

FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 20090181031-01

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

RE: Edward D. Jones & Co., L.P. d/b/a Edward Jones, Respondent
Broker-Dealer
CRD No. 250

Pursuant to FINRA Rule 9216 of FINRA's Code of Procedure, Edward D. Jones & Co., L.P. d/b/a Edward Jones (the "firm") 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 the firm alleging violations based on the same factual findings described herein.

I.

ACCEPTANCE AND CONSENT

- A. The firm 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 and without an adjudication of any issue of law or fact, to the entry of the following findings by FINRA:

BACKGROUND

The firm has been a member of FINRA since October 16, 1939, and its registration remains in effect. The firm does not have any relevant disciplinary history.

SUMMARY

In connection with 20090181031, the Fixed Income Staff of FINRA's Department of Market Regulation reviewed the firm's compliance with its best execution obligations in connection with the purchase or sale of municipal securities during the period of October 1, 2008 through December 31, 2008 (the "review period").

FACTS AND VIOLATIVE CONDUCT

During the review period, in 87 transactions, the firm purchased municipal securities for its own account from a customer and/or sold municipal securities for its own account to a customer at an aggregate price (including any mark-down or mark-up) that was not fair and reasonable, taking into consideration all relevant factors, including the best judgment of the broker, dealer or municipal securities dealer as to the fair market value of the securities at the time of the transaction and of any securities exchanged or traded in

connection with the transaction, the expense involved in effecting the transaction, the fact that the broker, dealer, or municipal securities dealer is entitled to a profit, and the total dollar amount of the transaction. The transactions are identified on Exhibit A which is attached. The conduct described in this paragraph constitutes separate and distinct violations of MSRB Rules G-17 and G-30(a).

- B. The firm also consents to the imposition of the following sanctions:

A censure and a fine of \$160,000.¹

The firm agrees to pay the monetary sanction(s) upon notice that this AWC has been accepted and that such payment(s) are due and payable. It has submitted an Election of Payment form showing the method by which it proposes to pay the fine imposed.

The firm specifically and voluntarily waives any right to claim that it is unable to pay, now or at any time hereafter, the monetary sanction(s) imposed in this matter.

The sanctions imposed herein shall be effective on a date set by FINRA staff.

II.

WAIVER OF PROCEDURAL RIGHTS

The firm specifically and voluntarily waives the following rights granted under FINRA's Code of Procedure:

- A. To have a Complaint issued specifying the allegations against the firm;
- 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, the firm specifically and voluntarily waives 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.

¹ No restitution payment is provided for in the AWC in light of the fact that the firm previously provided restitution to its customers, which the firm commenced paying as early as December 31, 2008.

The firm further specifically and voluntarily waives 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

The firm understands that:

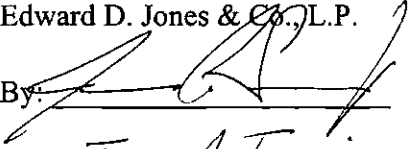
- A. Submission of this AWC is voluntary and will not resolve this matter unless and until it has been reviewed and accepted by the NAC, a Review Subcommittee of the NAC, or the Office of Disciplinary Affairs ("ODA"), pursuant to FINRA Rule 9216;
- B. If this AWC is not accepted, its submission will not be used as evidence to prove any of the allegations against the firm; and
- C. If accepted:
 - 1. this AWC will become part of the firm's permanent disciplinary record and may be considered in any future actions brought by FINRA or any other regulator against the firm;
 - 2. this AWC will be made available through FINRA's public disclosure program in response to public inquiries about the firm's 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. The firm 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. The firm 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 the firm's: (i) testimonial obligations; or (ii) right to take legal or factual positions in litigation or other legal proceedings in which FINRA is not a party.
- D. The firm may attach a Corrective Action Statement to this AWC that is a statement of demonstrable corrective steps taken to prevent future misconduct. The firm understands that it may not deny the charges or make any statement that is inconsistent with the AWC in this Statement. This Statement does not constitute factual or legal findings by FINRA, nor does it reflect the views of FINRA or its staff.

The undersigned, on behalf of the Firm, certifies that a person duly authorized to act on its behalf has read and understands all of the provisions of this AWC and has been given a full opportunity to ask questions about it; that it has agreed to the AWC's 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 the firm to submit it.

