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REGISTRATION & DISCLOSURE

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
OFFICE OF HEARING OFFICERS**

Department of Enforcement,

Complainant,

v.

Edward Darell Williams
CRD No. 5336232,

Respondent.

Disciplinary Proceeding
No. 2007009202401

Hearing Officer LBB

**ORDER ACCEPTING OFFER OF
SETTLEMENT**

Date: November 12, 2008

INTRODUCTION

Disciplinary Proceeding No. 2007009202401 was filed on July 10, 2008, by the Department of Enforcement of the Financial Industry Regulatory Authority ("FINRA"). ("Complainant"). Respondent Edward Williams submitted an Offer of Settlement ("Offer") to Complainant on October 27, 2008. Pursuant to NASD Rule 9270(e), the Complainant and the National Adjudicatory Council ("NAC"), a Review Subcommittee of the NAC, or the Office of Disciplinary Affairs ("ODA") have accepted the uncontested Offer. Accordingly, this Order now is issued pursuant to NASD Rule 9270(e)(3). The findings, conclusions and sanctions set forth in this Order are those stated in the Offer as accepted by the Complainant and approved by the NAC.

Under the terms of the Offer, Respondent has consented, without admitting or denying the allegations of the Complaint, 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, to the entry of findings and violations consistent with the allegations of the Complaint, and to the imposition of the sanctions set forth below, and fully understands that this Order will become part of Respondent's permanent disciplinary record and may be considered in any future actions brought by FINRA.

BACKGROUND

Edward Williams ("Williams") signed a Uniform Application for Securities Industry Registration or Transfer (Form U4) on or about May 14, 2007, pursuant to which he both agreed to comply with NASD rules and submitted himself to the jurisdiction of FINRA. Williams therefore is subject to the jurisdiction of FINRA, pursuant to Article V, Section 4 of FINRA's By-Laws.

FINDINGS AND CONCLUSIONS

It has been determined that the Offer be accepted and that findings be made as follows:

FIRST CAUSE OF ACTION

NASD Conduct Rule 2110 and IM 1000-1

Failure to Disclose Prior Criminal History on Form U4

On or about May 19, 1986, Williams was arrested for, and charged with, Burglary, a felony, in the State of California. Ultimately, the felony was dismissed when Williams entered a plea to misdemeanor theft for which he received probation.

On or about May 14, 2007, Williams completed and signed a Uniform Application for Securities Industry Registration or Transfer ("Form U4").

Williams failed to disclose material facts on the Form U4. Specifically, although question 14A(1)(b) of the Form U4 requested information as to whether Williams had ever been

charged with any felony, Williams responded “no” to the question. Additionally, although question 14B(1)(a) of the Form U4 requested information as to whether Williams had ever been convicted of or pled guilty or no contest to a misdemeanor involving wrongful taking of property, Williams responded “no” to the question. He therefore failed to disclose the material fact that he had been charged with the felony offense of burglary and that he was convicted or pled to misdemeanor theft.

The acts, practices, and conduct described above constitute a violation of NASD Conduct Rule 2110 and IM-1000-1 by Williams.

SECOND CAUSE OF ACTION
NASD Conduct Rule 2110 and Procedural Rule 8210
Failure to Timely Respond to Staff Requests for Information

On or about July 16, 2007, FINRA staff, pursuant to NASD Procedural Rule 8210, sent Williams a letter inquiring about the alleged activities, as outlined above. This letter was sent by regular and certified mail to [REDACTED] Williams’ address of record as contained in the CRD records (“CRD Address”). The regular mailing was not returned and the certified mailing receipt was returned signed by Edward Williams.

On or about August 13, 2007, FINRA staff sent Williams a second request pursuant to NASD Procedural Rule 8210. This request was sent by regular and certified mail to Williams’ CRD Address. The regular mailing was not returned. The certified mailing was returned marked, “Refused/Unclaimed.”

Williams failed to timely respond to each and all of the requests for information as described in the paragraphs above.¹

¹ The complaint filed in this matter alleged a complete failure to respond. However, after the complaint was filed, Williams did respond to staff and therefore he has agreed to a finding that he failed to timely respond.

The acts, practices, and conduct described above constitute a violation of NASD Conduct Rule 2110 and Procedural Rule 8210 by Williams.

Based on the foregoing, Respondent violated NASD Rules 2110, IM1000-1 and 8210.

Based on these considerations, the sanctions hereby imposed by the acceptance of the Offer are in the public interest, are sufficiently remedial to deter Respondent from any future misconduct, and represent a proper discharge by FINRA, of its regulatory responsibility under the Securities Exchange Act of 1934.

SANCTIONS

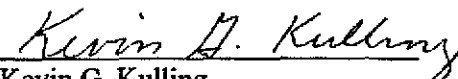
It is ordered that Respondent be suspended from association with any FINRA member in any capacity for a period of 18 months and fined \$7,500.

The fine shall be due and payable either immediately upon reassociation with a member firm following the eighteen month 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.

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

SO ORDERED.

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


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