

**NASD**  
**LETTER OF ACCEPTANCE, WAIVER AND CONSENT**  
**NO. C8A050007**

**TO:** *Department of Enforcement*  
**NASD**

**RE:** *Anthony G. Peterson*  
*Registered Representative*  
*CRD No. 1902189*

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 the 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 records;
  - 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 positions in litigation in which the NASD is not a party.

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

Anthony G. Peterson ("Peterson") entered the securities industry in May 1989 as an Investment Company/Variable Contracts Products Representative with a member of NASD. Between September 1989 and October 2001, Peterson was registered in the same capacity with New England Securities ("Member"), a member of NASD. Peterson currently is registered with another member of NASD and he has no prior disciplinary history.

## I.

### WAIVER OF PROCEDURAL RIGHTS

I specifically and voluntarily waive the following rights granted under the 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:

Between approximately May 1998 and September 1999, Peterson engaged in outside business activities by receiving at least \$224,096 in compensation for selling viaticals, as described in Exhibit A, attached hereto and incorporated herein by reference. In connection therewith, Peterson failed and neglected to give prompt written notice of his engagement in such activities to the Member. The acts, practices and conduct described above constitute separate and distinct violations of NASD Conduct Rules 2110 and 3030.

- B. I also consent to the imposition, at a maximum, of a bar from association in any capacity, with any member of the NASD.

The sanction imposed herein shall be effective on a date set by the Association staff. Pursuant to IM-8310-2(f), a bar or expulsion shall become effective upon approval or acceptance of this AWC by the NAC.

## III.

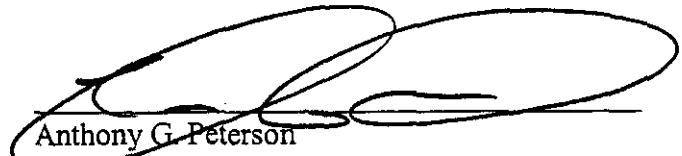
### OTHER MATTERS

- A. I understand that I may attach a Corrective Action Statement to this AWC, which 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 association 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.

12-20-04

Date

  
Anthony G. Peterson  
Registered Representative

Reviewed by:

  
James L. Kopecky  
Counsel for Respondent

Accepted by NASD:

January 26, 2005

Date

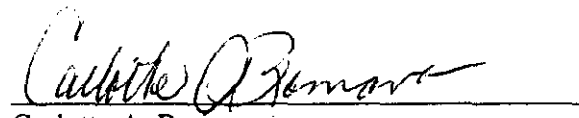
  
Carlotta A. Romano  
Senior Vice President and Regional Director

Exhibit A to Letter of Acceptance, Waiver and Consent  
Schedule of Viatical Settlement Transactions  
Sold by Anthony G. Peterson

| Trans No | Customer (No) | \$ Amount | Purchase Agreement Date |
|----------|---------------|-----------|-------------------------|
| 1        |               | 112,060   | 1/15/99                 |
| 2        |               | 30,000    | 5/20/98                 |
| 3        |               | 25,000    | 4/12/00                 |
| 4        |               | 10,000    | 8/14/97                 |
| 5        |               | 24,000    | N/A                     |
| 6        |               | 12,000    | N/A                     |
| 7        |               | 15,000    | 11/11/98                |
| 8        |               | 19,021    | 11/18/98                |
| 9        |               | 9,000     | 2/22/99                 |
| 10       |               | 18,065    | 12/22/98                |
| 11       |               | 13,491    | 8/26/98                 |
| 12       |               | 11,213    | 9/1/99                  |
| 13       |               | 14,179    | 8/8/98                  |
| 14       |               | 13,403    | 12/22/98                |
| 16       |               | 10,866    | 12/22/98                |
| 17       |               | 2,000     | 4/15/99                 |
| 18       |               | 133,929   | 6/3/98                  |
| 19       |               | 78,125    | 3/24/99                 |
| 20       |               | 47,943    | 1/27/00                 |
| 21       |               | 1,000     | 8/19/99                 |
| 22       |               | 65,864    | 4/23/99                 |
| 23       |               | 33,763    | 4/15/99                 |
| 24       |               | 11,053    | 4/15/99                 |
| 25       |               | 3,000     | 4/11/00                 |
| 26       |               | 10,000    | 7/15/99                 |
| 27       |               | 15,616    | 10/7/99                 |
| 28       |               | 30,823    | 4/13/99                 |
| 29       |               | 29,910    | 6/13/97                 |
| 30       |               | 2,039     | 4/5/99                  |
| 31       |               | 12,112    | 3/13/98                 |
| 32       |               | 20,000    | 12/4/98                 |
| 33       |               | 2,000     | 4/5/99                  |
| 34       |               | 17,703    | 8/21/98                 |
| 35       |               | 10,000    | 8/28/98                 |
| 36       |               | 20,000    | 4/13/99                 |
| 37       |               | 20,000    | 6/2/99                  |
| 38       |               | 20,000    | 4/6/99                  |
| 39       |               | 90,767    | 1/26/98                 |
| 40       |               | 20,000    | 8/5/98                  |
| 41       |               | 24,200    | 12/23/99                |
| 42       |               | 20,000    | 8/5/98                  |
| 43       |               | 10,000    | 11/30/99                |
| 44       |               | 15,000    | 11/30/99                |
| 45       |               | 10,000    | N/A                     |
| 46       |               | 50,000    | 6/11/97                 |
| 47       |               | 10,000    | 6/24/97                 |