5/2/13
Date

Respondent

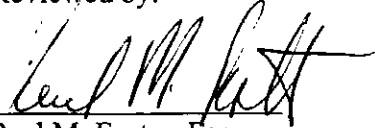
Edward D. Jones & Co., L.P.

By: 

Name: James A. Tricarico, Jr.

Title: General Counsel

Reviewed by:


Paul M. Foster, Esq.
Associate General Counsel
Counsel for Respondent
Edward Jones Legal Department
12555 Manchester Road
St. Louis, MO 63131
(314) 515-5209

Accepted by FINRA:

6/7/12
Date

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

TL R Gira
Thomas R. Gira
Executive Vice President
Department of Market Regulation

Edward Jones ("EDJO")
Matter Number 20090181031

Exhibit A

#	Date	CUSIP	Issue	Quantity	Firm	Contra	Trade Time	Trade Price
205	12/19/2008	13062PPT3	CALIFORNIA ST	10	EDJO	C (S)	17:52:00	104.490
61	11/6/2008	160853MK0	CHARLOTTE-MECKLENBURG HOSP REF-CAROLINAS HEALTHCARE-SER A	50	EDJO	C (B)	14:42:44	94.600
62	11/6/2008	160853MK0	CHARLOTTE-MECKLENBURG HOSP REF-CAROLINAS HEALTHCARE-SER A	5	EDJO	C (B)	15:05:59	94.600
63	11/6/2008	160853MK0	CHARLOTTE-MECKLENBURG HOSP REF-CAROLINAS HEALTHCARE-SER A	10	EDJO	C (B)	15:28:28	94.600
65	11/7/2008	160853MK0	CHARLOTTE-MECKLENBURG HOSP REF-CAROLINAS HEALTHCARE-SER A	20	EDJO	C (B)	9:35:00	94.600
66	11/7/2008	160853MK0	CHARLOTTE-MECKLENBURG HOSP REF-CAROLINAS HEALTHCARE-SER A	25	EDJO	C (B)	10:29:53	94.600
67	11/7/2008	160853MK0	CHARLOTTE-MECKLENBURG HOSP REF-CAROLINAS HEALTHCARE-SER A	5	EDJO	C (B)	11:07:52	94.600
68	11/7/2008	160853MK0	CHARLOTTE-MECKLENBURG HOSP REF-CAROLINAS HEALTHCARE-SER A	10	EDJO	C (B)	11:47:21	94.600
70	11/7/2008	160853MK0	CHARLOTTE-MECKLENBURG HOSP REF-CAROLINAS HEALTHCARE-SER A	100	EDJO	C (B)	13:18:52	94.600
71	11/7/2008	160853MK0	CHARLOTTE-MECKLENBURG HOSP REF-CAROLINAS HEALTHCARE-SER A	50	EDJO	C (B)	14:28:53	94.600
72	11/7/2008	160853MK0	CHARLOTTE-MECKLENBURG HOSP REF-CAROLINAS HEALTHCARE-SER A	15	EDJO	C (B)	15:16:13	94.600
73	11/10/2008	160853MK0	CHARLOTTE-MECKLENBURG HOSP REF-CAROLINAS HEALTHCARE-SER A	15	EDJO	C (B)	8:54:21	94.600
