

NASD
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. # 20050014908-01

TO: Department of Enforcement
NASD

RE: Elvis Parkes ("Parkes")
(CRD No. 2358223)

Pursuant to Rule 9216 of NASD Code of Procedure, Elvis S. Parkes ("Parkes") 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 Parkes alleging violations based on the same factual findings.

Parkes 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, his submission will not be used as evidence to prove any of the allegations against Parkes; and
3. If accepted:
 - a. this AWC will become part of Parkes's permanent disciplinary record and may be considered in any future actions brought by NASD or any other regulator against Parkes;
 - b. this AWC will be made available through NASD's public disclosure program in response to public inquiries about Parkes's 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. Parkes 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 Parkes's testimonial obligations or right to take legal or factual positions in

litigation or other legal proceedings in which NASD is not a party.

Parkes 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:

Parkes first became registered with an NASD member firm in November 1993 as a General Securities Representative ("GSR"). Between that time and March 1999, Parkes was registered as a GSR with several NASD member firms. Since March 1999, Parkes has been registered with NASD member firm First Republic Group, LLC ("First Republic") (BD No. 39781) as a GSR. Parkes does not have any disciplinary history with NASD or any other self-regulatory organization, the U.S. Securities and Exchange Commission, or any state securities regulator.

I.

WAIVER OF PROCEDURAL RIGHTS

Parkes 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 Parkes;
- 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, Parkes 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.

Parkes 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 his acceptance or rejection.

II.

ACCEPTANCE AND CONSENT

A. Parkes 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) On or about March 30, 2005, Parkes, while registered with NASD through member firm First Republic, effected or caused to be effected the purchase of shares of JDA Software Group Inc. in the account of First Republic customer DM without his knowledge, authorization or consent. By reason of the foregoing, Parkes violated NASD Conduct Rule 2110.
- (2) On or about March 31, 2005, Parkes, while registered with NASD through member firm First Republic, effected or caused to be effected the sale of shares of Viacom Inc. in the account of First Republic customer DM without his knowledge, authorization or consent. By reason of the foregoing, Parkes violated NASD Conduct Rule 2110.
- (3) On or about October 24, 2005, Parkes, while registered with NASD through member firm First Republic, effected or caused to be effected the purchase of shares of Chesapeake Energy Corp. in the account of First Republic customer RM without his knowledge, authorization or consent. By reason of the foregoing, Parkes violated NASD Conduct Rule 2110.
- (4) On or about October 24, 2005, Parkes, while registered with NASD through member firm First Republic, effected or caused to be effected the sale of shares of General Motors Acceptance Corp. in the account of First Republic customer RM without his knowledge, authorization or consent. By reason of the foregoing, Parkes violated NASD Conduct Rule 2110.

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

- A suspension from associating with any member firm in any capacity for thirty-five (35) calendar days;
- A fine of \$5,000;
- Restitution to customer DM in the amount of \$2,918.32.
- Restitution to customer RM in the amount of \$1,224.55.

Satisfactory proof of payment of the restitution or of reasonable and documented

efforts undertaken to effect restitution shall be provided to NASD staff no later than 30 days after acceptance of this AWC.

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

III.

OTHER MATTERS

- A. Respondent understands that he may attach a Corrective Action Statement to this AWC, which is a statement of demonstrable corrective steps taken to prevent future misconduct. Respondent 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. Respondent understands that if he is barred or suspended from associating with any NASD member, he becomes 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.)
- C. Respondent 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 and has attached an Election of Payment form showing the method by which Respondent proposes to pay any fine imposed.
- D. Respondent 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.

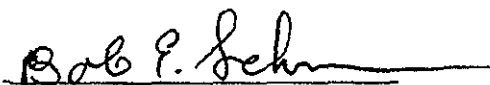
Parkes certifies that he has read and understands all of the provisions of this AWC and has been given a full opportunity to ask questions about it, and that no offer, threat, inducement, or

promise of any kind, other than the terms set forth herein, has been made to induce Parkes to submit this AWC.

11/8/06
Date


Elvis Parkes

Reviewed by:


Counsel for Elvis S. Parkes

Accepted by NASD:

January 11, 2007
Date


Jeff Kern
Regional Counsel
NASD-District 10
Department of Enforcement

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

NASD District Director
Hans Reich
NASD, District 10
One Liberty Plaza
New York, New York 10006