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REGISTRATION & DISCLOSURE

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2007007504001**

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

RE: Green Manning & Bunch, Ltd., Respondent
CRD No. 35120

Pursuant to Rule 9216 of FINRA Code of Procedure, Respondent, Green, Manning & Bunch, Ltd. ("GMB") 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 GMB alleging violations based on the same factual findings described herein.

I.

ACCEPTANCE AND CONSENT

- A. GMB 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 AND
RELEVANT PRIOR DISCIPLINARY HISTORY**

GMB became a member of FINRA in January 1994. The firm conducts mergers and acquisitions advisory services, the private placement for corporate clients of equity and debt securities with institutional type investors, and the rendering of valuations, fairness opinions and other financial advisory services. GMB does not maintain any clearing relationship, nor does it maintain or service individual customer accounts. GMB is based in Denver, Colorado and has a Non-OSJ branch office in Phoenix, Arizona. GMB employs approximately fourteen registered representatives. GMB has no relevant disciplinary history with the Securities and Exchange Commission, FINRA, other self-regulatory organizations, or state regulators.

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FACTS AND VIOLATIVE CONDUCT

1. Failure to Preserve and Have Accessible Electronic Correspondence

From January 18, 2003 through November 30, 2007, GMB did not: i) retain, for a three year period, all electronic mail communications relating to its business as such; and ii) maintain electronic mail communications for the first two years in an accessible place, as required by Section 17(a) of the Securities Exchange Act of 1934 ("Exchange Act") and Rule 17a-4 hereunder. By reason of the foregoing, GMB violated Section 17(a) of the Exchange Act, Rule 17a-4 thereunder, and NASD Conduct Rules 3110(a), 3010(d) and 2110.

2. Deficient Supervisory Procedures

During the period of January 18, 2003 through November 30, 2007, GMB did not establish, maintain and enforce a supervisory system and written supervisory procedures reasonably designed to achieve compliance with the requirements of Rule 17a-4 and NASD Rule 3110 with respect to electronic communications related to the firm's business as such. This constituted a violation of NASD Conduct Rules 3010(a), (d)(1) and (d)(2) and 2110.

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

A censure and a fine in the amount of \$35,000.

GMB agrees to pay the monetary sanction upon notice that this AWC has been accepted and that such payment is due and payable. GMB has submitted an Election of Payment form showing the method by which it proposes to pay the fine imposed.

GMB specifically and voluntarily waives any right to claim that it is unable to pay, now or at any time hereafter, the monetary sanction imposed in this matter. The sanctions imposed herein shall be effective on a date set by FINRA staff.

II.

WAIVER OF PROCEDURAL RIGHTS

GMB 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 GMB;
- 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, GMB 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.

GMB 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 its acceptance or rejection.

III.

OTHER MATTERS

GMB understands 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 GMB; and
- C. If accepted:
 - 1. this AWC will become part of GMB's permanent disciplinary record and may be considered in any future actions brought by FINRA or any other regulator against GMB;
 - 2. this AWC will be made available through FINRA's public disclosure

program in response to public inquiries about GMB'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. GMB 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 GMB's right to take legal or factual positions in litigation or other legal proceedings in which FINRA is not a party.

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

GMB certifies that it has read and understands all of the provisions of this AWC and has been given a full opportunity to ask questions about it; that GMB has agreed to its provisions voluntarily; and that no offer, threat, inducement, or promise of any kind, other than the terms set forth herein, has been made to induce GMB to submit this AWC.

Green Manning & Bunch, Ltd.

10-25-07
Date

William Henson
By:

19/07

Accepted by FINRA:

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

A handwritten signature in black ink, appearing to read "Heather Hawker", written over a horizontal line.

Heather Hawker
Senior Regional Attorney
FINRA Department of Enforcement
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