

NASD OFFICE OF HEARING OFFICERS

DEPARTMENT OF ENFORCEMENT

Complainant,

v.

RONALD C. CROCKETT, JR.
(CRD No. 1682593)

Respondent.

Disciplinary Proceeding
No. C9A050034

Hearing Officer – AWH

DEFAULT DECISION

November 7, 2005

Formerly registered representative engaged in unauthorized transactions in customer accounts, and forged a customer's signature, in violation of NASD Conduct Rule 2110, and failed to respond to NASD staff requests for information, in violation of Procedural Rule 8210 and Conduct Rule 2110. Respondent is barred for each violation.

Appearances:

Thomas K. Kilkenny, Esq., for the Department of Enforcement.

No appearance by or for Ronald C. Crockett, Jr.

DECISION

Background

On June 23, 2005, the Department of Enforcement ("Enforcement") issued the two-cause Complaint in this proceeding, alleging that Ronald C. Crockett, Jr. ("Crockett" or "Respondent") engaged in unauthorized transactions in the accounts of three customers and forged one customer's signature, in violation of NASD Conduct Rule 2110; and failed to provide information, in violation of NASD Procedural Rule 8210 and Conduct Rule 2110.

Crockett failed to file an Answer to the Complaint; he similarly failed to respond to the Second Notice of Complaint, mailed to him on July 29, 2005. As a result, Enforcement filed a Motion for Entry of Default Decision on September 8, 2005. Crockett failed to respond to the Motion. Accordingly, pursuant to Procedural Rules 9215(f) and 9269, Enforcement's Motion will be granted, and the allegations of the Complaint, attached to this decision, will be deemed admitted.

Findings of Fact¹

Respondent

Crockett was first registered with NASD as an investment company products/variable contracts representative in 1990. He was last registered with NASD through member firm American Express Financial Advisors Inc. (AEFA), from October 22, 1999, until May 21, 2003, when AEFA filed a Form U-5 Notice of Termination on his behalf. Between May 23, 2003 and August 12, 2004, AEFA has filed 13 amendments to the Form U-5, disclosing 13 customer complaints. Crockett has not been associated with any member firm since his discharge from AEFA.

Customer WM

Customer WM maintained an IRA securities account with AEFA for which Respondent was the Representative. On September 18, 2002, Crockett affixed, or caused to be affixed, WM's signature on an AEFA brokerage account agreement without WM's authorization or consent.² Shortly thereafter, on September 25, 2002, Crockett effected 17 sales transactions, valued at \$370,471.04, in WM's IRA account without WM's prior

¹ All findings of fact are based upon the admitted allegations in the Complaint, the Declaration Supporting Motion for Entry of Default Decision by Thomas K. Kilkenny, and the nine exhibits attached thereto.

² Customer WM submitted a written statement to AEFA asserting that the signature on the brokerage account agreement was not his and was not authorized by him.

authorization or consent. On October 1, 2002, Crockett effected five additional purchase transactions, amounting to \$453,777.00, in that account without WM's prior authorization or consent.

Customer ER

Customer ER maintained an IRA securities account with AEFA for which Crockett was the Representative. On June 7, 2002, Crockett effected nine sales transactions, totaling \$88,200.49, in ER's IRA account without ER's prior authorization or consent.

Customer BC

Customer BC maintained an IRA securities account with AEFA for which Crockett was the Representative. On September 26, October 1, 4, 7, and 9, 2002, Crockett effected 20 sales of securities, amounting to \$162,015.79, and ten purchase transactions, totaling \$166,054.00, in BC's IRA account, without BC's prior authorization or consent.³

Failure to Respond to Requests for Information

On April 27, 2004, pursuant to Procedural Rule 8210, Enforcement sent Crockett a request to provide information regarding some of the customer complaints giving rise to this proceeding. The request was sent both by first-class and certified mail to Crockett's most recent residential address, as reflected in the Central Registration Depository ("CRD" address), and to an address discovered during the investigation by NASD staff ("Hatboro" address). Both the first-class mailing and the certified mailing sent to the CRD addresses were returned, marked "moved left no address." However, the first-class

³ All three customers, WM, ER, and BC, submitted written statements to AEFA confirming that they neither authorized nor approved the transactions executed by Crockett in their IRA accounts.

mailing sent to the Hatboro address was not returned, and the return receipt for the certified mailing to that address was returned, signed by Crockett, on May 1, 2004. Crockett did not respond to the request.

