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REGISTRATION & DISCLOSURE

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2007010939801**

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

RE: Davis A. Estes, Respondent
General Securities Representative
CRD No. 2329026

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

In March 1993, Davis A. Estes ("Estes") first became registered with FINRA (f/k/a National Association of Securities Dealers or NASD) as a General Securities Representative. From September 5, 2006 to October 9, 2007, he was registered as a General Securities Representative through SunTrust Investment Services, Inc. Estes has not been associated with any FINRA member since October 9, 2007. On about November 19, 2007, FINRA suspended Estes pursuant to NASD Rule 9554 based on his failure to honor an arbitration award entered against him or to respond satisfactorily to a request for information concerning the status of his compliance with it.

OVERVIEW

Estes misused a customer's funds, depositing them to a personal account, and he failed to comply with FINRA letters requesting information and his appearance to testify. This conduct violated NASD Conduct Rule 2110 and Procedural Rule 8210.

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FACTS AND VIOLATIVE CONDUCT

On about September 25, 2007, an elderly customer gave Estes a \$58,000 check, which was payable to an insurance company, in order to purchase an annuity. Instead, Estes negotiated the check by fraudulently printing, "Not Used for Purpose Intended [REDACTED] on the back side, and signing his name below. Estes then deposited the check to a personal account he owned at a credit union without the customer's knowledge or authorization. By misusing customer funds, Estes violated NASD Conduct Rule 2110.

By letters dated November 27, 2007 and January 16, 2008, FINRA staff requested, pursuant to NASD Procedural Rule 8210, information in writing and documents from Estes concerning the check he received from that elderly customer. Estes failed to respond to the letters. By a letter dated March 4, 2008, FINRA staff requested, pursuant to NASD Procedural Rule 8210, that Estes appear in the Philadelphia District Office on March 20, 2008 to testify under oath. Estes failed to appear and testify. By failing to respond to information requests and failing to appear to testify, Estes violated NASD Procedural Rule 8210 and NASD Conduct Rule 2110.

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

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

I understand that if I am barred 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. (See NASD Rule 8310 and IM-8310-1.)

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

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 prejudice 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 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

I understand that:

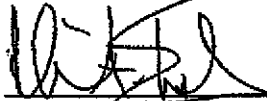
- A. Submission of this AWC is voluntary and will not resolve this matter unless and until it has been reviewed and accepted by the NAC, a Review Subcommittee of the NAC, or the Office of Disciplinary Affairs ("ODA"), pursuant to NASD Rule 9216;
- B. If this AWC is not accepted, its submission will not 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.

4/7/08

Date



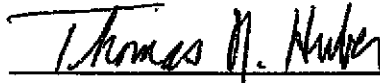
Davis A. Estes
Respondent

Accepted by FINRA:

April 28, 2008

Date

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



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