

**NASD
OFFICE OF HEARING OFFICERS**

DEPARTMENT OF ENFORCEMENT,

Complainant,

v.

EMIL BRIAN PANZARINO
(CRD No. 2540399),

Respondent.

Disciplinary Proceeding
No. ELI20040386-01

Hearing Officer – Andrew H. Perkins

**ORDER ACCEPTING OFFER OF
SETTLEMENT**

Date: June 27, 2006

INTRODUCTION

NASD Disciplinary Proceeding No. ELI20040386-01 was filed on April 7, 2006, by the Department of Enforcement of NASD ("Complainant"). Respondent Emil Brian Panzarino ("Respondent") submitted an Offer of Settlement ("Offer") to Complainant on June 14, 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 is now 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.

Under the terms of the Offer, Respondent 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

Respondent's permanent disciplinary record and may be considered in any future actions brought by NASD.

BACKGROUND

Respondent was first registered with NASD as a General Securities Representative ("GSR") in July 1995 through an association with a member firm. From December 1996 through September 1997, Respondent was registered as an Investment Company Products/Variable Contracts Representative ("IR") and GSR, through his association with another member firm. From September 1999 through March 2000, Respondent was also registered as a GSR through two other member firms.

From July 8, 2000, through October 20, 2004, Respondent was registered as an IR through his association with Allstate Financial Services, LLC (BD No. 18272) ("Allstate").

Although Respondent is not currently registered with NASD, he remains subject to NASD's jurisdiction pursuant to Article V, Section 4 of its By-Laws. Specifically, the Notice of Complaint and Complaint were served upon Respondent on April 7, 2006, which is less than two years after October 20, 2004, the effective date of the termination of his most recent registration.

Respondent does not have any disciplinary history with the Securities and Exchange Commission, any self-regulatory organization or any state securities regulator.

FINDINGS AND CONCLUSIONS

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

1. On or about January 22, 2004, Allstate customer JG remitted \$437 to Respondent for the purpose of paying the premium on JG's automobile insurance policy. Rather than apply those funds to JG's insurance policy, Respondent kept and used the funds for his personal use and benefit without JG's knowledge or authorization.

2. On or about February 2, 2004, JG remitted an additional \$440 to Respondent for the purpose of paying the premium on his automobile insurance policy. Again, rather than apply those funds to JG's insurance policy, Respondent kept and used the funds for his personal use and benefit without JG's knowledge or authorization.

By reason of the foregoing, Respondent violated NASD Conduct Rule 2110.

3. Pursuant to NASD Rule 8210, Respondent was required to appear for on-the-record interviews ("OTR") scheduled for April 5, 2005; April 8, 2005; May 10, 2005; July 25, 2005; and February 15, 2006 (the "Scheduled OTRs"). No adjournments were granted for the Scheduled OTRs, and Respondent failed to appear for all of the Scheduled OTRs.

By reason of the foregoing, Respondent violated NASD Conduct Rule 2110 and NASD Procedural Rule 8210.

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 from any future misconduct, and represent a proper discharge by NASD, of its regulatory responsibility under the Securities Exchange Act of 1934.

SANCTIONS

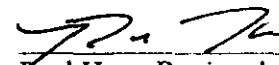
It is ordered that Respondent be:

- barred from associating with any NASD member in any capacity.

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.

By:


Paul Hare, Regional Attorney
Signed on behalf of the Director of
ODA, by delegated authority