

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 200700944001**

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

RE: Donna Jean Parker, Respondent
Client Associate
CRD No. 1190964

Pursuant to Rule 9216 of FINRA Code of Procedure, Donna Jean Parker ("Parker" or "Respondent") 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

Parker entered the securities industry in September 1983 as a non-registered sales assistant for Merrill Lynch, Pierce, Fenner & Smith Incorporated ("Merrill Lynch or the "Firm"). In 1984, she passed the Series 7 and Series 63 exams. In February 1985, she left Merrill Lynch and took a position with Dean Witter Reynolds ("Dean Witter") as a sales assistant. She remained with Dean Witter until September 1988. In 1988, Parker began employment with Kempf & Company, later Transamerica Financial Resources, Inc., where she remained until 1998. In 1998, Parker began work with Financial Network Investment Corporation ("Financial Network"), becoming a registered associate in July 1999. Parker left Financial Network in September 2000 to work again for Merrill Lynch at the Greater Northwest Complex office in Tacoma, Washington. In January 2001,

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Parker passed the Series 65 exam. She remained with the Firm as a client associate until her termination on March 26, 2007.

According to the April 24, 2007 Form U-5 Uniform Termination Notice for Securities Industry Registration filing by Merrill Lynch, the Firm terminated Parker on March 26, 2007, and identified the reason as "violating the Firm's policies by signing another person's name to a client document."

Although Parker is not currently registered or associated with any member firm, she remains subject to FINRA's jurisdiction.

RELEVANT PRIOR DISCIPLINARY HISTORY

Parker does not have any prior disciplinary history with the Securities and Exchange Commission, any self-regulatory organization or any state securities regulator.

OVERVIEW

At the time of the relevant events, Parker was a registered client associate at Merrill Lynch. On January 30, 2007, Parker forged Administrative Manager Tracy Evans' initials on a Cash Management Account document. A warning letter was subsequently placed in her personnel file. Parker was warned that if a similar incident occurred it would result in immediate termination. On or about March 20, 2007, Merrill Lynch discovered that Parker forged Financial Advisor Charles Gould's signature on a Personal Investment Advisory document. The Firm terminated Parker on March 26, 2007. On March 28, 2007, Merrill Lynch received a telephone call from Parker's customer [REDACTED] who stated that she discovered an unauthorized wire transfer of \$20,000 from her account. The Firm reviewed the wire transfer authorization and determined that the funds had been transferred to an account in the name of Parker's daughter and grandson at Columbia Bank. By forging signatures on Firm documents Parker violated NASD Rule 2110. By misappropriating customer funds Parker violated NASD Rules 2330(a) and 2110.

FACTS AND VIOLATIVE CONDUCT

1. On January 30, 2007, Parker forged the initials of Administrative Manager Tracy Evans on a Cash Management Account document and then faxed the document to a branch office in Spokane, Washington for processing.
2. Upon discovering the forged initials, the Firm confronted Parker and she admitted to the forgery. She indicated that she was not pressured by anyone and insisted that she did it only to expedite the processing of the matter.

3. Firm management advised Parker that a warning memo was being placed in her file and another occurrence would result in immediate termination.
4. On or about March 20, 2007, Parker forged the signature of Financial Advisor Charles Gould on a Personal Investment Advisory document.
5. Branch Management discovered the forged signature and terminated Parker on March 26, 2007.
6. On March 29, 2007, Merrill Lynch customer, [REDACTED] contacted the Firm to report an unauthorized wire transfer of \$20,000 from her account.
7. Branch management examined the wire transfer authorization and determined that the customer's signature appeared to be in Parker's handwriting.
8. The Firm discovered that the \$20,000 wire transfer took place on March 22, 2007 and went to an account with Columbia Bank in the name of Jennifer Parker and E. Kennedy, Parker's daughter and grandson. Parker thereafter admitted to FINRA's Department of Enforcement that she wired these funds to her daughter's account to help her pay off gambling debts.
9. The Firm credited [REDACTED] account with \$20,000 on March 30, 2007.
10. Tracy Evans, Parker's Administrative Manager, contacted the Tacoma Police Department to report the incident.

Firm's Policies and Procedures

1. In order to process a request for a wire transfer, Firm policy requires a signed letter of authorization by the customer.
2. Firm policy prohibits the signing of another person's name to a client document.
3. Despite clear guidelines and a warning from the Firm, Parker forged signatures of colleagues and transferred money from a client's account into an account belonging to her daughter and grandson.

Respondent violated NASD Rule 2110, in that she forged signatures of Firm employees and violated NASD Rules 2330(a) and 2110 in that she misused customer funds by transferring money from a client's account to one belonging to her daughter and grandson.

- B. Parker also consents to the imposition of the following sanctions:

1. A censure; and
2. A bar from acting in any and all capacities with any member firm.

Respondent understands that if she is barred or suspended from associating with any FINRA member, she becomes 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, Respondent 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

Respondent 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 her;
- 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, Respondent 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.

Respondent further specifically and voluntarily waives 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

Respondent 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 Respondent; and**
- C. If accepted:**
 - 1. this AWC will become part of Respondent's permanent disciplinary record and may be considered in any future actions brought by FINRA or any other regulator against her;**
 - 2. this AWC will be made available through FINRA's public disclosure program in response to public inquiries about Respondent'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. Respondent 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. Respondent 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 Respondent's right to take legal or factual positions in litigation or other legal proceedings in which FINRA is not a party.**

Respondent certifies that she has read and understands all of the provisions of this AWC and has been given a full opportunity to ask questions about it; that she has 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 her to submit it.

12/11/07
Date

Donna J Parker
Donna Jean Parker, Respondent

Accepted by FINRA:

12/21/07
Date

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

L Riefberg
Linda Riefberg
Vice President
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Reviewed by:

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