74	11/10/2008	160853MK0	CHARLOTTE-MECKLENBURG HOSP REF-CAROLINAS HEALTHCARE-SER A	20	EDJO	C (B)	14:25:19	93.200
75	11/12/2008	160853MK0	CHARLOTTE-MECKLENBURG HOSP REF-CAROLINAS HEALTHCARE-SER A	10	EDJO	C (B)	8:00:03	94.600
76	11/12/2008	160853MK0	CHARLOTTE-MECKLENBURG HOSP REF-CAROLINAS HEALTHCARE-SER A	10	EDJO	C (B)	8:00:03	94.600
77	11/12/2008	160853MK0	CHARLOTTE-MECKLENBURG HOSP REF-CAROLINAS HEALTHCARE-SER A	10	EDJO	C (B)	8:00:03	94.600
78	11/12/2008	160853MK0	CHARLOTTE-MECKLENBURG HOSP REF-CAROLINAS HEALTHCARE-SER A	10	EDJO	C (B)	8:00:03	94.600
79	11/12/2008	160853MK0	CHARLOTTE-MECKLENBURG HOSP REF-CAROLINAS HEALTHCARE-SER A	15	EDJO	C (B)	8:00:03	94.600
80	11/12/2008	160853MK0	CHARLOTTE-MECKLENBURG HOSP REF-CAROLINAS HEALTHCARE-SER A	5	EDJO	C (B)	8:00:03	94.600
81	11/12/2008	160853MK0	CHARLOTTE-MECKLENBURG HOSP REF-CAROLINAS HEALTHCARE-SER A	10	EDJO	C (B)	8:00:03	94.600
82	11/12/2008	160853MK0	CHARLOTTE-MECKLENBURG HOSP REF-CAROLINAS HEALTHCARE-SER A	25	EDJO	C (B)	8:00:03	94.600
83	11/12/2008	160853MK0	CHARLOTTE-MECKLENBURG HOSP REF-CAROLINAS HEALTHCARE-SER A	45	EDJO	C (B)	8:00:03	94.600
84	11/12/2008	160853MK0	CHARLOTTE-MECKLENBURG HOSP REF-CAROLINAS HEALTHCARE-SER A	10	EDJO	C (B)	8:00:03	94.600
85	11/12/2008	160853MK0	CHARLOTTE-MECKLENBURG HOSP REF-CAROLINAS HEALTHCARE-SER A	25	EDJO	C (B)	8:00:03	94.600
105	11/20/2008	160853MK0	CHARLOTTE-MECKLENBURG HOSP REF-CAROLINAS HEALTHCARE-SER A	10	EDJO	C (B)	15:54:54	95.700
110	11/25/2008	160853MK0	CHARLOTTE-MECKLENBURG HOSP REF-CAROLINAS HEALTHCARE-SER A	5	EDJO	C (B)	8:30:22	95.700
64	11/6/2008	1674842U7	CHICAGO ILL NEIGHBORHOODS ALIVE 21 PROG	10	EDJO	C (S)	17:45:00	100.226
101	11/20/2008	167562GW1	CHICAGO ILL MIDWAY ARPT REV SER B	40	EDJO	C (S)	9:55:00	83.000
149	12/8/2008	235036AP5	DALLAS FORT WORTH TEX INTL JT-SER A	5	EDJO	C (S)	11:42:00	81.430
171	12/12/2008	235036AP5	DALLAS FORT WORTH TEX INTL JT-SER A	5	EDJO	C (S)	14:53:00	79.070
177	12/15/2008	235036AP5	DALLAS FORT WORTH TEX INTL JT-SER A	10	EDJO	C (S)	10:43:00	78.570

