

FINANCIAL INDUSTRY REGULATORY AUTHORITY (FINRA)
LETTER OF ACCEPTANCE, WAIVER AND CONSENT

NO.
2007011448201

RECEIVED

JUN 13 2008

FINRA District 4

To: Department of Enforcement
Financial Industry Regulatory Authority

Re: Quay A. Pund
Associated Person
CRD No. 4292236

Pursuant to NASD Rule 9216 of FINRA Code of Procedure, I, Quay A. Pund (Pund), 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

Pund entered the securities industry in May 2000 when she associated with FINRA member Edward Jones as a non-registered fingerprint person. Pund worked as a Senior Service Specialist on the HelpDesk Training Team in Edward Jones' Information Systems Division. Edward Jones terminated Pund's employment without registration on November 13, 2007.

Pund is not currently associated with any FINRA members or registered with FINRA in any capacity. However, FINRA retains jurisdiction over Pund pursuant to Article V, Section 4 of the FINRA By-Laws.

Relevant Prior Disciplinary History

Pund has not been the subject of prior formal disciplinary action by FINRA.

Overview

Pund converted \$29,193.21 in funds belonging to an Edward Jones customer. Pund also failed to appear for an on-the-record interview (OTR).

Facts and Violative Conduct

Pund had a personal investment account at Edward Jones. As of July 28, 2007, the account had a value of \$955.03. On August 13, 2007, \$75,636.44 in mutual funds was transferred into Pund's account. The mutual funds belonged to an Edward Jones customer who was transferring funds in

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from another investment account. On September 13, 2007, Pund requested a liquidation of a portion of the mutual funds that had erroneously been placed into her account. She requested that the proceeds be sent to her home address in the form of a check.

Edward Jones sent Pund a check dated September 25, 2007, in the amount of \$30,148.24. Pund cashed the check.

The funds erroneously transferred into the account never belonged to Pund. Pund did not have authorization from the Edward Jones customer to use the funds.

Pund's conduct violated NASD Conduct Rule 2330 and Rule 2110.

On February 6, 2008, FINRA staff sent Pund a letter, requesting her appearance for an OTR. The letter was sent pursuant to and in accordance with NASD Procedural Rule 8210. The February 8, 2008 letter was sent to Pund's residential address, as listed in the Central Registration Depository. The letter was sent certified mail, return receipt requested, and first class mail. Pund signed the receipt for the certified mailing, and the first class mailing was not returned. The letter requested Pund's appearance for an OTR on April 3, 2008, at the FINRA office in Kansas City, Missouri. After she received the Rule 8210 letter, Pund contacted FINRA staff and advised them that she would not be appearing for her OTR. Pund did not appear for her OTR on April 3, 2008.

Pund's conduct violated NASD Procedural Rule 8210 and NASD Conduct Rule 2110.

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

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

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

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 Procedural 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 Procedural 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 Procedural 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.

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- D. 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 NASD Rule 8310 and IM-8310-1.)

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.

6/10/08
Date

Quay A. Pund
QUAY A. PUND

Reviewed by:

Counsel for Quay A. Pund

Accepted by FINRA:

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

6-17-08
Date

Jeffrey A. Zicman
Jeffrey A. Zicman, Senior Regional Counsel