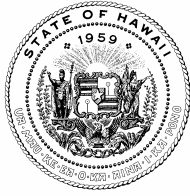


LINDA LINGLE
GOVERNOR

JAMES R. AIONA, JR.
LT. GOVERNOR



RONALD BOYER
DIRECTOR

RODNEY A. MAILE
DEPUTY DIRECTOR

TUNG CHAN
COMMISSIONER OF SECURITIES

STATE OF HAWAII
BUSINESS REGISTRATION DIVISION
DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS
335 MERCHANT STREET, P.O. BOX 40
HONOLULU, HAWAII 96810

WWW.BUSINESSREGISTRATIONS.COM

October 21, 2010

STATE OF HAWAII
DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS
COMMISSIONER OF SECURITIES

In the Matter of)
)
Dealer Annual Report of Condition.)
)
_____)

INTERPRETIVE ORDER NO. 2010-1

RECITALS

WHEREAS, the State of Hawaii ("**State**") Commissioner of Securities ("**Commissioner**") is charged with the administration of the Hawaii Securities Act ("**Act**") in Hawaii Revised Statutes ("**HRS**") chapter 485A, and the Hawaii Administrative Rules ("**HAR**") promulgated thereunder;

WHEREAS, under HAR § 16-39-404, every dealer registered in the State is required to file an annual report of condition within ninety days following the end of the calendar or fiscal year; and dealers registered with the Securities Exchange Commission ("**SEC**") are required to file a copy of the annual financial report filed with the SEC;

WHEREAS, many dealers registered in the State and registered with the SEC are also members of the Financial Industry Regulatory Authority. ("**FINRA**");

WHEREAS, FINRA requires its members to file annual audited financial reports;

WHEREAS, the Commissioner finds that requiring dealers registered in the State who are registered with the SEC and are members of FINRA, to file with the Commissioner a copy of the annual audited financial report filed with the SEC and/or FINRA, is duplicative and unnecessary provided that specific guidelines are followed;

WHEREAS, the Commissioner desires to establish specific guidelines that provide registered dealers with an alternative means of satisfying the annual report of condition requirement in HAR § 16-39-404; and

WHEREAS, the Commissioner has determined that this Interpretative Order is in the public's interest, appropriate for the protection of investors, and consistent with the purposes of the Act and HAR chapter 16-39.

INTERPRETIVE ORDER

NOW THEREFORE, PURSUANT TO HRS § 485A-411(b), IT IS HEREBY ORDERED THAT:

Dealers registered in the State, who are registered with the SEC and are members of FINRA, may satisfy the annual report of condition requirement provided in HAR § 16-39-404 by making its annual audited financial report filing with FINRA and complying with the following (i.e., the annual report of condition shall be waived if the dealer complies with the following requirements):

1. The dealer files annual audited financial reports with FINRA;
2. The dealer's FINRA annual audited financial reports are current;
3. The dealer notifies the Commissioner in writing within twenty-four (24) hours if the dealer's net capital fails to meet the minimum amount set forth in HAR § 16-39-404;
4. The dealer responds in writing and provides the Commissioner with financial information within twenty-four (24) hours following a request from the Commissioner; and
5. The dealer properly executes the "Waiver Eligibility Certification" attached to this Interpretive Order.

DATED: October 21, 2010.

/s/ Henry K. Tanji
Henry K. Tanji
Acting Commissioner of Securities

WAIVER ELIGIBILITY CERTIFICATION
FOR FILING OF ANNUAL REPORT OF CONDITION
BY DEALERS REGISTERED IN HAWAII

The undersigned dealer ("**Registrant**"), being duly registered under the Hawaii Uniform Securities Act ("**Act**") in Hawaii Revised Statutes chapter 485A, hereby elects to satisfy the annual report of condition requirement in Hawaii Administrative Rules ("**HAR**") §16-39-404 by making its annual audited financial report filing with the Financial Industry Regulatory Authority ("**FINRA**") and certifying that:

1. Registrant is and continues to be a member of FINRA;
2. Registrant files annual audited financial reports with FINRA;
3. Registrant is current in filing its annual audited financial reports with FINRA, and all other financial reports required by FINRA;
4. Registrant shall notify the Commissioner in writing within twenty-four (24) hours if the Registrant's net capital fails to meet the minimum amount set forth in HAR § 16-39-404;
5. Registrant shall provide to the Commissioner all financial reports, statements, and information within twenty-four (24) hours following a request from the Commissioner;
6. Registrant shall immediately notify the Commissioner in writing if there is any change in any of the information described in or required under this Waiver;
7. Registrant understands that this Waiver does not relieve the Registrant from compliance with all of the other provisions of the Act or the HAR promulgated thereunder; and
8. This election shall remain in effect while this order is in force provided that the Registrant is otherwise in compliance with the Act and the HAR thereunder.

Print Name of Dealer: _____ CRD No.: _____

Signature of CFO or other authorized individual: _____

Title of Signatory: _____ Date: _____

This waiver eligibility form may be:

1. Faxed to: (808) 587-7559 or
2. Mailed to: 335 Merchant Street, Room 203
Honolulu, HI 96813

Note: No acknowledgement of this filing will be made unless one additional copy of this form and a self-addressed stamped envelope are provided.