

NASD
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. ## C10050031

TO: Department of Enforcement
NASD

Teekachand R. Tiwari (CRD No. 1995398)
Respondent

Pursuant to Rule 9216 of NASD Code of Procedure, I, Teekachand R. Tiwari ("Tiwari" or "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 Respondent alleging violations based on the same factual findings.

Respondent understands 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 Respondent; and
3. If accepted:
 - a. this AWC will become part of Respondent's permanent disciplinary record and may be considered in any future actions brought by NASD or any other regulator against Respondent;
 - b. this AWC will be made available through NASD's public disclosure program in response to public inquiries about Respondent's 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. 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 allegation in this AWC or create the impression that the AWC is without factual basis. Nothing in this provision affects

Respondent's testimonial obligations or right to take legal or factual positions in litigation or other legal proceedings in which NASD is not a party.

Respondent also understands that his 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:

Tiwari first became registered with NASD as a General Securities Representative ("GSR") through an association with a member firm on or about October 25, 1989.

From on or about June 11, 2002 through on or about May 28, 2003, Tiwari was registered as a GSR through an association with member firm McGinn, Smith & Co., Inc. (BD No. 8453) ("McGinn").

Tiwari is currently not registered or associated with any NASD member firms. However, NASD retains jurisdiction over Tiwari until at least May 27, 2005 pursuant to Article V, Section 4 of its By-Laws.

" Tiwari has no disciplinary history with the Securities and Exchange Commission, any self-regulatory organization or any state securities regulator.

I.

WAIVER OF PROCEDURAL RIGHTS

Respondent specifically and voluntarily waives the following rights granted under NASD's Code of Procedure:

- A. To have a Formal Complaint issued specifying the allegations against Respondent;
- 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, Respondent specifically and voluntarily waives any right to claim bias or prejudice 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 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. Respondent hereby accepts and consents, 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. During the period in or about January 2003 through in or about May 2003, while registered with NASD through member firm McGinn, Tiwari effected securities transactions away from McGinn by soliciting McGinn customers IC, JG-B, DN and WG to purchase securities in Hawthorne Hathaway Partners, L.P. ("Hawthorne"), a limited partnership. Tiwari served as Managing Member of Hawthorne's General Partner and earned compensation in connection with his involvement with Hawthorne. Prior to effecting these private securities transactions, Tiwari failed to provide written notification to, or obtain written approval from McGinn.

By reason of the foregoing, Tiwari violated NASD Conduct Rules 2110 and 3040.

2. During the period of at least in or about November 2002 through in or about May 2003, while registered with NASD through McGinn, Tiwari failed to provide written notification to McGinn of outside business activities in connection with his role as Managing Member of Hawthorne's General Partner.

By reason of the foregoing, Tiwari violated NASD Conduct Rules 2110 and 3030.

3. By letter dated November 15, 2004, sent to Tiwari pursuant to, and in accordance with, NASD Procedural Rule 8210, the Staff requested that Tiwari appear on December 8, 2004 at 10:00 a.m. for an on-the-record interview ("OTR") at the Staff's New York City offices (the "Staff's Offices"). Following Tiwari's request, the December 8, 2004 OTR date was adjourned. Pursuant to mutual agreement, and as set forth in a letter to Tiwari from the Staff dated December 15, 2004, sent pursuant to and in accordance with Rule 8210, the OTR was rescheduled for January 6, 2005 at 10:00 a.m. at the Staff's Offices. On or about January 4, 2005, Tiwari's counsel forwarded a letter to the Staff stating that Tiwari "requested that we inform the NASD that [Tiwari] does not wish to attend the scheduled OTR." On January 6, 2005, Tiwari failed to appear.

By reason of the foregoing, Tiwari violated NASD Procedural Rule 8210 and Conduct Rule 2110.

- B. Respondent also consents to the imposition, at a maximum, of the following sanctions:

- A bar from associating with any member firm in any and all capacities.

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

III.

OTHER MATTERS

- A. Respondent understands that he 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 NASD, nor does it reflect the views of NASD or its staff.
- B. Respondent understands that if he is barred or suspended from associating with any NASD member, he becomes 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, he 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.).

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, and that no offer, threat, inducement, or promise of any kind, other than the terms set forth herein, has been made to induce Respondents to submit it.

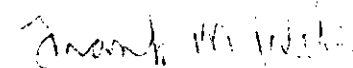
5/2/2005
Date


Teekachand R. Tiwari

Reviewed by:


Christopher Brennan, Esq.
Counsel for Respondent
Accepted by NASD:

May 9, 2005
Date


Frank M. Weber
Regional Counsel
District 10 - Department of Enforcement
Signed on behalf of the Director of ODA, by
delegated authority