| Trans No. | Customer (No.) | \$ Amount | Purchase Agreement Date |
|-----------|----------------|-----------|-------------------------|
| 48        |                | 10,720    | 7/2/98                  |
| 49        |                | 18,344    | 2/17/99                 |
| 50        |                | 10,000    | 2/3/99                  |
| 51        |                | 5,000     | 8/14/98                 |
| 52        |                | 10,000    | 3/11/98                 |
| 53        |                | 51,134    | 7/20/99                 |
| 54        |                | 49,190    | 7/20/99                 |
| 55        |                | 18,000    | 6/4/98                  |
| 56        |                | N/A       | N/A                     |
| 57        |                | 52,049    | 2/14/00                 |
| 58        |                | 36,654    | 4/8/99                  |
| 59        |                | 15,000    | 6/4/98                  |
| 59        |                | 29,395    | 2/14/00                 |
| 60        |                | 35,672    | 4/9/99                  |
| 61        |                | 40,000    | 4/8/99                  |
| 62        |                | 70,000    | 4/8/99                  |
| 63        |                | 16,165    | 8/19/98                 |
| 64        |                | 10,000    | N/A                     |
| 65        |                | 10,000    | 7/10/97                 |
| 66        |                | 4,442     | 7/18/97                 |
| 67        |                | 69,820    | 6/8/98                  |
| 68        |                | 20,000    | 6/16/98                 |
| 69        |                | 7,917     | 2/1/01                  |
| 70        |                | 7,037     | 10/6/99                 |
| 71        |                | 20,000    | 7/30/01                 |
| 72        |                | 10,000    | 2/3/99                  |
| 73        |                | 10,000    | N/A                     |
| 74        |                | 14,562    | 5/13/98                 |
| 75        |                | 10,000    | 1/26/98                 |
| 76        |                | 15,000    | 11/11/97                |
| 77        |                | 149,244   | 12/18/98                |
| 78        |                | 50,000    | 9/2/98                  |
| 79        |                | 37,967    | 10/17/97                |
| 80        |                | 20,000    | 10/17/97                |
| 81        |                | 10,541    | 11/9/98                 |
| 82        |                | 15,905    | 8/8/97                  |
| 83        |                | 10,465    | 5/27/99                 |
| 84        |                | 4,349     | 9/2/98                  |
| 85        |                | 19,949    | 9/1/98                  |
| 86        |                | 18,000    | 6/12/01                 |
| 87        |                | 30,000    | 7/27/99                 |
| 88        |                | 20,000    | 6/28/98                 |
| 89        |                | 50,000    | 10/28/98                |
| 90        |                | 10,000    | 2/15/00                 |
| 91        |                | 10,000    | 5/11/00                 |
| 92        |                | 15,222    | N/A                     |
| 93        |                | 40,000    | 4/17/98                 |
| 94        |                | 25,000    | 6/28/01                 |
| 95        |                | 33,000    | 8/20/99                 |
| 96        |                | 38,295    | 10/7/97                 |
| 97        |                | 15,000    | 8/21/01                 |
| 98        |                | 10,000    | 8/7/97                  |
| 99        |                | 15,000    | 8/22/01                 |
| 100       |                | 20,000    | 7/24/98                 |
| 101       |                | 10,000    | 3/6/98                  |

| Trans<br>No. | Customer (No.) | \$ Amount | Purchase Agreement<br>Date |
|--------------|----------------|-----------|----------------------------|
| 102          |                | 20,000    | 10/3/97                    |
| 103          |                | 12,565    | 10/2/97                    |
| 104          |                | 10,000    | 10/2/97                    |
| 105          |                | 56,223    | 3/1/99                     |
| 106          |                | 10,000    | 5/17/99                    |
| 107          |                | 20,000    | N/A                        |
| 108          |                | 52,029    | 5/13/99                    |
| 109          |                | 1,599     | 5/14/99                    |
| 110          |                | 90,150    | 6/23/99                    |
| 111          |                | 60,000    | 6/19/98                    |
| 112          |                | 60,000    | 6/19/98                    |
| 113          |                | 11,912    | 10/2/98                    |
| 114          |                | 10,000    | 9/11/98                    |
| 115          |                | 17,000    | 5/11/99                    |
| 116          |                | 8,197     | 9/27/99                    |
| 117          |                | 15,000    | 7/13/01                    |
| 118          |                | 10,449    | 6/27/00                    |
| 119          |                | 12,066    | 9/21/99                    |
| Total        |                | 3,005,373 |                            |