

NASD
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. C8A050003

TO: Department of Enforcement
NASD

RE: Brian Larsen, Respondent
General Securities Representative
CRD No. 3111872

Pursuant to Rule 9216 of NASD Code of Procedure, I, Brian Larsen, submit this Letter of Acceptance, Waiver and Consent ("AWC") for the purpose of proposing a settlement of the alleged rule violations described in Part II below. This AWC is submitted on the condition that, if accepted, NASD will not bring any future actions against me alleging violations based on the same factual findings.

I understand that:

1. Submission of this AWC is voluntary and will not resolve this matter unless and until it has been reviewed and accepted by NASD's Department of Enforcement and National Adjudicatory Council ("NAC") Review Subcommittee or Office of Disciplinary Affairs ("ODA"), pursuant to NASD Rule 9216;
2. If this AWC is not accepted, its submission will not be used as evidence to prove any of the allegations against me; and
3. If accepted:
 - a. this AWC will become part of my permanent disciplinary record and may be considered in any future actions brought by NASD or any other regulator against me;
 - b. this AWC will be made available through NASD's public disclosure program in response to public inquiries about my disciplinary record;
 - c. NASD may make a public announcement concerning this agreement and the subject matter thereof in accordance with NASD Rule 8310 and IM-8310-2; and
 - d. 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 allegation in this AWC or create the impression that the AWC is without factual basis. Nothing in this provision affects my testimonial obligations or right to take legal or factual positions in litigation or other legal proceedings in which NASD is not a party.

I also understand that my experience in the securities industry and disciplinary history may be factors that will be considered in deciding whether to accept this AWC. That experience and history are as follows:

Brian Larsen ("Larsen") was registered as a General Securities Representative of Edward Jones ("Member"), an NASD member, between November 23, 1998 and August 26, 2002. Larsen is not currently associated with any NASD member, and he has no prior disciplinary history.

I.

WAIVER OF PROCEDURAL RIGHTS

I specifically and voluntarily waive the following rights granted under NASD'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 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 Rule 9143 or the separation of functions prohibitions of 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.

II.

ACCEPTANCE AND CONSENT

- A. I hereby accept and consent, without admitting or denying the allegations or findings, and solely for the purposes of this proceeding and any other proceeding brought by or on behalf of NASD, or to which NASD 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 NASD:
1. Larsen affixed the signature of EB and RB, husband and wife and members of the public holding a joint account at the Member, on an account authorization document dated September 19, 2001, without EB's or RB's knowledge or consent, in violation of NASD Conduct Rule 2110 by Larsen.
 2. From approximately September 2001 to August 2002, Larsen recommended and effected 79 transactions for public customers EB and RB, as specified in the attached Exhibit A, without having reasonable grounds for believing that the recommendations and resultant transactions were suitable for the customers on the basis of the customers' financial situation and needs, in violation of NASD Conduct Rules 2110 and 2310.
 3. From approximately April 2002 to July 2002, Larsen purchased eight securities in his two personal accounts, as specified in the attached Exhibit B, for which he did not make timely payment as required by Regulation X. Larsen sold each position before payment was due, using the proceeds of the sale to pay for the purchase, in violation of Section 7(f) of the Securities Exchange Act of 1934 and Regulation X, and NASD Conduct Rules 2110 and 2520(f)(7).
 4. From approximately May 2002 to July 2002, Larsen caused the Member to extend credit to him in violation of Regulation T on sixteen occasions, as identified in the attached Schedule C, in violation of Section 7(f) of the Securities Exchange Act of 1934 and Regulation X, and NASD Conduct Rule 2110. In several instances, he accomplished this by writing checks from one account, depositing that check in the other account, and then either transferring money back to the first account or depositing a check from the second account back to the first account before the initial check cleared.
- B. I also consent to the imposition, at a maximum, of the sanction of a bar from associating with any member of NASD in any capacity. The sanctions imposed herein shall be effective on a date set by NASD staff.

Pursuant to IM-8310-2(f), a bar or expulsion shall become effective upon approval or acceptance of this AWC by the NAC.

III.

OTHER MATTERS

- A. I understand that if I am barred or suspended from association with any NASD 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 NASD 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.)

