

**NASD
OFFICE OF HEARING OFFICERS**

Department of Enforcement,

Complainant

v.

Plase Michael Tansil,
Associated Person
[CRD No. 2317768].

Respondent.

Disciplinary Proceeding
No. 2005002229201

Hearing Officer: ____

COMPLAINT

The Department of Enforcement alleges as follows:

1. Respondent Plase Michael Tansil was first registered as a general securities representative in April 1993, while associated with J.C. Bradford & Co. During all time relevant to this proceeding, Respondent Tansil was registered with NASD member GunnAllen Financial, Inc ("GunnAllen"). On August 26, 2005, GunnAllen filed a Form U-5 on Tansil's behalf, terminating him as of that day for product misrepresentation. Accordingly, Tansil remains subject to the jurisdiction of the NASD pursuant to Article V, Section 4 of the NASD Bylaws until August 25, 2007.

2. Customers BW and KW transferred their joint account from another NASD member firm with Respondent Tansil when he began working at GunnAllen in approximately January 2002. At the time they opened their joint GunnAllen account, their account value was approximately \$90,000.

3. By the winter of 2004, the account value had decreased significantly.
4. Between December 2004 and March 2005, Respondent Tansil engaged in a pattern of misconduct involving four GunnAllen customers, including BW and KW.
Specifically, Respondent Tansil improperly guaranteed BW and KW in writing that their joint account value would be at least \$85,000 by a certain date. Approximately three months later, in order to satisfy his guarantee to BW and KW, Respondent Tansil instructed two of his other customers, GG and TNBH, to write two checks totaling \$110,000 payable to BW and represented that their funds would be utilized for investment in a "bond fund." Instead of investing GG and TNBH's funds in a "bond fund" as promised, Tansil gave these funds to BW without his employer firm's knowledge or approval.

FIRST CAUSE OF ACTION

(Guarantee to Customers BW and KW – NASD Conduct Rules 2330(e) and 2110)

5. Enforcement realleges and incorporates by reference paragraphs one through four above.
6. On or about December 8, 2004, Respondent Tansil gave customers BW and KW a signed letter guaranteeing that their joint account value would equal or exceed \$85,000 by March 15, 2005. In the signed letter, Respondent Tansil also agreed to pay any deficiency in the account if the account value was below \$85,000 as of March 15, 2005.

7. Such acts, practices and conduct constitute separate and distinct violations of NASD Conduct Rules 2330(e) and 2110.

SECOND CAUSE OF ACTION

(Misuse of Customer Funds of GG and TNBH– NASD Conduct Rules 2330(a) and 2110)

8. Enforcement realleges and incorporates by reference paragraphs one through seven above.
9. In early March 2005, Respondent Tansil instructed customer GG to write a check in the amount of \$40,000, payable to BW. In early March 2005, Respondent Tansil instructed customer TNBH to write a check in the amount of \$70,000, payable to BW. Respondent Tansil represented to GG and TNBH that BW, whom neither GG nor TNBH knew, would invest their money in a bond fund.
10. As instructed, GG and TNBH wrote checks in the amounts of \$40,000 and \$70,000 respectively, payable to BW.
11. GG and TNBH's funds were not invested as promised. Instead, on or about March 15, 2005, Respondent Tansil gave BW the checks he had received from GG and TNBH which totaled \$110,000. Respondent Tansil gave BW these checks in order to attempt to satisfy his previous guarantee to BW and KW of December 8, 2004.
12. Such acts practices and conduct constitute separate and distinct violations of NASD Conduct Rules 2330(a) and 2110.

THIRD CAUSE OF ACTION

Misrepresentations and Omissions of Material Facts to GG and TNBH
Section 10(b) of the Securities Exchange Act, Rule 10b-5 thereunder,
and NASD Conduct Rules 2120 and 2110

13. Enforcement realleges and incorporates by reference paragraphs one through twelve above.

14. Respondent Tansil induced GG and TNBH to give him the aforementioned checks payable to BW based on his representation that the money would be invested in a bond fund. GG and TNBH relied upon this representation and gave Tansil the checks.

15. By representing to GG and TNBH that their funds would be utilized by BW as an investment in a bond fund, Tansil made an untrue statement of material fact by use of fraudulent means or artifices in connection with the purchase or sale of securities by GG and TNBH.

16. Such acts, practices and conduct constitute separate and distinct violations of Section 10(b) of the Securities Exchange Act, Rule 10b-5 thereunder, and NASD Conduct Rules 2120 and 2110.

FOURTH CAUSE OF ACTION

(Settling Away With Customers BW and KW– NASD Conduct Rule 2110)

17. Enforcement realleges and incorporates by reference paragraphs one through sixteen above.

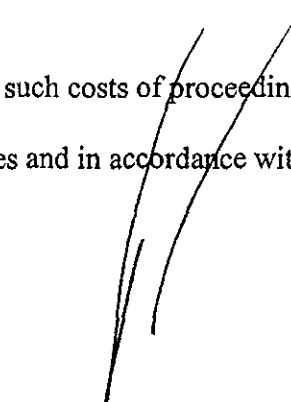
18. On or about December 8, 2004, BW complained to Tansil about the decline in the account value. Tansil guaranteed that the account value would be at least \$85,000 as of March 15, 2005, as set forth above.
19. On or about March 15, 2005, Tansil gave BW the two checks from GG and TNBH totaling \$110,000 without his member firm's knowledge or consent.

PRAYER FOR RELIEF

WHEREFORE, Enforcement respectfully requests that the Panel:

- a. Order that one or more of the sanctions provided under NASD Rule 8310(a), including monetary sanctions, be imposed, including that Respondent Tansil be required to disgorge fully any and all ill-gotten gains and/or make full and complete restitution, together with interest;
- b. Order that Respondent Tansil bear such costs of proceeding as are deemed fair and appropriate under the circumstances and in accordance with NASD Rule 8330; and
- c. Order any other fitting sanction.

Date: January 17, 2007



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