

NASD
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. C10050018

TO: Department of Enforcement
NASD

RE: Roger Angelo Kapsalis, Respondent
CRD No. 2159293

Pursuant to Rule 9216 of NASD Code of Procedure, I, Roger Angelo Kapsalis, Respondent, 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.

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, 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:

I entered the securities industry in or about January 1992, as a General Securities Representative ("GSR") of a member firm of NASD. I was subsequently registered with NASD as a GSR through my association with other NASD member firms.

From on or about November 20, 2000, to on or about September 6, 2001, I was registered with NASD as a GSR through my association with NASD member firm LH Ross & Company, Inc. ("LH Ross") (CRD No. 37920).

From on or about August 29, 2001, to on or about April 15, 2002, I was registered with NASD as a GSR through my association with NASD member firm J.P. Turner & Company, L.L.C. ("J.P. Turner") (CRD No. 43177).

From on or about January 16, 2003, to on or about May 30, 2003, I was registered with NASD as a GSR through my association with NASD member firm Sky Capital LLC ("Sky Capital") (CRD No. 114657).

I was last registered with NASD as a GSR through my association with an NASD member firm to on or about July 15, 2004. I am not currently associated with any NASD member firm.

In or about February 2004, I consented to findings that I failed to disclose materially adverse information in connection with my recommendation that customers purchase stock. Also, I acted in contravention of Section 10(b) of the Securities Exchange Act of 1934 in that I engaged in a course of business that could operate as a fraud in connection with the recommendations I made to customers to purchase stock. I accepted a two month suspension from associating with any NASD member in any capacity.

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:

1. I willfully failed to disclose material information on three Uniform Applications For Securities Industry Registration Or Transfer ("Form U-4"):

a. On a Form U-4 I signed on or about October 19, 2000, that I submitted to NASD member firm LH Ross, I answered "No" to Question 23K.(1), which asks "Within the past 10 years, have you made a compromise with creditors, filed a bankruptcy petition or been the subject of an involuntary bankruptcy petition?" At the time in question, I knew or should have known that I had filed for bankruptcy on or about August 28, 2000.

b. On a Form U-4 I signed on or about July 19, 2001, that I submitted to NASD member firm J.P. Turner, I answered "No" to Question 23K.(1), which asks "Within the past 10 years, have you made a compromise with creditors, filed a bankruptcy petition or been the subject of an involuntary bankruptcy petition?" At the time in question, I knew or should have known that I had filed for bankruptcy on or about August 28, 2000.

c. On a Form U-4 I signed on or about January 15, 2003, that I submitted to NASD member firm Sky Capital, I answered "No" to Question 14K.(1), which asks "Within the past 10 years, have you made a compromise with creditors, filed a bankruptcy petition or been the subject of an involuntary bankruptcy petition?" At the time in question, I knew or should have known that he had filed for bankruptcy on or about August 28, 2000.

By reason of the foregoing, I acted in contravention of Article V, Section 2 of NASD By-Laws, and violated NASD IM-1000-1 and NASD Conduct Rule 2110.

2. From in or about January 2002, to in or about March 2002, while associated with NASD member firm J.P. Turner, I effected or caused to be effected, securities transactions away from J.P. Turner, i.e., the sale of three promissory notes to J.P. Turner customer WC, in the amounts of \$10,000.00, \$10,000.00, and \$25,000.00, respectively. The investments in question were one year notes for Enterprise Unlimited Corp. and had a rate of return of eleven percent per annum. Prior to effecting these transactions, I failed to provide written notification to my employing firm J.P. Turner. By reason of the foregoing, I violated NASD Conduct Rules 3040 and 2110.

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

- a suspension from associating with any NASD member firm in any capacity for nine months, and
- a fine in the amount of \$10,000.00.

The fine shall be due and payable either immediately upon reassociation with a member firm following the nine month suspension noted above, or prior to any application or request for relief from any statutory disqualification resulting from this or any other event or proceeding, whichever is earlier.

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

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 agree to pay any monetary sanctions imposed on me upon re-entry as noted above.
- C. I specifically and voluntarily waive any right to claim that I am unable to pay, now or at any time hereafter, any monetary sanction imposed in this matter.
- D. I understand that this settlement includes a finding that on or about October 19, 2000, July 19, 2001, and January 15, 2003, I willfully failed to disclose a material fact on a Form U-4, and that under Section 15(b)(4)(A) of the Securities Exchange Act of 1934 and Article III, Section 4(f) of the NASD By-Laws, this omission makes me subject to a statutory disqualification with respect to association with a member.

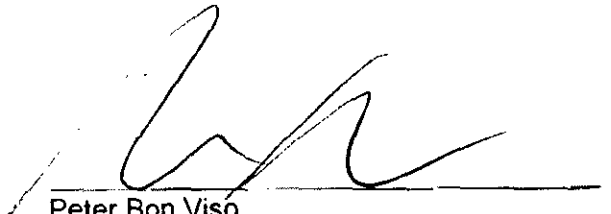
I certify that I have read and understand all of the provisions of this AWC and have been given a full opportunity to ask questions about it, and that no offer, threat, inducement, or promise of any kind, other than the terms set forth herein, has been made to induce me to submit it.

3/15/05
Date


Roger Angelo Kapsalis, Respondent

Accepted by NASD:

April 11, 2005
Date


Peter Bon Viso
Senior Regional Attorney
Department of Enforcement
Signed on behalf of the Director of ODA,
by delegated authority