

NASD
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2005001376501

TO: Department of Enforcement
NASD

RE: William M. Kuether, Respondent
CRD No. 4897471

Pursuant to Rule 9216 of NASD Code of Procedure, I submit 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 me alleging violations based on the same factual findings.

I understand 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 me; and
3. If accepted:
 - a. this AWC will become part of my permanent disciplinary record and may be considered in any future actions brought by NASD or any other regulator against me;
 - b. this AWC will be made available through NASD's public disclosure program in response to public inquiries about my disciplinary record;
 - 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. I 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 my testimonial obligations or right to take legal or factual positions in litigation or other

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legal proceedings in which NASD is not a party.

I also understand that my 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:

I, William M. Kuether entered the securities industry in January 2005 as an associated person with Edward Jones ("Member"), a member of NASD. I was associated with the Member until my termination on March 2005. I am not currently associated or registered with a NASD member and I have no prior disciplinary history.

I. WAIVER OF PROCEDURAL RIGHTS

I specifically and voluntarily waive the following rights granted under NASD's Code of Procedure:

- A. To have a Formal Complaint issued specifying the allegations against me;
- 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, I specifically and voluntarily waive 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.

I further specifically and voluntarily waive 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. I hereby accept and consent, 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:

On or about August 24, 2004, I was charged with twelve separate counts of violating Wisconsin Statutes 943.24(1) ("Issue of Worthless Check") (Case Number 2004CM000297). Each such violation is categorized as a Crime Against Property and is a Class A misdemeanor. The Criminal Complaint alleged that between March 11, 2004 and March 26, 2004, I issued twelve checks drawn on my checking account with the intent that the checks not be paid.

On or about January 3, 2005, I willfully failed to disclose a material fact on a Uniform Application for Securities Industry Registration or Transfer (Form U4); specifically, I willfully failed to disclose the pending criminal case described in the preceding paragraph, in violation of NASD Conduct Rule 2110 and IM-1000-1. At the time I signed the Form U4, the criminal charges were still pending against me.

On or about August 11, 2005, in response to an NASD staff request for information made pursuant to NASD Procedural Rule 8210, I sent a letter purportedly written by a Wisconsin prosecutor. This document stated that the criminal case involving the issuance of worthless checks was initiated against me by someone who was trying to pressure me into a civil settlement. In reality, the prosecutor did not draft, endorse or adopt this letter.

In September and October, 2005, NASD staff sent me three additional requests for information pursuant to NASD Procedural Rule 8210, further inquiring into, among other things, my failure to disclose the pending criminal matter on my Form U4 and my subsequent termination by the Member. I did not provide the information requested by NASD, in violation of NASD Conduct Rule 2110 and NASD Procedural Rule 8210.

- B. I also consent to the imposition, at a maximum, of the following sanctions:

A bar from association with any member of NASD in any capacity.

The sanctions imposed herein shall be effective on a date set by NASD staff. Pursuant to IM-8310-2(f), a bar or expulsion shall become effective upon approval or acceptance of this AWC by the NAC.

III. OTHER MATTERS

- A. I understand that if I am barred or suspended from associating with any NASD member, I 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, I 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.)
- B. I understand that this settlement includes a finding that, on or about January 3, 2005, I willfully failed to disclose a material fact on a Form U4. Under Section 15(b)(4)(A) of the Securities Exchange Act of 1934 and Article III, Section 4(f) of the NASD By-Laws, this nondisclosure makes me subject to a statutory disqualification with respect to association with a member. This statutory disqualification is separate and apart from the disqualification set forth in paragraph A above.

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9/15 2006
Date


William M. Kuether

Counsel for Respondent (if any)

10-5-06
Date

Undo (Bob) Chung
Regional Attorney
NASD Department of Enforcement
55 West Monroe Street
Suite 2700
Chicago, IL 60603
(312)899-4641

Carlotta A. Romano
NASD, District 8
55 West Monroe Street
Suite 2700
Chicago, IL 60603
(312)899-4324