On May 11, 2004, pursuant to Procedural Rule 8210, Enforcement sent a second request to provide information to Crockett, by certified and first-class mail to his CRD address, the Hatboro address, and to two additional addresses (“2nd Hatboro” address and “Monmouth Junction” address). All the mailings were returned except for the first-class mailings sent to the Hatboro addresses. The certified mailings returned from the Hatboro addresses bore a forwarding address in New York City (“New York City” address).⁴ Crockett did not respond to the request.

Enforcement tried three more times to contact Crockett to request information. On May 25, June 8, and June 23, 2004, Enforcement sent the Rule 8210 requests by first-class and certified mail to all the addresses noted previously, including the New York City address. Crockett did not respond to any of them.⁵

Service of the Complaint

On June 23, 2005, Enforcement served Crockett with the Complaint and Notice of Complaint by both first-class and certified mail, sent to his CRD address, as well as to the New York City address. The mailings to the CRD address were both returned marked

⁴ The mailings to the CRD and Monmouth Junction addresses were all returned, marked either “moved left no address” or “not deliverable as addressed, unable to forward.” The certified mailing to the Monmouth Junction address was also marked “FOE” indicating “forwarding order expired.” The certified mailings to the Hatboro addresses were returned marked “attempted not known” and bore a forwarding address in New York City.

⁵ As before, the May 25 mailings to the CRD and Monmouth Junction addresses were all returned, marked either “moved left no address” or “not deliverable as addressed, unable to forward.” The first-class mailings to both Hatboro addresses and the New York City address were not returned. Both return receipts for the certified mailing to the Hatboro addresses were signed by “J. Slusz Jr.” and the return receipt for the mailing to the New York City address was signed by “Sergio Ventore.” The June requests were either not returned, returned, or signed for by “J. Slusz Jr.” or “Sergio Ventore.”

“forwarding order expired.” Neither mailing to the New York City address was returned, nor was the delivery receipt returned. Crockett did not file an Answer.

On July 29, 2005, Enforcement served the Complaint and Second Notice of Complaint on Crockett in an identical fashion. The mailings to the CRD address were both returned marked “forwarding order expired.” Neither mailing to the New York City address was returned, nor was the delivery receipt returned. Crockett again failed to file an Answer or respond in any way.

Discussion and Conclusions

Jurisdiction

Article V, Section 4 of the NASD By-Laws provides for an extended two-year period of retained jurisdiction over a registered person in the event an amended notice of termination disclosing possible misconduct is filed within two years of the original notice. During this period of retained jurisdiction, NASD may file a complaint based upon conduct that occurred while the individual was registered through a member firm, or based upon such person’s failure to provide information requested pursuant to NASD Procedural Rule 8210, if the request was made, and the complaint is filed, during the foregoing period of retained jurisdiction.

Enforcement filed the Complaint on June 23, 2005, within two years of December 19, 2003, the date of the amendment to the Form U-5 Notice of Termination in which the last new customer complaint was disclosed. The Complaint alleges misconduct while Crockett was registered with an NASD member firm, as well as failures to provide information during the period of retained jurisdiction. Therefore, NASD has jurisdiction over this proceeding.

