

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
No. 20070113693-01**

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REGISTRATION & DISCLOSURE

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

RE: George Thomas Parry
CRD No. 1259983

Pursuant to FINRA Rule 9216 of FINRA's Code of Procedure, George Thomas Parry ("Parry") 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. Parry hereby accepts and consents, 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 without an adjudication of any issue of law or fact, to the entry of the following findings by FINRA:

BACKGROUND

Parry entered the securities industry in January 1984 as a trainee with member-firm ABC and became registered as a general securities principal in April 1984. Parry remained at member-firm ABC until August 2002 when he joined Citigroup Global Markets, Inc. ("Citigroup" or the "Firm") as a registered representative ("RR") in the Akron, OH branch office. In November 2007, Parry joined member-firm DEF where he remains employed to date.

On or about November 29, 2007, the Firm filed a Uniform Termination Notice for Securities Industry Registration reporting Parry's "voluntary" termination on November 22, 2007 during the pendency of an internal Firm review into allegations that "Parry entered orders in multiple client accounts without obtaining timely prior authorization from clients."

Parry has no prior disciplinary history in the securities industry. He is presently employed by a FINRA member-firm. FINRA currently retains jurisdiction over Parry.

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OVERVIEW

From July 2006 to January 2007, while employed as a RR at FINRA member firm Citigroup, Parry executed 18 unauthorized trades in two accounts held by Customer NG without Customer NG's prior knowledge or authorization. Parry did not have discretionary trading authority in either of Customer NG's accounts.

Additionally, on October 3, 2007, Parry exercised discretionary trading authority in 45 accounts by entering stop orders¹ relating to PetroChina Co. Ltd. ("PTR") in the accounts of 37 customers who held positions in the security. Parry failed to notify the customers or obtain their authorization prior to entering the above-referenced stop orders. He did not have discretionary trading authority in any of the 37 customers' accounts.

FACTS AND VIOLATIVE CONDUCT

NASD Rule 2110 requires that members and associated persons "observe high standards of commercial honor and just and equitable principles of trade."

IM-2310-2(a)(1) provides that "[i]mplicit in all member and registered representative relationships with customers and others is the fundamental responsibility of fair dealing." IM-2310-2(b)(4)(iii) provides, in relevant part, that it is a violation of fair dealing to cause "the execution of transactions which are unauthorized by customers. . . ."

NASD Rule 2510(b) provides that "No member or registered representative shall exercise any discretionary power in a customer's account unless such customer has given prior written authorization to a stated individual. . . and the account has been accepted by the member. . . ."

Parry Executes Unauthorized Trades in Two Accounts Held By Customer NG

In or about March 2006, Customer NG opened an Individual Retirement Account ("IRA") and an individual account at the Firm with Parry as the RR (the "Customer NG Accounts"). During telephone conversations at or about that time, Customer NG and Parry jointly determined the initial investments for each of the Customer NG Accounts. Neither account was heavily traded thereafter. Parry did not have discretionary trading authority in the Customer NG Accounts.

From July 2006 through January 2007, Parry executed 11 trades in Customer NG's individual account and seven trades in Customer NG's IRA account without Customer NG's prior knowledge, authorization or consent. With the exception of the purchase of a certificate of deposit in Customer NG's individual account on or about August 4, 2006,

¹ Also referred to as a "stop-loss order" or "stop-market order," a stop-loss order is an order placed to sell a security when its price reaches a pre-specified value. A stop-loss is designed to protect a profit or to limit a loss in the specified securities position.

the 18 unauthorized trades represent all the trading activity in the Customer NG Accounts from May 2006 until January 2007.

Parry violated NASD Rule 2110 and IM-2310-2 by executing 18 trades in the Customer NG Accounts without Customer NG's prior knowledge, authorization or consent as described above.

Parry Exercises Discretionary Trading Authority without Authorization in 45 Customer Accounts

On October 3, 2007, Parry entered stop orders at relating to PTR in 45 accounts held by 37 of his customers (the "PTR Customers"). The PTR Customers had purchased PTR during a period in which it typically sold at less than \$100 per share. The PTR stop orders Parry entered on October 3, 2007, were at prices varying from \$168.75 to \$174.00. Parry failed to notify the PTR Customers and/or obtain their authorization prior to entering the stop orders in their respective accounts on October 3, 2007. Parry did not have written discretionary trading authority in any of the 45 PTR Customer accounts.

Based on the PTR stop orders entered on October 3, 2007, sales of PTR were triggered in 14 of the 45 PTR Customer accounts held by 11 PTR Customers on October 4, 2007. The PTR stop orders triggered on October 4, 2007 appeared on a Firm generated report used for surveillance purposes.

Some of the PTR customers whose stop orders were not triggered on October 4, 2007, subsequently cancelled the stop orders Parry entered on October 3, 2007 and replaced them with new stop orders at different prices. In other instances PTR Customers subsequently opted to cancel the original stop order and sold their PTR positions outright. The PTR Customers made a profit related to their PTR holdings whether via the triggering of the original or a subsequent stop order or by the subsequent sale of their PTR positions.

Parry violated NASD Rules 2510(b) and 2110 by entering 45 stop orders in the accounts of 37 customers, resulting in the execution of 14 such orders without written discretionary authority as described above.

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

- a. 60-day suspension from association with any member of FINRA in any capacity; and
- b. A fine of \$15,000.

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.

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 FINRA Rules 8310 and 8311).

II.

WAIVER AND PROCEDURAL RIGHTS

I specifically and voluntarily waive the following rights granted under FINRA's Code of Procedures:

- A. To have a Complaint issued specifying the allegations against me;
- B. To be notified of the 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 the AWC, or other consideration of this AWC, including acceptance or rejection of the AWC.

I further specifically and voluntarily waive any right to claim that a person violated the ex parte prohibitions of FINRA Rule 9143 or the separation of functions prohibitions of FINRA Rule 9144, in connection with such person's or body's participation in discussions regarding the terms and conditions of this AWC, or other considerations of this AWC, including its acceptance and 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 FINRA 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 action 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 FINRA Rule 8313; 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.

October 19, 2009
Date

George Thomas Parry
George Thomas Parry

Reviewed by:

Karl E. May
Karl E. May, Esq.
Counsel for Respondent

Accepted by FINRA:

11/13/09
Date

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

Susan Light
Susan Light
Senior Vice President &
Chief Counsel
FINRA Department of Enforcement
14 Wall Street, 14th Floor
New York, NY 10005