Sales Supervisor ("SU"). Since January 2007, Respondent has been associated with National Securities Corporation (the "Firm") where he is currently registered as a GSR, a GSP, and an SU.

RELEVANT DISCIPLINARY HISTORY

Respondent has the following disciplinary history:

- In 2004, the NYSE initiated an action (HPD#04-152) against Respondent for failing to supervise the activities of an employee related to the business of his employer (NYSE Rule 342.16); failing to supervise accounts serviced by a registered representative under his control (NYSE Rule 405(2)); failing to ensure proper authorization of account designation changes (NYSE Rule

410(A)); for causing reimbursement of losses in customer accounts (NYSE Rule 352(C)); and failing to notify his employing firm of a customer complaint (NYSE Rule 351(D)). As a result, Respondent was suspended for two months and required to re-take any qualifying exams before undertaking any securities supervisory positions.

OVERVIEW

Respondent failed to timely amend his Form U4 to disclose one tax lien, in violation of FINRA Rules 1122 and 2010, and Article V, Section 2(c) of the FINRA By-Laws.

FACTS AND VIOLATIVE CONDUCT

In or about March 2010, while Respondent was associated with the Firm, the Internal Revenue Service ("IRS") filed a \$354,752 tax lien against Respondent for the tax years 2007 and 2008. An amended Form U4 was filed on November 26, 2012, disclosing the IRS tax lien. Respondent received notice of the lien in March 2010, and therefore failed to timely amend his Form U4 to reflect the lien as required.

The foregoing conduct constitutes a violation of FINRA Rules 1122 and 2010, and Article V, Section 2(c) of the FINRA By-Laws.

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

- A fine of \$5,000.00; and
- A suspension from association with any FINRA member firm in any capacity for one (1) month.

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

Respondent specifically and voluntarily waives any right to claim that he is unable to pay, now or at any time hereafter, the monetary sanction imposed in this matter.

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 Article III, Section 4 of FINRA's By-Laws, incorporating Section 3(a)(39) of the Securities Exchange Act of 1934. 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 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 Respondent;
- 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 Chief Legal Officer, 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 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 Respondent;
2. this AWC will be made available through FINRA's public disclosure program in accordance with FINRA Rule 8313;
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 he 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.

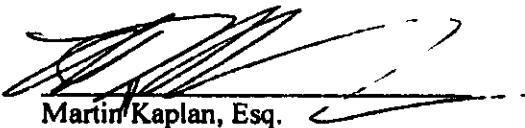
Respondent certifies that he has read and understands all of the provisions of this AWC and has been given a full opportunity to ask questions about it; that Respondent has agreed to its provisions voluntarily; and that no offer, threat, inducement, or promise of any kind, other than the terms set forth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

12/8/14
Date (mm/dd/yyyy)



Michael Fasciglione, Respondent

Reviewed by:



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Accepted by FINRA:

12/30/14
Date

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



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