

NASD
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. E0720040050
DISTRICT FL

TO: Department of Enforcement
NASD

RE: Grissel M. Carbonell
Financial and Operations Principal
[CRD No. 2251670]

Pursuant to Rule 9216 of NASD Code of Procedure, Respondent *Grissel M. Carbonell* submits 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:

Respondent Grissel M. Carbonell was during all times relevant hereto, the Financial and Operations Principal of Cardinal Capital Management, Inc. ("Cardinal"), a former member firm. Carbonell first became registered with NASD as a general securities representative in 1989 with Community Investment Services, Inc., where she was employed through August 1991. From August 1991 through January 2005, Carbonell was employed with Cardinal, where she became registered as a Financial and Operations Principal in November 1994.

In August 2004, Carbonell entered into a Letter of Acceptance, Waiver, and Consent along with the firm, consenting to findings that she caused the firm to conduct a securities business while it failed to maintain its minimum required net capital, failed to maintain accurate books and records, and filed inaccurate FOCUS reports, in violation of NASD Conduct Rule 2110. Carbonell was fined \$5,000 jointly and severally with Cardinal.

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. During the period from August 11, 2003 through June 18, 2004 ("the relevant period"), Grissel Carbonell ("Respondent Carbonell"), acting on behalf of member firm Cardinal, allowed the firm to conduct a securities business while failing to maintain its minimum required net capital of \$50,000, in violation of SEC Rule 15c3-1. Respondent Carbonell incorrectly classified the receipt of shares of stock and accrued commissions receivable, resulting in an overstatement of net capital approximately \$31,000 and an excess net capital deficiency of approximately \$18,000.

Such acts, practices, and conduct constitute separate and distinct violations of NASD Conduct Rule 2110 by Respondent Carbonell.

2. During the relevant period, as a result of the overstatement of net capital, Respondent Carbonell caused the firm's ledger and balance sheets to be inaccurate, in violation of SEC Rules 17a-3 and 17a-4.

Such acts, practices, and conduct constitute separate and distinct violations of NASD Conduct Rules 3110 and 2110 by Respondent Carbonell.

3. During the relevant period, as a result of the overstatement of net capital, Respondent Carbonell caused the firm to file an inaccurate FOCUS report, in violation of SEC Rule 17a-5.

Such acts, practices, and conduct constitute separate and distinct violations of NASD Conduct Rule 2110 by Respondent Carbonell.

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

Censure and a monetary fine in the amount of \$7,500 against Respondent Carbonell.

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

5/31/06
Date

Grissell M. Carbonell
Grissell M. Carbonell

Reviewed by:

[Signature]
Counsel for Respondent

Accepted by NASD:

6/22/14.
Date

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

Nancy B. Goldstein

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