

**NASD
OFFICE OF HEARING OFFICERS**

Department of Enforcement,

Complainant,

v.

Fausto E. Callava,
CRD No. 4139260,

and

Carlos O. Medina,
CRD No. 4078775,

Respondents.

Disciplinary Proceeding
No. E0720040885 01

Hearing Officer – Andrew H. Perkins

**ORDER ACCEPTING OFFER OF
SETTLEMENT OF
CARLOS O. MEDINA**

Date: February 3, 2006

INTRODUCTION

Disciplinary Proceeding No. E0720040885 01 was filed on January 3, 2006, by the Department of Enforcement of NASD ("Complainant"). Respondent Carlos O. Medina submitted an Offer of Settlement ("Offer") to Complainant on January 30, 2006. Pursuant to Code of Procedure Rule 9270(e), the Complainant and the National Adjudicatory Council ("NAC") Review Subcommittee or the Office of Disciplinary Affairs ("ODA") have accepted the uncontested Offer. Accordingly, this Order now is issued pursuant to Code of Procedure Rule 9270(e)(3). The findings, conclusions and sanctions set forth in this Order are those stated in the Offer as accepted by the Complainant and approved by the NAC.

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Under the terms of the Offer, Respondent Medina has consented, without admitting or denying the allegations of the Complaint, 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, to the entry of findings and violations consistent with the allegations of the Complaint, and to the imposition of the sanctions set forth below, and fully understands that this Order will become part of his permanent disciplinary record and may be considered in any future actions brought by NASD.

BACKGROUND

Respondent Medina entered the securities industry in November 1999 and was first registered as an investment company and variable contracts products representative of an NASD member in January 2000, and as a general securities representative in January 2004. He is not currently registered with an NASD member. He has no disciplinary history.

FINDINGS AND CONCLUSIONS

It has been determined that the Offer be accepted and that findings be made as follows:

As alleged in the Complaint, Respondent Medina sold an unregistered security in violation of Section 5 of the Securities Act of 1933 and NASD Conduct Rule 2110; falsified documents in connection with the sale of the unregistered security, in violation of NASD Conduct Rule 2110; and acted unethically by knowingly providing false information to his employing NASD member firm to deceive and mislead the firm while it was investigating the facts and circumstances of his sale of the unregistered security, in violation of NASD Conduct Rule 2110.

Based on the foregoing, Respondent Medina violated Section 5 of the Securities Act of 1933 and NASD Conduct Rule 2110.

Based on these considerations, the sanctions hereby imposed by the acceptance of the Offer are in the public interest, are sufficiently remedial to deter Respondent Medina from any future misconduct, and represent a proper discharge by NASD, of its regulatory responsibility under the Securities Exchange Act of 1934.

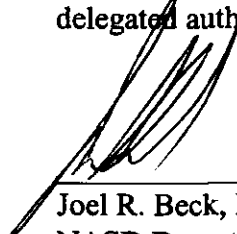
SANCTIONS

It is ordered that Respondent Medina be barred from association with any NASD member in all capacities. Pursuant to IM-8310-2 (f), a bar or expulsion shall become effective upon approval or acceptance of this Order by the NAC.

SO ORDERED.

NASD

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



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