Edward Jones ("EDJO")
Matter Number 20090181031

Exhibit A

#	Date	CUSIP	Issue	Quantity	Firm	Contra	Trade Time	Trade Price
214	12/23/2008	235036AP5	DALLAS FORT WORTH TEX INTL JT-SER A	10	EDJO	C (S)	12:53:00	84.440
243	12/30/2008	359900KV8	FULTON CNTY GA DEV AUTH REV GA TECH FNDTN FDG-SER A	50	EDJO	C (B)	14:43:21	96.680
37	10/16/2008	413893AH1	HARRIS CNTY-HOUSTON TEX SPORTS SR LIEN-SER A	5	EDJO	C (S)	11:52:00	62.515
184	12/15/2008	452143BY5	ILLINOIS SPORTS FACS AUTH ST TAX SUPPORTED	15	EDJO	C (S)	17:41:00	79.907
186	12/16/2008	452143BY5	ILLINOIS SPORTS FACS AUTH ST TAX SUPPORTED	20	EDJO	C (S)	11:21:00	79.907
194	12/17/2008	452143BY5	ILLINOIS SPORTS FACS AUTH ST TAX SUPPORTED	5	EDJO	C (S)	11:31:00	80.331
203	12/18/2008	452143BY5	ILLINOIS SPORTS FACS AUTH ST TAX SUPPORTED	10	EDJO	C (S)	16:26:00	80.331
131	12/3/2008	494782JP1	KING CNTY WASH PUB HOSP DIST REF-SER B	5	EDJO	C (S)	16:17:00	80.250
156	12/9/2008	495289PN4	KING CNTY WASH SWR REV REF-SECOND SER	30	EDJO	C (S)	15:10:00	83.309
201	12/18/2008	576018AM7	MASSACHUSETTS ST TPK AUTH MET SR-SER A	5	EDJO	C (S)	10:49:00	53.367
95	11/17/2008	59259NJY0	METROPOLITAN TRANSN AUTH N Y SER A	5	EDJO	C (S)	18:22:00	98.703
116	12/2/2008	59469C7M9	MICHIGAN ST STRATEGIC FD LTD REF-AMT-DETROIT ED CO PJ-SER A	25	EDJO	C (B)	13:52:06	77.055
118	12/3/2008	59469C7M9	MICHIGAN ST STRATEGIC FD LTD REF-AMT-DETROIT ED CO PJ-SER A	10	EDJO	C (B)	8:00:01	77.055
120	12/3/2008	59469C7M9	MICHIGAN ST STRATEGIC FD LTD REF-AMT-DETROIT ED CO PJ-SER A	5	EDJO	C (B)	12:57:15	77.055
117	12/2/2008	59469CWR0	MICHIGAN ST STRATEGIC FD LTD REF-DETROIT EDISON CO-SER A	5	EDJO	C (B)	17:17:44	85.705
119	12/3/2008	59469CWR0	MICHIGAN ST STRATEGIC FD LTD REF-DETROIT EDISON CO-SER A	5	EDJO	C (B)	8:00:01	85.705
122	12/3/2008	59469CWR0	MICHIGAN ST STRATEGIC FD LTD REF-DETROIT EDISON CO-SER A	20	EDJO	C (B)	13:37:00	83.770
123	12/3/2008	59469CWR0	MICHIGAN ST STRATEGIC FD LTD REF-DETROIT EDISON CO-SER A	25	EDJO	C (B)	13:39:32	83.770
133	12/3/2008	59469CWR0	MICHIGAN ST STRATEGIC FD LTD REF-DETROIT EDISON CO-SER A	5	EDJO	C (B)	17:34:29	83.520
135	12/4/2008	59469CWR0	MICHIGAN ST STRATEGIC FD LTD REF-DETROIT EDISON CO-SER A	25	EDJO	C (B)	9:03:19	83.770
137	12/4/2008	59469CWR0	MICHIGAN ST STRATEGIC FD LTD REF-DETROIT EDISON CO-SER A	5	EDJO	C (B)	12:36:08	83.770
140	12/4/2008	59469CWR0	MICHIGAN ST STRATEGIC FD LTD REF-DETROIT EDISON CO-SER A	5	EDJO	C (B)	15:29:56	83.770
163	12/10/2008	59469CWR0	MICHIGAN ST STRATEGIC FD LTD REF-DETROIT EDISON CO-SER A	5	EDJO	C (B)	15:25:53	83.770
169	12/12/2008	59469CWR0	MICHIGAN ST STRATEGIC FD LTD REF-DETROIT EDISON CO-SER A	10	EDJO	C (B)	13:32:41	83.770
191	12/17/2008	59469CWR0	MICHIGAN ST STRATEGIC FD LTD REF-DETROIT EDISON CO-SER A	5	EDJO	C (B)	10:23:07	83.300
192	12/17/2008	59469CWR0	MICHIGAN ST STRATEGIC FD LTD REF-DETROIT EDISON CO-SER A	5	EDJO	C (B)	10:52:03	83.300
193	12/17/2008	59469CWR0	MICHIGAN ST STRATEGIC FD LTD REF-DETROIT EDISON CO-SER A	10	EDJO	C (B)	11:12:45	83.300
195	12/17/2008	59469CWR0	MICHIGAN ST STRATEGIC FD LTD REF-DETROIT EDISON CO-SER A	10	EDJO	C (B)	11:31:05	83.300
198	12/17/2008	59469CWR0	MICHIGAN ST STRATEGIC FD LTD REF-DETROIT EDISON CO-SER A	5	EDJO	C (B)	13:12:16	83.300
86	11/12/2008	603827MX1	MINNEAPOLIS ST PAUL MINN MET REF-SR-SER A	5	EDJO	C (B)	8:00:03	85.820
69	11/7/2008	644804BX3	NEW HANOVER CNTY N C HOSP REV NEW HANOVER REGL MED CTR PJ	5	EDJO	C (S)	12:20:00	76.890

