

NASD
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. C8A050057

TO: Department of Enforcement
NASD

RE: Jennifer A. Stephenson
Registered Representative
CRD No. 4156971

Pursuant to Rule 9216 of NASD 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 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:

Jennifer A. Stephenson entered the securities industry as a General Securities Representative with a member of the NASD in January 2002. Between April 2003 and July 2004, Stephenson was registered in the same capacity with PFIC Securities Corporation ("Member"), a member of NASD. Stephenson is not currently registered with any NASD member and she has no history of previous NASD disciplinary action.

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 prejudice 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. On or about May 21, 2004, Stephenson converted funds belonging to a customer of the Member's affiliate, Union Planters Bank, N.A., by electronically transferring \$4,000 from the account of the public customer to Stephenson's personal checking account, and then using at least \$3,700 of the funds for her own use or benefit, all without the knowledge or consent of the public customer, in violation of NASD Conduct Rule 2110.
 2. Stephenson failed to respond to two requests for information sent by NASD staff on or about August 30, 2002 and September 29, 2002, pursuant to and in accordance with the provisions of NASD Procedural Rule 8210, concerning among other things the transactions set forth in the paragraph above, in violation of NASD Conduct Rule 2110 and NASD Procedural Rule 8210.
- B. I also consent to the imposition, at a maximum, of the sanctions of a bar from association with any NASD member in any capacity and an order to pay restitution to the public customer in the total amount of \$3,700 plus interest at the rate set forth in Section 6621(a)(2) of the Internal Revenue Code, 26 U.S.C. 6621(a)(2), from May 21, 2004 until the date of payment. The restitution amount ordered, pursuant to this disciplinary action, is due and payable immediately upon reassociation with a member firm 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 imposition of a restitution order or any other monetary sanction herein, and the timing of such ordered payments, does not preclude the customer from pursuing his own actions to obtain restitution or other remedies. If for any reason Respondent cannot locate the customer or his heirs and/or successors after reasonable and documented efforts within such period, or such additional period agreed to by the staff, Respondent shall forward any undistributed restitution and interest to the appropriate escheat, unclaimed property, or abandoned property fund for the state in which the customer is last known to have resided.

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

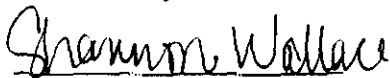
- A. I understand that if I am barred or suspended from associating with any NASD member, I become subject to a statutory disqualification as that term is defined in Section 3(a)(39) of the Securities Exchange Act of 1934, as amended. Accordingly, I may not be associated with any NASD member in any capacity, 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.

1-27-2005
Date


Jennifer A. Stephenson
Registered Representative

Reviewed by:


Shannon Wallace
Counsel for Respondent(s)

Accepted by NASD:

June 20, 2005
Date


Carlotta A. Romano
Senior Vice President and Regional Director

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