

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2007009361401**

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

RE: Dick E. Blakeley, Respondent
CRD No. 854748

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REGISTRATION & DISCLOSURE

Pursuant to NASD Rule 9216 of the FINRA Code of Procedure, I submit this Letter of Acceptance, Waiver and Consent ("AWC") for the purpose of proposing a settlement of the alleged rule violation described in Part II 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

Dick Eugene Blakeley ("Blakeley" or "Respondent") first became associated with a FINRA (f/k/a NASD) member firm in 1978. Between 1980 and January 25, 2007, Respondent was registered as a general securities representative with Smith, Barney, Harris, Upham, Inc. and its successors (the "Firm"). Respondent has not been associated with a member firm since his registration with the Firm was terminated on January 25, 2007. FINRA retains jurisdiction over Respondent pursuant to Article V, Section 4 (a) of the By-Laws, since the conduct which serves as the basis for this action commenced prior to his termination of registration from a member firm and this AWC has been filed within two years after the effective date of his termination of registration from a member firm.

FACTS AND VIOLATIVE CONDUCT

On October 25, 2006 and November 3, 2006, Respondent effected 24 transactions (19 sales and five purchases) in ten of his customers' accounts as follows:

000074351 2008

Customer	Stock Symbol	Quantity of Shares	Trade Date	Order Entry Time	Buy/Sell	Costs/ Proceeds
PS	ACP	138	11/03/06	1:21:24	Sell	\$8,645
NS	ACP	45	11/03/06	1:24:38	Sell	\$2,800
PRS	ACP	35	11/03/06	1:25:14	Sell	\$2,175
SC & KR	CEG	189	10/25/06	2:52:56	Sell	\$11,706
	PSP	465	10/25/06	3:12:27	Buy	(\$11,709)
	ACP	292	11/03/06	1:19:46	Sell	\$18,296
	HQL	660	11/03/06	12:52:39	Sell	\$8,831
KG	ACP	71	11/03/06	1:24:05	Sell	\$4,418
BH	CEG	28	10/25/06	2:57:37	Sell	\$1,735
	PSP	69	10/25/06	3:08:15	Buy	(\$1,738)
	ACP	43	11/03/06	1:24:55	Sell	\$2,676
	HQL	97	11/03/06	12:54:19	Sell	\$1,297
DF & RF	CEG	64	10/25/06	2:57:19	Sell	\$3,965
	PSP	157	10/25/06	3:08:41	Buy	(\$3,055)
	ACP	97	11/03/06	1:23:00	Sell	\$6,036
	HQL	222	11/03/06	12:54:02	Sell	\$2,969
KW & SW	CEG	12	10/25/06	2:58:05	Sell	\$743
	PSP	29	10/25/06	3:07:42	Buy	(\$731)
	HQL	66	11/03/06	12:54:43	Sell	\$882
MB	ACP	101	11/03/06	1:22:35	Sell	\$6,317
RS	CEG	65	10/25/06	2:57:04	Sell	\$4,025
	PSP	160	10/25/06	3:09:10	Buy	(\$4,030)
	ACP	102	11/03/06	1:22:13	Sell	\$6,380
	HQL	230	11/03/06	12:53:43	Sell	\$3,077

Respondent did not speak with any of these customers to receive authorization from any of them to buy or sell these securities in each of their accounts before he made each of the transactions. Instead, Respondent effected each of the transactions on a discretionary basis in accounts that were designated as non-discretionary accounts by the Firm. None of the customers had provided Respondent or the Firm with written authorization to exercise discretion in the accounts.

Respondent's actions described above constitute violations of NASD Conduct Rules 2510(b) and 2110.

OTHER FACTORS

B. I also consent to the imposition, at a maximum, of the following sanctions:

1. A fine of \$10,000 and;
2. A suspension from association with any FINRA member in any capacity for 15 business days.

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

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.

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.

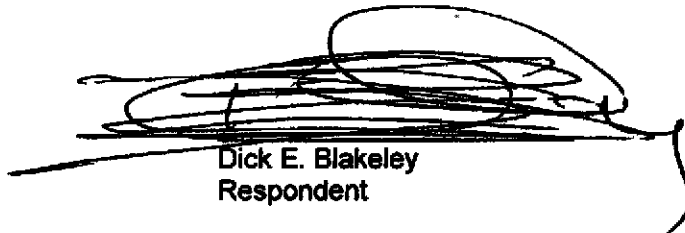
OTHER MATTERS

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.**
- 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.

11/19/08
Date


Dick E. Blakeley
Respondent

Reviewed by:

Christopher Cooke
Attorney Name
Counsel for Respondent
Firm Name **Cooke Kobrick & Wu LLP**
Address **177 Bovet Rd. Suite 600**
City/State/Zip **San Mateo, CA 94402**
Phone Number **650-638-2370**

Accepted by FINRA:

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

December 11, 2008
Date

Samuel L. Israel *by RGS.*
Samuel L. Israel
AVP & Chief Counsel
Department of Enforcement
FINRA
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