

**FINANCIAL INDUSTRY REGULATORY AUTHORITY  
LETTER OF ACCEPTANCE, WAIVER AND CONSENT  
NO. 2006006298701**

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

RE: Anthony G. Palmer, Respondent  
General Securities Principal and  
General Securities Representative  
[CRD No. 2143341]

Pursuant to NASD Rule 9216 of FINRA's Code of Procedure, Anthony G. Palmer 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 me alleging violations based on the same factual findings described herein.

**I.**

**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 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**

Anthony G. Palmer entered the securities industry on September 17, 1991 as General Securities Representative of IDS Life Insurance Company, a member of FINRA (f/k/a National Association of Securities Dealers or NASD). During all periods mentioned herein, Anthony G. Palmer was associated with Sammons Securities Co., LLC and was registered with FINRA under Article V of the By-Laws as a General Securities Principal and a General Securities Representative. Anthony G. Palmer has not previously been the subject of a formal disciplinary action by any regulatory body. Anthony G. Palmer is not currently registered with a FINRA member firm, but he remains subject to the jurisdiction of FINRA until September 5, 2008, pursuant to Article V, Section 4 of FINRA's By-Laws, which provides for a two-year period of retained jurisdiction over formerly registered persons.

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### **OVERVIEW**

On three separate occasions, Anthony G. Palmer mailed invitations to public customers for financial services seminars. Additionally, Palmer developed and used an informational brochure which discussed investing in equity indexed annuities. Palmer failed to obtain prior written approval from his employer member firm for use of the invitations and brochure, and failed to make proper information disclosures.

### **FACTS AND VIOLATIVE CONDUCT**

During the period from on or about July 1, 2006, through on or about August 31, 2006, Anthony G. Palmer, while associated with member firm Sammons Securities Co., LLC, conducted five financial services seminars. In connection with these seminars, Palmer mailed invitations to approximately 700 existing and prospective public customers, and used an informational brochure.

Palmer's use of the invitations and brochure violated NASD Conduct Rule 2210 as follows:

- a. Palmer used the invitations and the brochure without obtaining the prior approval of a registered principal of Sammons Securities Co., LLC. This is a violation of NASD Conduct Rule 2210(b)(1).
- b. The invitation used for the August 2006 seminars included a claim that customer accounts were managed with no fees being charged. This claim should have been qualified as to the types of fees that did not apply, and should have been balanced with disclosure of the principal product fees and charges that did apply and disclosure of the type of compensation Palmer received. This information was necessary for an investor's proper evaluation of the claim, and its omission is a violation of NASD Conduct Rule 2210(d)(1)(A).
- c. The invitation used for the August 2006 seminars failed to explain how a stated guaranteed high rate of return for the first year of investment was calculated. This information was necessary to balance the emphasis on the high, first-year guaranteed rate, and its omission is a violation of NASD Conduct Rule 2210(d)(1)(A).

Such acts, practices, and conduct constitute separate and distinct violations of NASD Conduct Rules 2110, 2210(b)(1), and 2210(d)(1)(A) by Respondent Anthony G. Palmer.

B. I also consent to the imposition of the following sanctions:

A monetary fine in the amount of \$5,000.00 and a fifteen business-day suspension of Anthony G. Palmer from association with any member of FINRA in any capacity.

The fine shall be due and payable either prior to reassociation with a member firm following the fifteen business-day suspension noted above, or prior to any application or request for relief from any statutory disqualification resulting from this or any other event or proceeding, whichever is earlier.

I understand that if I am barred or suspended from associating with any FINRA 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 FINRA 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.)

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

## II.

### WAIVER OF PROCEDURAL RIGHTS

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

- A. To have a Formal Complaint issued specifying the allegations against us;
- 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, 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 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**

I understand 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 me; and
- C. If accepted:
  - 1. this AWC will become part of my permanent disciplinary record and may be considered in any future actions brought by FINRA or any other regulator against me;
  - 2. this AWC will be made available through FINRA's public disclosure program in response to public inquiries about my 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. 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

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Anthony G. Palmer

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basis. I 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 my right to take legal or factual positions in litigation or other legal proceedings in which FINRA is not a party.

- D. I may attach a Corrective Action Statement to this AWC that is a statement of demonstrable corrective steps taken to prevent future misconduct. I understand that I 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.

4/23/08  
Date

  
Anthony G. Palmer, Respondent  
General Securities Principal and  
General Securities Representative

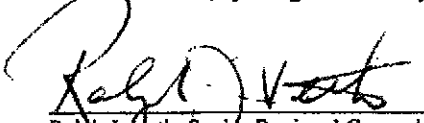
Reviewed by:

Peter B. Ginz  
Counsel for Respondent

Accepted by FINRA:

May 20, 2008  
Date

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

  
Ralph J. Veth, Senior Regional Counsel  
FINRA, Department of Enforcement  
1100 Poydras Street, Suite 850  
New Orleans, Louisiana 70163-0802  
Phone: 504/522-6527  
FAX: 504/522-4077