

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2010023931401**

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

RE: Gregory James Buchholz, Respondent
General Securities Representative
CRD No. 1864780

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

On September 26, 1988, Gregory James Buchholz ("Buchholz") first became registered with FINRA as an Investment Company and Variable Contracts Products Representative. On December 12, 1994, Buchholz became registered as a General Securities Representative. From November 12, 1998 to August 31, 2010, Buchholz was registered through Raymond James Financial Services, Inc. as a General Securities Representative. Buchholz is not currently associated with a member firm. He does not have any FINRA disciplinary history.

OVERVIEW

Buchholz, by making false representations and forging customers' signatures to various documents and checks, converted approximately \$1,350,000 from ten

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customers. This conduct violated NASD Conduct Rules 2330 and 2110 and FINRA Rules 2150 and 2010.

FACTS AND VIOLATIVE CONDUCT

At various times from in or about January 2001 through August 2010, Buchholz misappropriated approximately \$1,350,000 from ten customers, a number of whom were retirees, by liquidating their variable annuities and/or mutual funds and then transferring the proceeds to his personal bank accounts. Buchholz then converted the proceeds for his own use and benefit. As part of this scheme, Buchholz:

- falsely and fraudulently represented, at times by forging customer signatures on redemption documents, that certain customers had authorized the redemption of the securities in order to obtain the proceeds of the sale;
- fraudulently induced certain customers to authorize the redemption of securities, based on misrepresentations that the proceeds would be re-invested to the customers' investment accounts; and
- caused checks to be drawn in the name of the customer and caused those checks to be sent directly either to his office or to the customers. If the checks were sent directly to the customers, Buchholz convinced those clients to turn the checks over to him, making false and fraudulent representations that he would deposit the funds in their securities accounts to be reinvested. Buchholz, however, did not reinvest the proceeds but rather deposited the checks into his personal bank accounts and used the proceeds for his own purposes. If the checks were sent directly to his office, Buchholz simply deposited the checks in his own bank accounts for his personal use. He sometimes forged customer signatures in order to cash the checks.

By converting customer funds, Buchholz violated NASD Conduct Rules 2330 (for conduct before December 14, 2009) and 2110 (for conduct before December 15, 2008) and FINRA Rules 2150 (for conduct after December 13, 2009) and 2010 (for conduct after December 14, 2008).

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

- a bar from association with any FINRA member 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 Article III, Section 4 of FINRA's By-Laws, incorporating Section 3(a)(39) of the

Securities Exchange Act of 1934. 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).

The sanction 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 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 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 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 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:

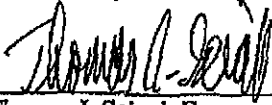
- A. Submission of this AWC is voluntary and will not resolve this matter unless and until it has been reviewed and accepted by the NAC, a Review Subcommittee of the NAC, or the Office of Disciplinary Affairs ("ODA"), pursuant to FINRA Rule 9216;
- B. If this AWC is not accepted, its submission will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

11/29/10
Date (mm/dd/yyyy)

Gregory James Buchholz
Respondent

Reviewed by:



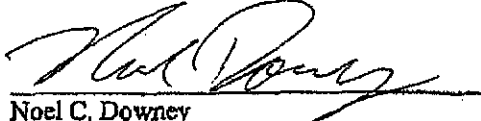
Thomas J. Seigel, Esq.
Counsel for Respondent
Law Offices of Thomas J. Seigel LLC
191 Post Road West
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(203) 221-2878

Accepted by FINRA:

12-10-2010

Date

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



Noel C. Downey
Senior Regional Counsel
FINRA Department of Enforcement
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Woodbridge, NJ 07095
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