

FINANCIAL INDUSTRY REGULATORY AUTHORITY

OFFICE OF HEARING OFFICERS

Department of Enforcement,

Complainant,

v.

John Richard Still
CRD No. 1094616

and

Joe E. Still
CRD No. 1954982

Respondents.

DISCIPLINARY PROCEEDING
No. 2008014358101

Hearing Officer: Andrew H. Perkins

**ORDER ACCEPTING OFFER OF
SETTLEMENT**

Date: January 19, 2011

INTRODUCTION

Disciplinary Proceeding No. 2008014358101 was filed on October 22, 2010 by the Department of Enforcement of the Financial Industry Regulatory Authority (FINRA) (Complainant). Respondents John Richard Still and Joe Evan Still submitted an Offer of Settlement (Offer) to Complainant dated December 10, 2010. Pursuant to FINRA Rule 9270(e), the Complainant and the National Adjudicatory Council (NAC), a Review Subcommittee of the NAC, or the Office of Disciplinary Affairs (ODA) have accepted the uncontested Offer. Accordingly, this Order now is issued pursuant to FINRA Rule 9270(e)(3). The findings, conclusions and sanctions set forth in this Order are those stated in the Offer as accepted by the Complainant and approved by the NAC.

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Under the terms of the Offer, Respondents have consented, without admitting or denying the allegations of the Complaint, 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, to the entry of findings and violations consistent with the allegations of the Complaint, and to the imposition of the sanctions set forth below, and fully understands that this Order will become part of Respondents' permanent disciplinary record and may be considered in any future actions brought by FINRA.

BACKGROUND

John Richard Still ("JR Still") entered the securities industry in September 1982, when he associated with FINRA member New York Life Variable Contracts Corporation (n/k/a NYLife Securities LLC). He remained with NYLife until August 21, 2008, when he was discharged for violating company policy in connection with the activities described herein. JR Still subsequently associated with another FINRA member firm from November 2008 to September 2010. He is not currently registered with a FINRA member firm. During his career in the securities industry, JR Still obtained Series 6, 22 and 63 securities licenses.

Although JR Still is no longer associated with a FINRA member, he remains subject to FINRA's jurisdiction for purposes of this proceeding, pursuant to Article V, Section 4 of FINRA's By-Laws, because (1) the Complaint was filed within two years of the date upon which he ceased to be associated with a FINRA member; and (2) the Complaint charged him with misconduct committed while he was associated with a FINRA member.

Joe Evan Still ("JE Still"), brother of JR Still, entered the securities industry in May 1989, when he associated with NYLife. JE Still remained with NYLife until August 21, 2008, when he was discharged for violating company policy. He is currently registered with a FINRA

member firm. During his career in the securities industry, JE Still has obtained Series 6 and 63 securities licenses.

JE Still remains subject to FINRA's jurisdiction because he is currently registered with a FINRA member firm.

FINDINGS AND CONCLUSIONS

It has been determined that the Offer be accepted and that findings be made as follows:

FIRST CAUSE OF ACTION

(Outside Business Activity – NASD Rule 3030)

1. JR Still learned about 3737 Financial through his brother-in-law, Hudgins.
2. During the period from 2005 to 2008, JR Still referred or introduced at least four prospective investors to Hudgins and 3737 Financial.
3. JR Still did not conduct any due diligence on Hudgins or 3737 Financial prior to referring or introducing the prospective investors.
4. The investors subsequently invested over \$3.7 million with Hudgins and 3737 Financial.
5. JR Still received compensation totaling over \$300,000 for the referrals made to Hudgins and 3737 Financial.
6. With the exception of one check, the referral fee checks were made payable to JR Still's wife, who is not a securities professional and who had no role in referring customers to Hudgins and 3737 Financial.
7. JR Still never disclosed, in writing or otherwise, his referrals or his related compensation to his employer member firm, NYLife.

8. During the time period that he made referrals and received related compensation, JR Still falsely represented on annual compliance questionnaires that he had disclosed all outside business activities.
9. The above acts, practices, and conduct constitute violations of NASD Rules 3030 and 2110 by John Richard Still.

SECOND CAUSE OF ACTION
(Outside Business Activity – NASD Rule 3030)

10. JE Still learned about 3737 Financial through his brother, JR Still, and JR Still's brother-in-law, Hudgins.
11. During the period from 2005 to 2008, JE Still referred or introduced at least three prospective investors, including one customer of his employer member firm, to Hudgins and 3737 Financial.
12. JE Still did not conduct any due diligence on Hudgins or 3737 Financial prior to referring or introducing the prospective investors.
13. The investors subsequently invested over \$1.1 million with Hudgins and 3737 Financial.
14. JE Still received compensation totaling over \$120,000 for the referrals made to Hudgins and 3737 Financial.
15. With the exception of one check, the referral fee checks were made payable to JE Still's wife, who is not a securities professional and who had no role in referring customers to Hudgins and 3737 Financial.
16. JE Still never disclosed, in writing or otherwise, his referrals or his related compensation to his employer member firm, NYLife.

17. During the time period that he made referrals and received related compensation, JE Still falsely represented on annual compliance questionnaires that he had disclosed all outside business activities.
18. The above acts, practices, and conduct constitute violations of NASD Rules 3030 and 2110 by Joe Evan Still.

Based on these considerations, the sanctions hereby imposed by the acceptance of the Offer are in the public interest, are sufficiently remedial to deter Respondents from any future misconduct, and represent a proper discharge by FINRA, of its regulatory responsibility under the Securities Exchange Act of 1934.

SANCTIONS

It is ordered that Respondents be assessed the following sanctions:

John Richard Still: A bar from association with any FINRA member firm in any capacity.

Joe Evan Still: A monetary fine in the amount of \$25,000 and a suspension from association with any FINRA member firm in any capacity for a period of 18 months.

JE Still's fine shall be due and payable either immediately upon reassociation with a member firm following the 18-month suspension noted above, or prior to any application or request for relief from any statutory disqualification resulting from this or any other

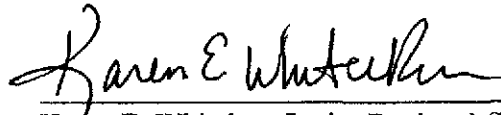
event or proceeding, whichever is earlier.

The sanctions imposed herein shall be effective on a date set by FINRA staff. Pursuant to FINRA Rule 8313(e), a bar or expulsion shall become effective upon approval or acceptance of this Order.

SO ORDERED.

FINRA

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

A handwritten signature in black ink, appearing to read "Karen E. Whitaker", is written over a horizontal line.

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