

**NASD REGULATION, INC.
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. E062004005301**

TO: Department of Enforcement
NASD Regulation, Inc.

RE: Global Financial Services, L.L.C.
Member Firm
CRD No. 35699

Robert Claus Arthur Benjamin
General Securities Principal
CRD No. 838266

Gerardo Arturo Chapa
General Securities Principal
CRD No. 1451790

Ricardo Perusquia
General Securities Principal
CRD No. 1781426

Pursuant to Rule 9216 of the National Association of Securities Dealers, Inc. ("NASD") Code of Procedure, Global Financial Services, L.L.C., Robert Claus Arthur Benjamin, Gerardo Arturo Chapa, and Ricardo Perusquia ("Respondents") 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 Regulation, Inc. will not bring any future actions against us alleging violations based on the same factual findings.

We 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 Regulation, Inc.'s Department of Enforcement and National Adjudicatory Council ("NAC"), 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 us; and
3. If accepted:
 - a. this AWC will become part of our permanent disciplinary record and may be considered in any future actions brought by the NASD against us;
 - b. this AWC will be made available through NASD Regulation, Inc.'s public disclosure program in response to public inquiries about our disciplinary record;

- c. NASD Regulation, Inc. 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. We 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 our testimonial obligations or right to take legal positions in litigation in which the NASD is not a party.

We also understand that our 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:

During all periods mentioned herein, Global Financial Services, L.L.C. was a registered broker dealer with the Securities and Exchange Commission and a member of NASD. The firm's registration as a member of NASD remains in effect and it has no disciplinary history.

Robert Claus Arthur Benjamin entered the securities industry in May 1977 as a General Securities Representative of a member of this Association. During all periods mentioned herein he was registered with Global Financial Services L.L.C. as a General Securities Principal. He has no disciplinary history.

Gerardo Arturo Chapa entered the securities industry in January 1986 as a General Securities Representative of a member of NASD. During all periods mentioned herein, he was registered as a General Securities Principal with member firm Global Financial Services, L.L.C. He has no disciplinary history.

Ricardo Perusquia entered the securities industry in February 1988 as a General Securities Representative of a member of NASD. During all periods mentioned herein, he was registered as a General Securities Principal with member firm Global Financial Services L.L.C. He has no disciplinary history.

I.

WAIVER OF PROCEDURAL RIGHTS

We 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 us;
- 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, we 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.

We 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. We hereby accept and consent, without admitting or denying the allegations, and solely for the purposes of this proceeding, to the entry of the following findings by NASD Regulation, Inc.:

- 1. In 1998, the Securities and Exchange Commission began reviewing the debt markets in the U.S. with a particular emphasis on price transparency. In connection with that review, the SEC requested that the NASD adopt rules to enhance the transparency and the integrity of the corporate debt market. Thereafter, the NASD proposed mandatory rules for its members which required, among other things, that members report to NASD all transactions in U.S. corporate bonds. In January 2001, the SEC approved these rules.

Along with the new rules, NASD developed the Trade Reporting and Compliance Engine ("TRACE"). NASD developed TRACE for member firms to use when reporting transactions in U.S. corporate bonds and the rules requiring such reporting are referred to as the "TRACE Rules." On July 1, 2002, the new TRACE Rules took effect, obligating all NASD member firms that are a party to a secondary "over-the-counter" market transaction to report transactions in TRACE-eligible corporate bonds. Initially, the TRACE Rules required bond dealers to report trades within 75 minutes of execution. In 2004, the reporting time was reduced to thirty minutes and in 2005, the reporting time was again reduced to 15 minutes of execution.

During the period from about October 2002 to about December 2004, Global Financial Services, L.L.C. acting through Robert Claus Arthur Benjamin, Gerardo Arturo Chapa, and Ricardo Perusquia, failed to report through the NASD's Trade Reporting and Compliance Engine system (TRACE), transaction information for 993 corporate bond transactions, out of 1,763 reviewed. Moreover, during the period from on or about October 1, 2004 to on or about December 31, 2004, Global Financial Services, L.L.C. acting through Robert Claus Arthur Benjamin, Gerardo Arturo Chapa, and Ricardo Perusquia, failed to timely report, through TRACE, transaction information for 293 corporate bond transactions, out of 293 reviewed.

