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REGISTRATION & DISCLOSURE

FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT

NO. 2006004949203

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TO: Department of Enforcement
Financial Industry Regulatory Authority ("FINRA")

NOV 11 2008

RE: Alan L. Jacobs, Respondent
CRD No. 1032488

FINRA
Florida District Office

Pursuant to NASD Rule 9216 of FINRA's Code of Procedure, Alan L. Jacobs ("Jacobs" or "Respondent") submits this Letter of Acceptance, Waiver and Consent ("AWC") for the purpose of proposing a settlement of the alleged rule violations described below. This AWC is submitted on the condition that, if accepted, FINRA will not bring any future actions against Jacobs alleging violations based on the same factual findings described herein.

I.

ACCEPTANCE AND CONSENT

- A. Jacobs 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 FINRA, or to which FINRA 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 FINRA:

BACKGROUND

Jacobs was initially registered with FINRA as a general securities representative on April 19, 1982, and obtained his Series 24 and 63 licenses on June 2, 1982. Since that time Jacobs has been associated with various FINRA member firms. Between 1996 and February 15, 2008, Jacobs was associated with former FINRA member firm Capital Growth Financial, LLC ("CGF" or "the firm"), where he was Chairman and Chief Executive Officer. Jacobs is presently associated with another FINRA member firm.

RELEVANT PRIOR DISCIPLINARY HISTORY

Jacobs has no prior disciplinary history.

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OVERVIEW

Jacobs failed to properly supervise the private securities transactions of two CGF registered representatives and failed to record those private securities transactions on the firm's books and records. As such, Jacobs violated NASD Conduct Rules 3010, 3040(c) and 2110.

FACTS AND VIOLATIVE CONDUCT

As Chairman and CEO of CGF, Jacobs was responsible for overall supervision of the firm and had overall responsibility for the firm's operations. In September 2002, Rebecca Engle and Brian Schuster became associated with CGF and began selling, through private securities transactions, securities in American Capital Corporation ("ACC") and Royal Palm Capital Group ("Royal Palm") to customers of the firm, raising approximately \$21,665,000 on behalf of ACC and Royal Palm while they were associated with CGF. Jacobs was on proper notice of these private securities transactions. Jacobs failed to supervise the private securities transactions and failed to ensure that they were recorded on the books and records of CGF. As a result, Jacobs violated NASD Conduct Rules 3010, 3040(c) and 2110.

OTHER FACTORS

B. Jacobs also consents to the imposition of the following sanctions:

A suspension from association with any FINRA member firm in any principal capacity for 30 business days and a fine of \$10,000.

I agree to pay the monetary sanction(s) upon notice that this AWC has been accepted and that such payment(s) are due and payable. I have submitted an Election of Payment form showing the method by which I propose to pay the fine imposed.

I specifically and voluntarily waive any right to claim that I am unable to pay, now or at any time hereafter, the monetary sanction(s) imposed in this matter.

The sanctions imposed herein shall be effective on a date set by FINRA staff.

II.

WAIVER OF PROCEDURAL RIGHTS

Jacobs specifically and voluntarily waives the following rights granted under FINRA's Code of Procedure:

- A. To have a Formal Complaint issued specifying the allegations against him;
- 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 National Adjudicatory Council ("NAC") and then to the U.S. Securities and Exchange Commission and a U.S. Court of Appeals.

Further, Jacobs 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.

Jacobs further specifically and voluntarily waives any right to claim that a person violated the ex parte prohibitions of NASD Rule 9143 or the separation of functions prohibitions of NASD 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.

III.

OTHER MATTERS

It is understood that:

- A. Submission of this AWC is voluntary and will not resolve this matter unless and until it has been reviewed and accepted by the NAC, a Review Subcommittee of the NAC, or the Office of Disciplinary Affairs ("ODA"), pursuant to NASD Rule 9216;
- B. If this AWC is not accepted, its submission will not be used as evidence to prove any of the allegations against Jacobs; and
- C. If accepted:
 - 1. this AWC will become part of Jacob's permanent disciplinary record and

may be considered in any future actions brought by FINRA or any other regulator against Jacobs;

2. this AWC will be made available through FINRA's public disclosure program in response to public inquiries about Jacob's disciplinary record;
3. FINRA may make a public announcement concerning this agreement and the subject matter thereof in accordance with NASD Rule 8310 and IM-8310-3; and
4. Jacobs 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. Jacobs may not take any position in any proceeding brought by or on behalf of FINRA, or to which FINRA is a party, that is inconsistent with any part of this AWC. Nothing in this provision affects Jacob's right to take legal or factual positions in litigation or other legal proceedings in which FINRA is not a party.

- D. Jacobs may attach a Corrective Action Statement to this AWC that is a statement of demonstrable corrective steps taken to prevent future misconduct. Jacobs 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 FINRA, nor does it reflect the views of FINRA or its staff.

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; that I have agreed to its provisions voluntarily; and that no offer, threat, inducement, or promise of any kind, other than the terms set forth herein and the prospect of avoiding the issuance of a Complaint, has been made to induce me to submit it.

Nov. 10, 2008

Date

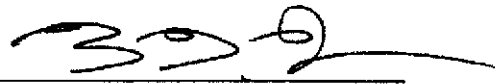
Alan L. Jacobs

Alan L. Jacobs

Accepted by FINRA:

11/17/08
Date

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



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