Respondent's Default

Enforcement properly served the Complaint on Crockett by sending it via first-class and certified mail to his CRD addresses, as well as to the New York City address obtained during the course of the investigation. Pursuant to NASD Procedural Rule 9134, the mailings provide constructive notice of the instant proceeding. Because Crockett failed to respond to the Complaint, Procedural Rules 9215(f) and 9269 authorize entry of a default decision against him. Accordingly, the allegations in the Complaint against Crockett are deemed admitted.

Unauthorized Trading and Forgery

The Securities and Exchange Commission and NASD have consistently held that both forgery and unauthorized trading in a customer's account violate Conduct Rule 2110.⁶ Here, in 61 transactions, Crockett invested over \$700,000 in customers' funds, without his customers' authorization or consent. By executing the 61 unauthorized transactions, Crockett violated NASD Conduct Rule 2110. By forging a customer's signature to a brokerage agreement, Crockett violated NASD Conduct Rule 2110.

Failure to Provide Information

Procedural Rule 8210 authorizes NASD to require any person subject to its jurisdiction to provide information and testimony related to any matter under investigation. The Rule serves as a key element in NASD's oversight function and

⁶ *Dep't of Enforcement v. Hodde*, No. C10010005, 2002 NASD Discip. LEXIS 4, at *13 (NAC Mar. 27, 2002). It is well established that forgery is not consistent with high standards of commercial honor and just and equitable principles of trade as required by Rule 2110. *See, e.g., Donald M. Bickerstaff*, Exchange Act Release No. 35,607, 1995 SEC LEXIS 982 (Apr. 17, 1995).

allows NASD to carry out its regulatory functions without subpoena power.⁷ When an individual fails to respond to information requests, NASD's ability to perform its regulatory responsibilities is subverted.⁸ A violation of Procedural Rule 8210 is also a violation of Conduct Rule 2110.⁹

Crockett received actual notice of the first request for information, and constructive notice of four others. His complete failure to comply with any of the requests for information plainly constituted violations of Procedural Rule 8210 and Conduct Rule 2110.

Sanctions

Unauthorized Transactions and Forgery

For forgery, NASD Sanction Guidelines recommend a fine of \$5,000 to \$100,000 and a suspension of up to two years, where mitigating factors exist; in egregious cases, a bar should be considered.¹⁰ Here, Crockett's forgery is egregious because (1) he forged a customer's signature on the very document that establishes the broker-customer relationship, and (2) there is no evidence that he had a good-faith, but mistaken belief of express or implied authority to sign the customer's name.¹¹

⁷ See *Joseph G. Chiulli*, Exchange Act Release No. 42,359, 2000 SEC LEXIS 112, at *16 (Jan. 28, 2000) (noting that Rule 8210 provides a means for NASD effectively to conduct its investigations, and emphasizing that NASD members and associated persons must fully cooperate with requests for information); *Dep't of Enforcement v. Benz*, No. C01020014, 2003 NASD Discip. LEXIS 11, at *18 (OHO Mar. 4, 2003) ("Because NASD has no subpoena power, timely and full compliance with information requests is essential to NASD's self-regulatory function.").

⁸ *Joseph P. Hannan*, Exchange Act Release No. 40,438, 1998 SEC LEXIS 1955, at *9 (Sept. 14, 1998).

⁹ *Dep't of Enforcement v. Baxter*, No. C07990016, 2000 NASD Discip. LEXIS 3, at *25 (NAC Apr. 19, 2000).

¹⁰ NASD SANCTION GUIDELINES 39 (2005).

¹¹ See *Id.*, Principal Considerations in Determining Sanctions (2005).

