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REGISTRATION & DISCLOSURE

NASD
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. ## E1020050327-01

TO: Department of Enforcement
NASD

RE: Olympia Asset Management, Ltd.
(BD No. 126331)

Pursuant to Rule 9216 of NASD Code of Procedure, Respondent Olympia Asset Management, Ltd. (hereinafter "Olympia") 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 Respondent alleging violations based on the same factual findings.

Respondent 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 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 Respondent; and
3. If accepted:
 - a. this AWC will become part of Respondent's permanent disciplinary records and may be considered in any future actions brought by NASD against Respondent;
 - b. this AWC will be made available through NASD's public disclosure program in response to public inquiries about Respondent's disciplinary records;
 - 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. Respondent may not take any action or make or permit to be made any public statement, including in regulatory filings or otherwise,

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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 Respondent's testimonial obligations or right to take legal positions in litigation in which NASD is not a party.

Respondent also understands that its 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:

Olympia has been a member of NASD since September 8, 2003.

The firm has no relevant disciplinary history with the Securities and Exchange Commission, any self-regulatory organization or any state securities regulator.

I.

WAIVER OF PROCEDURAL RIGHTS

Respondent 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 it;
- 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, Respondent 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.

Respondent further specifically and voluntarily waives 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. Respondent 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:
- 1) A review of 57 order tickets for the period from February 27, 2004, through November 20, 2005, (the "Relevant Period") revealed that none of the order tickets contained time stamps showing the time of order receipt. By reason of the foregoing, Olympia violated SEC Rule 17a-3(a)(6), and NASD Conduct Rules 3110 and 2110.
 - 2) During the Relevant Period, Olympia failed to report statistical and summary information for two customer complaints through the NASD Conduct Rule 3070 ("Rule 3070") reporting system, and failed to timely report information for an additional customer complaint. Specifically, a written complaint was received regarding customer "SS" on or about April 6, 2005. In addition, a written complaint was received regarding customer "JW" on or about July 5, 2005. These complaints were not reported to the Rule 3070 system. In addition, a written complaint from customer "JT" was received by Olympia on September 15, 2005, and reported through the Rule 3070 reporting system on October 24, 2005, nine days late. By reason of the foregoing, Olympia violated NASD Conduct Rules 3070 and 2110.
 - 3) During the Relevant Period, Olympia's minimum net capital requirement was \$250,000 on at least two separate occasions, as a result of its receipt of customer checks made payable to itself. On these occasions, Olympia failed to maintain the required minimum net capital, while conducting a securities business. Specifically:
 - (a) On August 31, 2005, Olympia's minimum net capital was \$250,000. On that date, while conducting a securities business, Olympia maintained a net capital of 130,757.22 and therefore had a net capital deficiency of \$119,242.78; and
 - (b) On October 31, 2005, Olympia's minimum net capital was \$250,000. On that date, while conducting a securities business, Olympia maintained a net capital of \$197,999 and therefore had a net capital deficiency of \$52,001.

By reason of the foregoing, Olympia violated SEC Rule 15c3-1 and NASD Conduct Rule 2110.

B. Respondent also consents to the imposition, at a maximum, of the following sanctions:

- A fine of \$15,000; and,
- A censure.

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

III.

OTHER MATTERS

- A. Respondent understands that it may attach a Corrective Action Statement to this AWC that is a statement of demonstrable corrective steps taken to prevent future misconduct. Respondent understands that it 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. Respondent agrees to pay any monetary sanctions imposed on it upon notice that this AWC has been accepted and that such payments are due and payable.
- C. Respondent specifically and voluntarily waives any right to claim that it is unable to pay, now or at any time hereafter, any monetary sanction imposed in this matter.

Respondent certifies that it has read and understands all of the provisions of this AWC and 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 it to submit it.

4-26-07
Date

Olympia Asset Management, Ltd.

By: [Signature]

Title: CEO

Print Name: Michael Murphy

Accepted by NASD:

June 11, 2007
Date

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

[Signature]

Christina J. Kang
Senior Regional Attorney
NASD Department of Enforcement
One Liberty Plaza, 48th Floor
New York, NY 10006
(212) 858-4009

NASD District Director

Hans Reich
Senior Vice President
NASD, District 10
One Liberty Plaza
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April 26, 2007

Christina J Kang, Senior Regional Attorney
NASD
Department of Enforcement
One Liberty Plaza, 48th Floor
New York, NY 10006

RE: Transmittal of Letter of Acceptance, Waiver and Consent (Exam # E10050327)

Dear Ms. Kang,

This will serve as a Statement of Corrective Action regarding the referenced examination and AWC. **This Corrective Action Statement is submitted by Olympia Asset Management Ltd. It does not constitute factual or legal findings by NASD, nor does it reflect the views of NASD, or its staff.**

The following corrective actions have been taken.

Order Tickets. Upon notification by the NASD audit staff, this firm immediately installed an electronic time stamping device in the office of the Chief Compliance Officer, modified its written supervisory procedures to reflect the necessity of a third time stamp, and notified all staff regarding this rule. This corrective action was sent to Andrew Tourney of your office via email shortly after the exit conference of February 8, 2006.

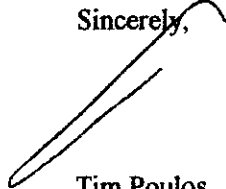
Customer Protection Rule (Net Capital Violation) Upon notification by the NASD audit staff, this firm immediately, this firm immediately started sending letters to customers who were making checks payable to this firm, in addition to the established procedure of notifying customers in advance that checks should be made payable to the clearing firm. Responsibility for review of the daily checks received blotter was shifted from the CEO to the Chief Compliance Officer to ensure review of all incoming checks. (This corrective action was sent to Andrew Tourney of your office via email shortly after the exit conference of February 8, 2006.) To eliminate the possibility of a client habitually making checks payable to this firm, a spreadsheet was created tracking all customers who make checks payable to this firm. The second occurrence will result in the check being returned to the client via overnight mail the same day as it is received. Written Supervisory Procedures were amended to reflect the new procedures.

OLYMPIA
ASSET MANAGEMENT, LTD.
Member NASD, SIPC

3070 Filings To greatly reduce the probability of a customer complaint not being presented to the Chief Compliance Officer, the CCO has taken physical control of all complaint files, keeping them in a locked file cabinet in his office. Going forward, a complaint file should not be generated or filed without knowledge of the CCO. This corrective action was sent to Andrew Tourney of your office via email shortly after the exit conference of February 8, 2006.

Please note that all corrective actions were taken by this firm upon notification by the NASD.

Sincerely,



Tim Poulos
Chief Compliance Officer