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, and that no offer, threat, inducement, or promise of any kind, other than the terms set forth herein, has been made to induce me to submit it.

11/15/04
Date

Brian C. Larsen
Brian C. Larsen
Respondent

Reviewed by:

Counsel for Respondent

Accepted by NASD:

January 7, 2005
Date

Carlotta A. Romano
Carlotta A. Romano
Senior Vice President and Regional Director

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

SCHEDULE A

Unsuitable Transactions in the Account of EB and RB

	Settlement Date	Buy/Sell	Securities	Amount
1	9/24/2001	Buy	Celestica	\$17,668.26
2	9/24/2001	Buy	Dell	\$10,014.73
3	9/24/2001	Buy	EMC	\$12,842.20
4	9/24/2001	Buy	Intel	\$10,850.58
5	9/24/2001	Buy	Veritas	\$10,941.21
6	9/24/2001	Buy	Veritas	\$4,379.37
7	9/25/2001	Buy	Oni Sys	\$992.25
8	9/27/2001	Sell	Celestica	\$18,499.39
9	9/28/2001	Buy	Veritas	\$6,014.66
10	9/28/2001	Buy	Veritas	\$4,012.25
11	10/9/2001	Sell	Dell	\$9,904.96
12	10/9/2001	Sell	Intel	\$10,527.06
13	10/9/2001	Sell	Veritas	\$25,797.21
14	10/9/2001	Buy	Nextel	\$7,225.45
15	10/10/2001	Sell	EMC	\$13,076.72
16	10/10/2001	Sell	Nextel	\$7,788.83
17	10/10/2001	Buy	CVS	\$17,325.51
18	10/10/2001	Buy	Qualcomm	\$17,730.10
19	10/11/2001	Sell	Veritas	\$12,737.89
20	10/11/2001	Buy	Nextel	\$8,341.95
21	10/11/2001	Buy	Veritas	\$12,247.83
22	10/11/2001	Buy	Worldcom	\$13,642.08
23	10/16/2001	Sell	Qualcomm	\$19,234.14
24	10/17/2001	Sell	Nextel	\$8,576.80
25	10/17/2001	Buy	Crown, Cork & Seal	\$7,877.95
26	10/18/2001	Sell	Worldcom	\$13,876.57
27	10/22/2001	Buy	Check Point Software	\$2,948.37
28	10/22/2001	Buy	Check Point Software	\$5,893.24
29	10/22/2001	Buy	NASDAQ 100 Trust	\$13,793.50
30	10/23/2001	Sell	Check Point Software	\$3,076.66
31	10/23/2001	Sell	Check Point Software	\$6,130.81
32	10/23/2001	Buy	Nextel	\$7,763.40
33	10/24/2001	Buy	Oni Sys	\$5,587.79
34	10/25/2001	Sell	Oni Sys	\$670.43
35	10/25/2001	Sell	Oni Sys	\$5,991.60
36	10/26/2001	Sell	NASDAQ 100 Trust	\$13,803.08
37	10/29/2001	Sell	Nextel	\$7,798.68
38	10/29/2001	Buy	Worldcom	\$12,416.95
39	10/31/2001	Sell	Worldcom	\$12,898.97
40	11/1/2001	Buy	Check Point Software	\$15,396.70
41	11/9/2001	Sell	Check Point Software	\$16,530.85
42	11/27/2001	Buy	Oracle	\$14,452.08
43	11/27/2001	Buy	Worldcom	\$14,472.33