Such acts, practices, and conduct constitute separate and distinct violations of NASD Marketplace Rule 6230 and NASD Conduct Rule 2110 by Respondents Global Financial Services, L.L.C., Robert Claus Arthur Benjamin, Gerardo Arturo Chapa, and Ricardo Perusquia.

2. During the period from about October 2002 to about December 2004, Global Financial Services L.L.C., acting through Robert Claus Arthur Benjamin, Gerardo Arturo Chapa, and Ricardo Perusquia, failed to establish, maintain, and enforce, a system to supervise, including written procedures, the activities of its registered persons reasonably designed to achieve compliance with NASD's TRACE reporting rule.

Such acts, practices, and conduct constitute separate and distinct violations of NASD Conduct Rules 3010 and 2110 by Respondents Global Financial Services, L.L.C., Robert Claus Arthur Benjamin, Gerardo Arturo Chapa, and Ricardo Perusquia.

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

A censure and monetary fine of \$100,000.00 against Respondent Global Financial Services L.L.C.

Of the total fine amount, \$50,000.00 is assessed jointly and severally against each of the Respondents Robert Claus Arthur Benjamin, Gerardo Arturo Chapa, and Ricardo Perusquia. Moreover, Respondents Benjamin, Chapa, and Perusquia are each suspended, in any principal capacity, for a period of thirty calendar days. Chapa's suspension shall commence immediately following the expiration of Benjamin's suspension, and Perusquia's suspension shall commence immediately following the expiration of Chapa's suspension.

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

Letter of Acceptance, Waiver and Consent
E062004005301/Global Financial Services, LLC,
Robert Claus Arthur Benjamin, Gerardo Arturo Chapa and Ricardo Perusquia

III.

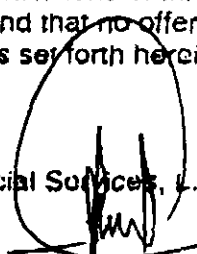
OTHER MATTERS

- A. We understand that we may attach a Corrective Action Statement to this AWC which is a statement of demonstrable corrective steps taken to prevent future misconduct. We understand that we 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 Regulation, Inc., nor does it reflect the views of NASD Regulation, Inc. or its staff.
- B. We agree to pay any monetary sanctions imposed on us 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 we propose to pay any fine imposed.
- C. We specifically and voluntarily waive any right to claim that we are unable to pay, now or at any time hereafter, any monetary sanction imposed in this matter.
- D. We understand that if we are barred or suspended from association with any NASD member, we 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, we 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.)

We certify that we 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 us to submit it.

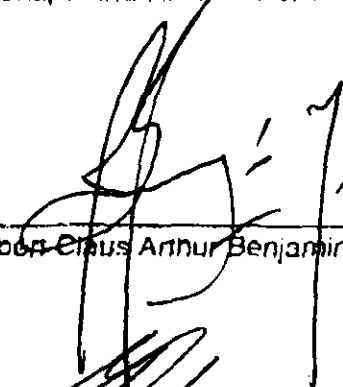
12-14-05
Date

Global Financial Services, L.L.C.

By: 
Name: Ricardo Perusquia
Title: Managing Director

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Robert Claus Arthur Benjamin, Gerardo Arturo Chapa and Ricardo Perusquia

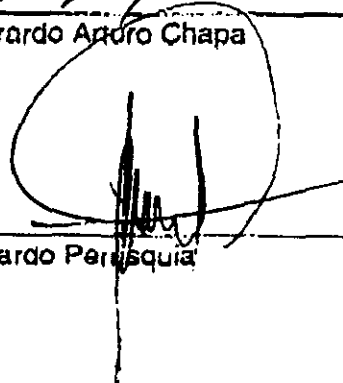
12/14/05
Date


Robert Claus Arthur Benjamin

12/13/05
Date


Gerardo Arturo Chapa

12/13/05
Date


Ricardo Perusquia

Reviewed by:

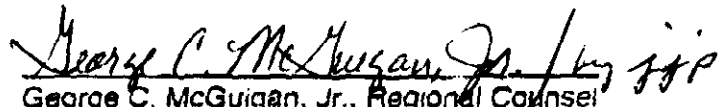
Counsel for Respondent(s)

Letter of Acceptance, Waiver and Consent
E062004005301/Global Financial Services, LLC.
Robert Claus Arthur Benjamin, Gerardo Arturo Chapa and Ricardo Perusquia

Accepted by NASD:

12/28/2005
Date

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


George C. McGuigan, Jr., Regional Counsel
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