For unauthorized transactions, the Sanction Guidelines recommend a fine of \$5,000 to \$75,000 and a suspension ranging from 10 business days to one year; a longer suspension or bar is recommended in egregious cases.¹² Here, the number of unauthorized transactions demonstrates that Crockett's misconduct was quantitatively egregious and deserves serious sanction.¹³ His misconduct was also qualitatively egregious because the evidence that the trades were unauthorized is strong, and there is no evidence that Crockett misunderstood his authority.¹⁴ Finally, the fact that he forged one of the customer's signature is an aggravating factor that militates in favor of severe sanction.¹⁵

NASD Sanction Guidelines for both these violations provide that in egregious cases, a bar may be appropriate; and, based on the overall circumstances set forth above, the Hearing Officer finds that, in this case, a bar is appropriate. In light of the bar, no fine will be imposed.¹⁶

Failure to Respond to Requests for Information

For failure to respond to requests for information made pursuant to Rule 8210, NASD Sanction Guidelines provide that a bar is the standard sanction where, as here, the

¹² SANCTION GUIDELINES 103.

¹³ *District Business Conduct Committee v. Hellen*, No. C3A970031, 1999 NASD Discip. LEXIS 22, *15-16 (NAC June 15, 1999) ("evidence of numerous unauthorized transactions often constitutes compelling circumstantial evidence that the unauthorized transactions were not the result of miscommunications or mistakes. In addition, the volume of the violations significantly increases the gravity of the respondent's transgression.")

¹⁴ *Id.* at *18 (explaining the two factors, namely strength of the evidence and respondent's motives, are relevant to a determination of whether or not unauthorized trading is qualitatively egregious).

¹⁵ *Id.* at *15.

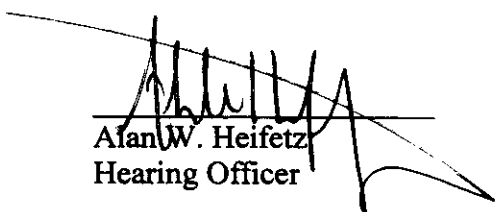
¹⁶ *Dep't of Enforcement v. Rogala*, No. C8A030089, 2005 NASD Discip. LEXIS 42 (NAC Oct. 11, 2005) (declining to impose a fine where two bars are imposed). Enforcement does not seek a restitution order because the customers have been reimbursed by the firm.

individual did not respond in any way.¹⁷ There are no mitigating circumstances that would warrant a sanction less than a bar. Accordingly, Crockett will be barred in all capacities for failing to respond in any manner to requests for information made pursuant to Rule 8210.

Conclusion

Ronald C. Crockett, Jr. is barred from association with any NASD member firm in any capacity for forgery and unauthorized transactions, in violation of NASD Conduct Rule 2110, and for failing to respond to NASD staff requests for information, in violation of Procedural Rule 8210 and Conduct Rule 2110. The bars shall become effective immediately if this Decision becomes the final disciplinary action of NASD.

SO ORDERED.



Alan W. Heifetz
Hearing Officer

Copies to:
Via First-class Mail & Overnight Courier
Ronald C. Crockett, Jr.

Via First-class & Electronic Mail
Thomas K. Kilkenny, Esq.
Rory C. Flynn, Esq.

¹⁷ SANCTION GUIDELINES 35.

**NASD
OFFICE OF HEARING OFFICERS**

DEPARTMENT OF ENFORCEMENT

Complainant

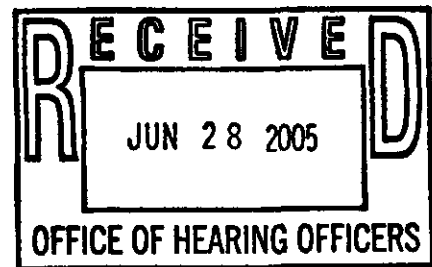
v.

RONALD C. CROCKETT JR.
CRD No. 1682593

Respondent

Disciplinary Proceeding
No. C9A050034

Hearing Officer—



COMPLAINT

Complainant, upon information and belief, alleges that:

1. Ronald C. Crockett Jr. entered the securities industry in 1990 as a Representative of a member of NASD. He was last associated with American Express Financial Advisors Inc. ("AEFA") from July 2, 1999 to May 7, 2003. Since then, he has not been associated with any member, nor registered with NASD in any capacity.
2. NASD retains jurisdiction over Ronald C. