

**NASD**  
**LETTER OF ACCEPTANCE, WAIVER AND CONSENT**  
**NO. 20050022099-01**

**To: Department of Enforcement  
NASD**

**Re: David P. Zipkin  
General Securities Representative  
(CRD No. 2377301)**

Pursuant to Rule 9216 of NASD Code of Procedure, I, David P. Zipkin (Zipkin), 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 Procedural 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 legal proceedings in which NASD is not a party.

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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:

Zipkin entered the securities industry in October 2000. From October 18, 2000, through July 27, 2005, Zipkin was associated with NASD member The Oak Ridge Financial Services Group, Inc. (Oak Ridge) and registered with NASD as a general securities representative.

Zipkin is not currently associated with any NASD member or registered with NASD in any capacity. However, NASD retains jurisdiction over Zipkin pursuant to Article V, Section 4 of the NASD By-Laws. Zipkin has not been the subject of prior disciplinary history by NASD.

**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.

In addition, I specifically and voluntarily waive any right to claim that a person violated the ex parte prohibitions of NASD Procedural Rule 9143 or the separation of functions prohibitions of NASD Procedural 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.

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## **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:

### **Failure to Update Form U-4 NASD Conduct Rule 2110 and IM-1000-1**

1. Zipkin was associated with Oak Ridge from October 18, 2000, through July 27, 2005.
2. Pursuant to becoming associated with Oak Ridge, Zipkin completed a Uniform Application for Securities Industry Registration or Transfer (Form U-4). This Form U-4 was completed on or about October 10, 2000.
3. Question 23A.(1) of the Form U-4 asked: "Have you ever: . . . (b) been charged with any felony?" Zipkin checked the "no" box next to this question.
4. The Form U-4 contained a clause that stated: "I agree to update this form by causing an amendment to be filed on a timely basis whenever changes occur to answers previously reported."
5. On or about May 6, 2005, Zipkin was charged in a Complaint in Hennepin County, Minnesota, District Court with: (1) third degree aiding and abetting possession of a controlled substance; (2) possession of a controlled substance. These offenses are felonies under Minnesota law.
6. Zipkin did not amend his Form U-4 to reflect the felonies he was charged with in the foregoing Complaint.
7. Such acts, practices and conduct constitute separate and distinct violations of NASD Conduct Rule 2110 and IM 1000-1 by Zipkin.

### **Failure to Appear for On-the-Record Interview NASD Procedural Rule 8210 and NASD Conduct Rule 2110**

8. On May 15, 2006, pursuant to and in accordance with NASD Procedural Rule 8210, NASD staff sent a letter to Zipkin, requesting his appearance for an on-the-record interview (OTR) on June 21, 2006, in Minneapolis, Minnesota.
9. Zipkin did not appear for his OTR.

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10. Such acts, practices and conduct constitute separate and distinct violations of NASD Procedural Rule 8210 and NASD Conduct Rule 2110 by Zipkin.
- B. Zipkin also consents to the imposition, at a maximum, of the following sanctions:
1. A bar of Zipkin from association with any NASD member in any capacity.
- The sanctions imposed herein shall be effective on a date set by NASD staff.

**III. OTHER MATTERS**

- A. I understand that if I am barred or suspended from association 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 Procedural Rule 8310 and IM-8310-1).

I certify that I have read and understand all of the provisions of this AWC and have 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 me to submit it.

9/12/06  
Date

David P. Zipkin  
DAVID P. ZIPKIN

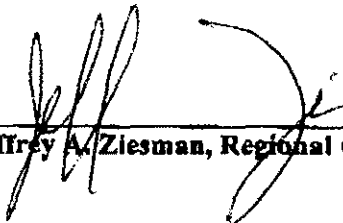
Reviewed by:

Counsel for Respondent David P. Zipkin

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**Accepted by NASD:**

10-13-06  
**Date**

  
**Jeffrey A. Ziesman, Regional Counsel**  
**NASD District Director**

**Thomas D. Clough**  
**120 West 12<sup>th</sup> Street, Suite 900**  
**Kansas City, MO 64105**  
**(816) 802-4700**