

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2008012267901**

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REGISTRATION & DISCLOSURE

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

RE: Peggy L. Fry, Respondent
Associated Person
CRD No. 1239569

Pursuant to FINRA 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

Peggy Fry ("Fry") first entered the securities industry in January 1983 when she associated with a FINRA member firm. She ceased her association with that firm in August 1985. Thereafter she associated with six member firms, before associating with Raymond James Financial Services, Inc. ("Raymond James") from on or about August 29, 2006 through August 1, 2007, as a non-registered associated person. She associated with one other FINRA member firm after leaving Raymond James, from on or about November 12, 2007 through November 28, 2008. Fry has not previously been the subject of a disciplinary action.

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OVERVIEW

Between July 2007 and December 2007, Fry caused the transfer of \$25,000.00 from the account of customer SC to Fry's personal bank account, without SC's authorization, knowledge or consent. Fry was able to transfer the funds as she had created a false Automatic Clearing House ("ACH") Transaction Request Form to which she had forged SC's signature. This conduct violated NASD Conduct Rules 2310 and 2110.

FACTS AND VIOLATIVE CONDUCT

1. In our about August 2006 Raymond James customer SC completed an ACH Transaction Request Form, establishing an ACH profile wherein she requested monthly automatic transfers from her Raymond James account to a personal bank account. Fry, without SC's knowledge or consent, completed a separate ACH Transaction Request Form for SC whereby transfers could be made from SC's Raymond James account to a bank account which belonged to Fry. Fry forged SC's signature onto this falsified document.

2. Pursuant to this second ACH profile, Fry transferred, or caused the transfer of a total of \$25,000.00 from SC's brokerage account to a bank account belonging to Fry, at a time when Fry was associated with FINRA member firms. The transfers, which were each for \$5,000.00, occurred on July 6, 2007; July 20, 2007; July 31, 2007; November 26, 2007 and December 3, 2007. Fry then used the funds to pay personal expenses. Raymond James repaid SC the \$25,000.00, plus interest. Fry then repaid Raymond James.

The aforementioned acts, practices and conduct set forth in paragraph 1 above constitute separate and distinct violations of NASD Conduct Rule 2110 by Fry. The aforementioned acts, practices and conduct set forth in paragraph 2 above constitute separate and distinct violations of NASD Conduct Rules 2330 and 2110 by Fry.

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

A bar from associating with any FINRA member firm in any capacity.

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).

Pursuant to FINRA Rule 8313(e), a bar or expulsion shall become effective upon approval or acceptance of this AWC.

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II.

WAIVER OF PROCEDURAL RIGHTS

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

- 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 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 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 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 FINRA Rule 9216;

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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 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.

3/2/09
Date

Peggy D. Fry

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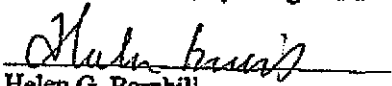
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Accepted by FINRA:

3/16/09
Date

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


Helen G. Barnhill
Senior Regional Counsel
FINRA Department of Enforcement
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