

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 20120321181-01**

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

RE: Garrett Chase, Respondent
Research Analyst
CRD No. 2515964

Pursuant to FINRA Rule 9216 of FINRA's Code of Procedure, I, Respondent Garrett Chase ("Chase"), 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

From August 4, 1994 through August 2, 1996 and again from August 10, 1998 through September 22, 2008, Chase was registered with FINRA as a General Securities Representative ("GSR") through an association with a FINRA member firm. On March 3, 2005, Chase became registered with FINRA as a Research Analyst (Series 86/87). On September 22, 2008, as a result of a mass transfer of personnel from his member firm to Barclays Capital Inc. ("Barclays" or the "Firm") (BD No. 19714), Chase became registered with FINRA through an association with Barclays where he remained registered with FINRA as a GSR and Research Analyst. Chase left Barclays on March 13, 2012. He is not currently registered with FINRA or associated with any FINRA member Firm.

RELEVANT DISCIPLINARY HISTORY

Chase has no disciplinary history with the Securities and Exchange Commission, any state securities agency, FINRA or any other self-regulatory organization.

OVERVIEW

During December 2011 and January 2012, Chase violated NASD Rules 2711(h)(1)(A), 2711(h)(1)(C) and 2210(d)(1)(A) and FINRA Rule 2010 when, in three research reports that he authored covering a New York Stock Exchange listed company ("Issuer"), he failed to disclose a material conflict of interest arising from his employment discussions with the Issuer that rendered the three research reports misleading. He also violated those rules by failing to disclose in one of the research reports a financial interest in the Issuer, which rendered that report misleading.

FACTS AND VIOLATIVE CONDUCT

On December 13, 2011, December 15, 2011 and January 25, 2012, Barclays distributed research reports authored by Chase covering the Issuer.

By December 13, 2011, Chase was engaged in discussions with the Issuer about going to work directly for the Issuer, and he had taken several concrete steps to explore that employment opportunity. He had discussed the opportunity with several high level Issuer executives, including the Issuer's President. Chase had informed Issuer executives, including its President, that he was interested in exploring an employment opportunity at the Issuer. The Issuer's President had given Chase a general description of the title and role Chase would assume at the Issuer, i.e., Senior Vice President in charge of Financial Planning and Analysis. Chase and Issuer executives had begun discussing various issues and logistics that would be involved if Chase moved to the city where the Issuer's headquarters were located ("HQ City") to take a job at the Issuer.

Between publication of Chase's December 13, 2011 and December 15, 2011 research reports covering the Issuer, Chase discussed the employment opportunity with the Issuer's CEO, who told Chase that the Issuer was serious about exploring the opportunity for Chase to work directly for the Issuer. Chase also continued to discuss the employment opportunity with other Issuer executives.

Between publication of Chase's December 15, 2011 and January 25, 2012 research reports covering the Issuer, Chase took three airplane trips to the HQ City, which the Issuer paid for, to meet with additional Issuer executives about the job and to visit residential areas with a real estate agent in the HQ City. During that time period, Chase took steps necessary for his child to be able to apply for private school in the HQ City. On January 24, 2012, Chase received a non-binding Term Sheet from the Issuer outlining the compensation the Issuer expected to pay Chase if he accepted a job there, including an equity award to be granted upon Chase's hire.

On March 1, 2012, the Issuer released a press release stating, among other things, that Chase would join the Issuer as Senior Vice President – Financial Planning & Analysis and Investor Relations. His compensation and equity upon joining the Issuer was the same as that outlined in the January 24, 2012 Term Sheet.

Chase did not disclose to anyone at Barclays prior to January 25, 2012 or in his December 13, 2011, December 15, 2011 or January 25, 2012 research reports covering the Issuer, that he was taking concrete steps to explore an employment opportunity at the Issuer. Chase's employment discussions with the Issuer during December 2011 and January 2012 posed a material conflict of interest which should have been disclosed in the December 13, 2011, December 15, 2011 and January 25, 2012 reports. Chase's failure to disclose his material conflict of interest rendered those reports misleading.

Further, Chase did not disclose to anyone at Barclays prior to January 25, 2012 or in his January 25, 2012 research report that he received, on January 24, 2012, a Term Sheet outlining the compensation he would receive if he went to work directly for the Issuer, including an equity award. Chase's financial interest in the Issuer posed a material conflict of interest which should have been disclosed in the January 25, 2012 research report. Chase's failure to disclose that material conflict of interest rendered the January 25, 2012 report misleading.

By reason of the foregoing, Chase violated NASD Rules 2711(h)(1)(A), 2711(h)(1)(C) and 2210(d)(1)(A) and FINRA Rule 2010.

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

- A suspension from association with any FINRA member firm in any and all capacities for a period of one year; and
- A fine in the amount of \$10,000.

The fine shall be due and payable either immediately upon re-association with a member firm following the one year 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.

I specifically and voluntarily waive any right to claim that I am unable to pay, now or at any time hereafter, the monetary sanctions imposed in this matter.

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

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).

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:

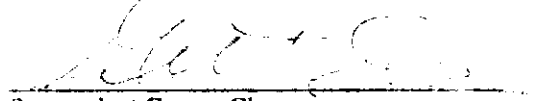
1. this AWC will become part of my permanent disciplinary record and may be considered in any future actions brought by FINRA or any other regulator against me;
2. this AWC will be made available through FINRA's public disclosure program in response to public inquiries about my disciplinary record;
3. 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: (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. I may attach a Corrective Action Statement to this AWC that is a statement of demonstrable corrective steps taken to prevent future misconduct. I understand that I 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.

I, Garrett Chase, 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.

11/29/2013
Date (mm/dd/yyyy)


Respondent Garrett Chase

Reviewed by:

 12/1/13
David Russell
Counsel for Respondent
Parker Hudson Rainer & Dobbs
285 Peachtree Center Avenue, NE
1500 Marquis Two
Atlanta, GA 30303
404-420-5545

Accepted by FINRA:

December 18, 2013
Date

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


Elissa Meth Kestin
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