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DEC 9 2004

NASD SEATTLE

NASD

LETTER OF ACCEPTANCE, WAIVER AND CONSENT

NO. ##C02040051

TO: Department of Enforcement
NASD

RE: Alicia A. Hiller, Respondent
General Securities Representative
CRD No. 4265601

Pursuant to Rule 9216 of NASD Code of Procedure, I submit this Letter of Acceptance, Waiver and Consent ("AWC") for the purpose of proposing a settlement of the alleged rule violations described in Part II below. This AWC is submitted on the condition that, if accepted, NASD will not bring any future actions against me alleging violations based on the same factual findings.

I understand that:

1. Submission of this AWC is voluntary and will not resolve this matter unless and until it has been reviewed and accepted by NASD's Department of Enforcement and National Adjudicatory Council ("NAC") Review Subcommittee or Office of Disciplinary Affairs ("ODA"), pursuant to NASD Rule 9216;
2. If this AWC is not accepted, its submission will not be used as evidence to prove any of the allegations against me; and
3. If accepted:
 - a. this AWC will become part of my permanent disciplinary record and may be considered in any future actions brought by NASD or any other regulator against me;
 - b. this AWC will be made available through NASD's public disclosure program in response to public inquiries about my disciplinary record;
 - c. NASD may make a public announcement concerning this agreement and the subject matter thereof in accordance with NASD Rule 8310 and IM-8310-2; and
 - d. I may not take any action or make or permit to be made any public statement, including in regulatory filings or otherwise, denying,

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directly or indirectly, any allegation in this AWC or create the impression that the AWC is without factual basis. Nothing in this provision affects my testimonial obligations or right to take legal or factual positions in litigation or other legal proceedings in which NASD is not a party.

I also understand that my experience in the securities industry and disciplinary history may be factors that will be considered in deciding whether to accept this AWC. That experience and history are as follows:

Alicia A. Hiller entered the securities industry in August 2000 as an associated person of a member of NASD. From January 2001 until June 2001, she was registered as an Investment Company / Variable Contracts Representative. From October 2001 until April 2003, she was registered through UBS Financial Services, Inc. as a General Securities Representative. She is not currently registered or associated with any NASD member firm.

Respondent Hiller has no formal disciplinary history.

I.

WAIVER OF PROCEDURAL RIGHTS

I specifically and voluntarily waive the following rights granted under NASD's Code of Procedure:

- A. To have a Formal Complaint issued specifying the allegations against me;
- B. To be notified of the Formal 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 NAC and then to the U.S. Securities and Exchange Commission and a U.S. Court of Appeals.

Further, I specifically and voluntarily waive 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.

I further specifically and voluntarily waive any right to claim that a person violated the ex

parte prohibitions of Rule 9143 or the separation of functions prohibitions of 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.

II.

ACCEPTANCE AND CONSENT

- A. I hereby accept and consent, without admitting or denying the allegations or findings, and solely for the purposes of this proceeding and any other proceeding brought by or on behalf of NASD, or to which NASD 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 NASD:

During the period from in or about September 2002 until in or about December 2002, Alicia A. Hiller engaged in private securities transactions without prior notice to and approval from her employer member firm, UBS Financial Services, Inc., in that she participated in the sale to four customers of equity interests in The Mummy an' the Armadillo L.L.C., for a total of \$200,000. The equity interests were securities products.

Such acts, practices and conduct constitute separate and distinct violations of NASD Conduct Rule 3040 by Alicia A. Hiller. Such conduct is inconsistent with high standards of commercial honor and just and equitable principles of trade and a violation of Conduct Rule 2110 by Respondent Hiller.

- B. I also consent to the imposition, at a maximum, of the following sanctions:

Alicia A. Hiller shall be suspended from associating with any member of NASD in any capacity for a period of three months.

Respondent has asserted an inability to pay and has submitted a sworn financial statement. In light of the financial status of Respondent, no monetary sanctions have been imposed.¹

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

¹ Although no monetary sanctions have been imposed in this disciplinary action, this does not preclude the customers from pursuing their own actions to effect such remedies.

III.

OTHER MATTERS

- A. I understand that I may attach a Corrective Action Statement to this AWC that is a statement of demonstrable corrective steps taken to prevent future misconduct. I understand that I 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 NASD, nor does it reflect the views of NASD or its staff.
- B. I understand that if I am barred or suspended from associating with any NASD member, I become 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, I may not be associated with any NASD member in any capacity, including clerical or ministerial functions, during the period of the bar or suspension. (See NASD Rule 8310 and IM-8310-1.)

I certify that I have read and understand all of the provisions of this AWC and have been given a full opportunity to ask questions about it, and that no offer, threat, inducement, or promise of any kind, other than the terms set forth herein, has been made to induce me to submit it.

Date

12/6/04

Alicia A. Hiller
Respondent

Reviewed by:

Counsel for Respondent

Accepted by NASD:

Date

12/30/04

James Dawson
District Director

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