44	11/29/2001	Sell	Crown, Cork & Seal	\$3,245.93
45	5/21/2001	Sell	Juniper Networks	\$6,775.83
46	12/10/2001	Sell	Oracle	\$14,775.16
47	12/10/2001	Sell	Worldcom	\$15,012.15
48	12/13/2001	Buy	Calpine	\$13,803.04
49	12/17/2001	Buy	Williams Companies	\$2,357.82
50	12/17/2001	Buy	Williams Companies	\$14,174.72
51	12/18/2001	Buy	Juniper Networks	\$14,137.26
52	12/21/2001	Sell	Juniper Networks	\$14,880.91
53	1/2/2002	Sell	CVS	\$14,708.98
54	1/2/2002	Sell	Williams Companies	\$16,812.09
55	1/4/2002	Buy	Juniper Networks	\$5,771.83
56	1/4/2002	Buy	Juniper Networks	\$3,856.13
57	1/4/2002	Buy	Juniper Networks	\$1,927.44
58	1/4/2002	Buy	Juniper Networks	\$1,922.43
59	1/7/2002	Buy	Citrix Sys	\$16,293.79
60	1/10/2002	Sell	Juniper Networks	\$10,874.87
61	1/10/2002	Sell	Juniper Networks	\$4,348.18
62	1/14/2002	Buy	Sprint	\$15,124.36
63	1/17/2002	Buy	Juniper Networks	\$13,093.08
64	2/7/2002	Sell	Calpine	\$7,251.94
65	2/20/2002	Buy	Nextel	\$9,575.05
66	2/22/2002	Sell	Citrix Sys	\$11,520.87
67	5/2/2002	Buy	Tyco	\$11,130.63
68	5/8/2002	Sell	Tyco	\$13,763.13
69	5/10/2002	Buy	Sandisk	\$10,774.85
70	5/13/2002	Sell	Sandisk	\$11,868.28
71	5/21/2002	Buy	Edison Schools Municipal	\$5,579.45
72	5/31/2002	Buy	Celestica	\$12,572.56
73	6/27/2002	Sell	Edison Schools Municipal	\$2,845.95
74	6/28/2001	Sell	Celestica	\$8,936.45
75	7/15/2002	Sell	Sprint	\$4,078.42
76	7/22/2002	Sell	Nextel	\$13,622.87
77	7/22/2002	Buy	Celestica	\$13,578.72
78	7/26/2002	Buy	CitiGroup	\$11,259.20
79	8/7/2002	Buy	Celestica	\$8,346.10

SCHEDULE B
Freeriding violations

Purchase Trade Date	Purchase Settlement Date	Sell Trade Date	Sell Settlement Date	Account	Trade
4/29/2002	5/2/2002	5/2/2002	5/7/2002		Tyco, 700 shares
6/10/2002	6/13/2002	6/12/2002	6/17/2002		Calpine, 2000 shares
6/13/2002	6/18/2002	6/17/2002	6/20/2002		Dynegy, 1300 shares
6/7/2002	6/12/2002	6/10/2002	6/13/2002		Tyco, 1650 shares
7/15/2002	7/18/2002	7/17/2002	7/22/2002		MSDW Baskett, 2000 shares
7/15/2002	7/18/2002	7/17/2002	7/22/2002		Veritas, 2000 shares
7/17/2002	7/22/2002	7/19/2002	7/24/2002		Celestica, 3000 shares
7/23/2002	7/26/2002	7/24/2002	7/29/2002		Celestica, 3000 shares

SCHEDULE C
Non-Freeriding Reg T violations

Trade Date	Settlement Date	Account	Purchase	Price
5/7/2002	5/10/2002		Globespan, 1300 shares	\$6,958.95
5/10/2002	5/15/2002		Globespan, 800 shares	\$4,325.95
5/17/2002	5/22/2002		Dynegy, 1750 shares	\$13,329.95
6/3/2002	6/6/2002		Tyco, 600 shares	\$9,643.31
6/3/2002	6/6/2002		Tyco, 750 shares	\$13,059.14
7/1/2002	7/5/2002		Celestica, 300 shares	\$6,276.59
7/1/2002	7/5/2002		Celestica, 500 shares	\$9,725.99
7/1/2002	7/5/2002		Celestica, 700 shares	\$14,673.39
7/1/2002	7/5/2002		Celestica, 1000 shares	\$19,511.98
7/9/2002	7/12/2002		Celestica, 800 shares	\$14,413.95
7/10/2002	7/15/2002		Celestica, 300 shares	\$5,069.95
5/17/2002	5/22/2002		Dynegy, 2000 shares	\$13,929.95
5/21/2002	5/24/2002		Siebel, 900 shares	\$18,929.95
6/24/2002	6/27/2002		Dynegy, 1100 shares	\$7,424.98
6/24/2002	6/27/2002		Dynegy, 1900 shares	\$12,805.97
6/26/2002	7/1/2002		Dynegy, 3000 shares	\$36,359.95