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REGISTRATION & DISCLOSURE

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2008013265201**

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

RE: Peter Vallejo, Respondent
General Securities Representative
CRD No. 4086813

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

Peter Vallejo was registered with Wells Fargo Investments, LLC from September 2007 until his termination by the firm in April 2008. He was previously registered with Chase Investment Services Corp. from July 2005 until September 2007, and with four other FINRA member firms between then and November 1999. He had been registered as a General Securities Representative (Series 7) and Uniform Securities Agent (Series 63) since November 1999. Vallejo has no prior formal disciplinary history.

FACTS AND VIOLATIVE CONDUCT

On April 11, 2008, Wells Fargo Investments, LLC terminated Vallejo's employment following the receipt of an inquiry from a customer as to the whereabouts of approximately \$38,000 the customer had invested with Vallejo in an outside investment while Vallejo was registered with Chase Investment

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Services Corp. Wells Fargo Investments reported on the Form U5 it filed regarding Vallejo's termination that he had deposited the \$38,000 discussed above and \$100,000 of another customer's funds into an outside business account maintained by Vallejo.

On April 30, 2008 and June 10, 2008, FINRA sent Vallejo letters, pursuant to Procedural Rule 8210, requesting that Vallejo provide a detailed written explanation as to the allegations of misappropriation reported by Wells Fargo on the Form U-5. Vallejo has refused to provide the information sought by those requests.

Violation

By refusing to respond to FINRA's request for information, Vallejo has violated Procedural Rule 8210 and has failed to observe high standards of commercial honor and just and equitable principles of trade in the conduct of his business in violation of Conduct Rule 2110.

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

A bar from association 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 NASD Rule 8310 and IM-8310-1.) Pursuant to NASD 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 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 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

I understand that:

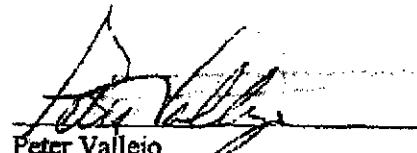
- A. Submission of this AWC is voluntary and will not resolve this matter unless and until it has been reviewed and accepted by the NAC, a Review Subcommittee of the NAC, or the Office of Disciplinary Affairs ("ODA"), pursuant to NASD Rule 9216;
- B. If this AWC is not accepted, its submission will not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

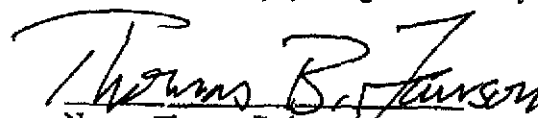
10/24/2008
Date


Peter Vallejo
Respondent

Accepted by FINRA:

Nov. 28, 2008
Date

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


Name: Thomas B. Lawson
Title: Vice President and Chief Counsel
FINRA Department of Enforcement
1801 K Street, N.W.
Washington, DC 20006
(202) 974-2900
FAX: (202) 974-2805