

**NASD
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. E0220040658-01**

TO: Department of Enforcement
NASD

RE: Donald J. Haskell, Respondent
General Securities Principal
CRD No. 239370

Pursuant to Rule 9216 of NASD Code of Procedure, I, Donald J. Haskell ("Haskell"), 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, 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:

Haskell became a General Securities Representative in 1974 and a General Securities Principal in 1985. From on or about June 11, 2001 through December 31, 2004, Haskell was associated with NASD member First Montauk Securities Corp. ("FMS") in those capacities. Haskell is not currently associated with any NASD member and has not been the subject of prior disciplinary action by NASD, other self-regulatory organizations, the Securities Exchange Commission, or any state regulators.

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:

Private Securities Transactions (Conduct Rules 3040 and 2110)

1. On October 29, 2001 and November 14, 2001, Haskell participated in private securities transactions without providing prior written or oral notification to, and receiving prior written approval from, the NASD member with which he was associated. The securities transactions involved purchases by one public customer of promissory notes, totaling \$40,000, issued by Pads Direct, Inc., a company in which Haskell's stepdaughter and son-in-law owned a fifty-percent interest. In connection with these sales, Pads Direct, Inc., paid Haskell approximately \$6,000.

The foregoing acts, practices and conduct constitute separate and distinct violations of Conduct Rules 3040 and 2110 by Haskell.

Settling Away (Conduct Rule 2110)

2. Beginning in January 2003, through June 2004, the customer routinely complained to Haskell that Pads Direct, Inc., had stopped performing under the notes. In response, by June 2004, Haskell had re-paid the customer a total of \$24,000 and had arranged for his stepdaughter and son-in-law to pay the balance of the notes. At no time did Haskell inform his FMS of the customer's complaints, or of his agreement to personally help repay the notes.

The foregoing acts, practices and conduct constitute separate and distinct violations of Conduct Rules 2110 by Haskell.

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

1. A fine in the amount of \$5,000;¹
2. A suspension from registration with any NASD member, in any capacity, for a period of six months; and
3. A requirement that I must requalify by examination as a General Securities Representative (Series 7) prior to associating with any NASD member, in any capacity.

The sanctions imposed herein shall be effective on a date set by NASD staff. However, the fine shall be due and payable either immediately upon re-association with a member firm following the six 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 fine may be paid pursuant to a payment plan.

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 notice that this AWC has been accepted and that such payments are due and payable and have attached an Election of Payment form showing the method by which I propose to pay any fine imposed.
- 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 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,

¹ NASD has not required that Haskell disgorge the commissions he earned from the misconduct totaling \$6,000 because he personally paid the customer \$24,000 to help satisfy Pads Direct, Inc.'s obligation under the notes.

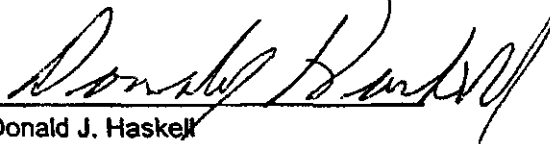
including clerical or ministerial functions, during the period of the bar or suspension. (See NASD Rule 8310 and IM-8310-1.)

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.

6-3-05

Date

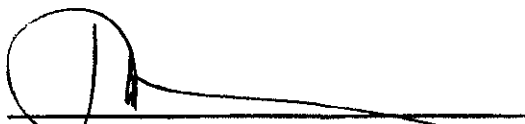
Donald J. Haskell



Accepted by NASD:

July 18, 2005

Date



Lani M. Sen Woltmann, District Director
Signed on behalf of the Director of ODA,
by delegated authority