

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2007009157201**

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

RE: Raymond Burghard, Respondent
General Securities Representative
CRD No. 2546053

Pursuant to NASD Rule 9216 of FINRA's Code of Procedure, I submit 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

Raymond Burghard ("Burghard") first became associated with a former member firm registered with FINRA (f/k/a National Association of Securities Dealers or NASD) on or about July 1, 1994. Burghard first became registered with FINRA as a General Securities Representative ("GSR") through a member firm on or about July 17, 1995. Burghard was registered as a GSR through former member firm Glenn Michael Financial, Inc. (CRD No. 37912) ("GMFI") from July 29, 1999 through February 7, 2003. Burghard was registered as a GSR through member firm Trident Partners Ltd. (CRD No. 41258) ("Trident") from February 10, 2003 through July 17, 2007. Burghard was registered as a GSR with another member firm until October 2, 2007. He is not currently associated with a member firm. Burghard has no disciplinary history.

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OVERVIEW

While registered through GMFI and/or Trident, Burghard engaged in unsuitable trading in two customer accounts by engaging in purchases and sales of speculative securities without having reasonable grounds for believing that the recommendations were suitable. In addition, Burghard failed to respond to two requests for information sent pursuant to NASD Procedural Rule 8210. This conduct violated NASD Conduct Rules 2310 and 2110, IM-2310-2 and NASD Procedural Rule 8210.

FACTS AND VIOLATIVE CONDUCT

1. Unsuitable Recommendations

Customer JS

In March, 2002, Burghard met with JS and recommended that she open an account with him at his then-current firm, GMFI. At the time, JS was 43 years old and recently widowed with three young children. Her liquid net worth consisted of the proceeds of her husband's life insurance, his pension and an IRA. She had no prior investment experience and told Burghard that she wanted to be able to generate enough income from her investments so that, coupled with her Social Security income, she could remain at home as her children were still young and she was dealing with an illness of her own.

JS opened two accounts with Burghard while he was at GMFI – an individual account and an IRA. In February 2003, Burghard moved to Trident and took JS's accounts with him. JS's new account forms with Trident state that her risk tolerance was Moderately Conservative; and her investment objectives were Income first and Growth second.

Beginning in July 2002 and throughout the time that he handled JS's accounts, Burghard invested a substantial portion of the accounts by trading in speculative corporate bonds, i.e., bonds rated by Moody's as having a "B" rating or worse, and thinly-traded, speculative stocks.

By August 2006, JS's accounts had decreased in value substantially. After making several unsuccessful attempts to contact Burghard, she sought the advice of an attorney and closed her accounts. At the time, the value of her accounts had decreased by approximately \$277,000.

Burghard recommended to JS, and effected in her accounts, purchases of speculative securities without having reasonable grounds for believing that the recommendations were suitable for them in light of the customer's investment objectives and financial situation and needs. By making unsuitable recommendations, Burghard violated NASD Conduct Rules 2310 and 2110 and IM-2310-2.

Customer JL

Burghard was introduced to JL in or around April 2001. At the time, JL was 64 years old and recently widowed. JL had liquid assets of \$75,000 and an IRA valued at approximately \$156,000. JL had no prior investment experience investing and told Burghard that she wanted to invest in safe bonds and mutual funds only.

JL opened two accounts with Burghard while he was registered through GMFI – a joint account with her daughter, SW, and an IRA. When Burghard moved to Trident he took JL's accounts with him. JL's new account forms with Trident state that her investment objective for her IRA was Income first and Preservation of Capital second and that her investment objective for her joint account was Income first and Growth second.

On Burghard's recommendation, JL invested both of her accounts in class B shares of two hi-yield bond funds. In September 2002, Burghard sold a majority of the funds held in JL's IRA, causing JL to incur sales charges. He then invested the proceeds by trading in a variety of speculative corporate bonds. In February 2004, he sold all of the bond funds in JL's joint account and invested the proceeds in speculative corporate bonds. In addition, in March 2006, he invested a substantial portion of both of her accounts in two thinly-traded, speculative stocks. In March 2007 JL closed her accounts. At the time, the value of her accounts had decreased by approximately \$155,000.

Burghard recommended to JL, and effected in her accounts, purchases of speculative securities without having reasonable grounds for believing that the recommendations were suitable for them in light of the customer's investment objectives and financial situation and needs. By making unsuitable recommendations, Burghard violated NASD Conduct Rules 2310 and 2110 and IM-2310-2.

2. Failure to Respond

By letters dated September 27, 2007 and October 23, 2007, FINRA staff requested, pursuant to NASD Procedural Rule 8210, information in writing from Burghard concerning several customers' allegations that he had effected securities transactions that were unsuitable. Burghard failed to respond to the letters.

By failing to respond to the information requests, Burghard violated NASD Procedural Rule 8210 and NASD Conduct Rule 2110.

OTHER FACTORS

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

- A bar from association with any FINRA member in any capacity.

The sanctions imposed herein shall be effective on a date set by FINRA staff. Pursuant to NASD IM-8310-3(e), a bar or expulsion shall become effective upon approval or acceptance of this AWC.

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.)

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 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 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

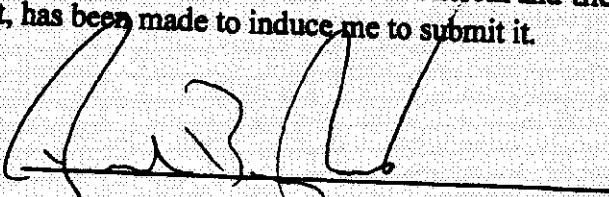
I understand that:

- 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 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.

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.

Oct 21, 2008

Date


Raymond Burghard

Accepted by FINRA:

Nov. 12, 2008
Date

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


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