

NASD
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. E1020040416-01

To: Department of Enforcement
NASD

Re: Anthony Arcabascio (CRD No. 3248440)

Pursuant to NASD Procedural Rule 9216, Anthony Arcabascio ("Arcabascio") 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 Arcabascio alleging violations based on the same factual findings.

Arcabascio understands 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 the National Adjudicatory Council (NAC) Review Subcommittee or the Office of Disciplinary Affairs (ODA), pursuant to NASD Procedural Rule 9216;
2. If this AWC is not accepted, its submission will not be used as evidence to prove any of the allegations against Arcabascio; and
3. If accepted:
 - a. This AWC will become part of Arcabascio's permanent disciplinary record and may be considered in any future actions brought by NASD or any other regulator against Arcabascio;
 - b. This AWC will be made available through NASD's public disclosure program in response to public inquiries about Arcabascio's disciplinary record;
 - c. NASD may make a public announcement concerning this agreement and the subject matter thereof in accordance with NASD Procedural Rule 8310 and IM-8310-2; and
 - d. Arcabascio 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 finding in this AWC or create the impression that the AWC is without factual basis. Nothing in this provision affects Arcabascio's testimonial obligations or rights to take legal or factual positions in litigation or other legal proceedings in which NASD is not a party.

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Arcabascio also understands that his 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:

Arcabascio first became registered with NASD as a General Securities Representative through Tullett Liberty Brokerage, Inc. (the "Firm") on November 18, 2004 and is currently employed by the Firm. Arcabascio has no prior disciplinary history with the Securities and Exchange Commission, any self-regulatory organization or any state securities regulator.

I. WAIVER OF PROCEDURAL RIGHTS

Arcabascio specifically and voluntarily waives the following rights granted under NASD's Code of Procedure:

- A. To have a Formal Complaint issued specifying the allegations against Arcabascio;
- 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.

Furthermore, Arcabascio specifically and voluntarily waives 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.

In addition, Arcabascio specifically and voluntarily waives any right to claim that a person violated the *ex parte* prohibitions of NASD Procedural Rule 9143 or the separation of functions prohibitions of NASD Procedural 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. Arcabascio hereby accepts and consents, without admitting or denying the 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:

During the period December 2000 through May 2004, Arcabascio, while associated with the Firm, engaged in trading activity involving government securities which required registration and was paid transaction based compensation by the Firm without being properly registered with NASD. By reason of the foregoing, Arcabascio violated NASD Membership and Registration Rule 1031 and Conduct Rule 2110.

- B. Arcabascio also consents to the imposition, at a maximum, of the following sanctions:
1. Arcabascio is suspended in all capacities for five business days and fined \$10,000.

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

III. OTHER MATTERS

- A. Arcabascio understands that he may attach a Statement of Corrective Action to this AWC, which is a statement of demonstrable corrective steps taken to prevent future misconduct. Arcabascio understands that he 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. Arcabascio agrees to pay any monetary sanctions imposed on him upon notice that this AWC has been accepted and that such payments are due and payable. Arcabascio has attached an Election of Payment form showing the method by which he propose to pay any fine imposed.
- C. Arcabascio specifically and voluntarily waives any right to claim that he is unable to pay, now or at any time hereafter, any monetary sanction imposed in this matter.
- D. Arcabascio understands that if he is barred or suspended from associating with any NASD member, he 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, he 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.)

Arcabascio certifies that this AWC has been read and that all provisions of this AWC are understood, and that Arcabascio has 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 Arcabascio to submit it.

8-22-06
Date


ANTHONY ARCABASCIO

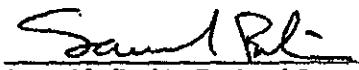
Reviewed by Counsel:


Robert M. Abrahams
Counsel for Respondent Anthony Arcabascio

Accepted by NASD:

August 28, 2006
Date

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


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