Edward Jones ("EDJO")
Matter Number 20090181031

Exhibit A

#	Date	CUSIP	Issue	Quantity	Firm	Contra	Trade Time	Trade Price
162	12/10/2008	657902XR8	NORTH CAROLINA MED CARE COMMN WAKEMED PJ	5	EDJO	C (S)	13:01:00	65.710
172	12/12/2008	65819GEQ7	NORTH CAROLINA CAP FACS FIN REF-DUKE UNIV PROJ-SER B	50	EDJO	C (S)	18:08:00	66.759
219	12/23/2008	735000DU2	PORT OAKLAND CALIF REV AMT-SER L	5	EDJO	C (B)	15:23:04	73.294
220	12/23/2008	735000DU2	PORT OAKLAND CALIF REV AMT-SER L	20	EDJO	C (B)	15:24:12	73.294
221	12/23/2008	735000DU2	PORT OAKLAND CALIF REV AMT-SER L	10	EDJO	C (B)	15:44:49	73.294
222	12/23/2008	735000DU2	PORT OAKLAND CALIF REV AMT-SER L	5	EDJO	C (B)	15:44:55	73.294
223	12/23/2008	735000DU2	PORT OAKLAND CALIF REV AMT-SER L	15	EDJO	C (B)	15:46:13	73.294
228	12/24/2008	735000DU2	PORT OAKLAND CALIF REV AMT-SER L	5	EDJO	C (B)	11:25:50	73.294
229	12/24/2008	735000DU2	PORT OAKLAND CALIF REV AMT-SER L	10	EDJO	C (B)	11:34:58	73.294
234	12/30/2008	735000DU2	PORT OAKLAND CALIF REV AMT-SER L	5	EDJO	C (B)	8:00:03	73.294
247	12/31/2008	735000DU2	PORT OAKLAND CALIF REV AMT-SER L	5	EDJO	C (B)	14:47:14	73.294
204	12/19/2008	745190RW0	PUERTO RICO COMWLTH HWY SER J-MBIA IBC	10	EDJO	C (S)	17:17:00	103.684
233	12/29/2008	837031QG1	SOUTH CAROLINA JOBS-ECONOMIC UNREFUNDED BAL-BON SECOURS-B	5	EDJO	C (S)	15:07:00	76.838
215	12/23/2008	917565DL4	UTAH TRAN AUTH SALES TAX REV SER B	10	EDJO	C (S)	14:39:00	102.434
165	12/11/2008	967250SE2	WICHITA KANS HOSP REV REF IMPT-FACS-SER III	15	EDJO	C (S)	16:47:00	81.150
87	11/12/2008	97710VBA5	WISCONSIN ST HEALTH EDL FACS THEDACARE INC	5	EDJO	C (B)	8:00:03	85.650
88	11/12/2008	97710VBA5	WISCONSIN ST HEALTH EDL FACS THEDACARE INC	5	EDJO	C (B)	8:00:03	84.400
93	11/17/2008	97710VBA5	WISCONSIN ST HEALTH EDL FACS THEDACARE INC	5	EDJO	C (B)	13:01:16	85.650
94	11/17/2008	97710VBA5	WISCONSIN ST HEALTH EDL FACS THEDACARE INC	10	EDJO	C (B)	13:04:28	85.650
96	11/18/2008	97710VBA5	WISCONSIN ST HEALTH EDL FACS THEDACARE INC	5	EDJO	C (B)	11:14:45	85.650
99	11/19/2008	97710VBA5	WISCONSIN ST HEALTH EDL FACS THEDACARE INC	10	EDJO	C (B)	15:42:59	84.940
100	11/19/2008	97710VBA5	WISCONSIN ST HEALTH EDL FACS THEDACARE INC	10	EDJO	C (B)	16:42:07	84.940
102	11/20/2008	97710VBA5	WISCONSIN ST HEALTH EDL FACS THEDACARE INC	15	EDJO	C (B)	12:11:01	84.080
103	11/20/2008	97710VBA5	WISCONSIN ST HEALTH EDL FACS THEDACARE INC	5	EDJO	C (B)	12:13:20	84.080
104	11/20/2008	97710VBA5	WISCONSIN ST HEALTH EDL FACS THEDACARE INC	10	EDJO	C (B)	12:49:48	84.080

* Contra parties are identified as follows: B-D (S) indicates another Broker-Dealer selling to the firm; B-D (B) indicates another Broker-Dealer buying from the firm; C (S) indicates a customer selling to the firm; and C (B) indicates a customer buying from the firm.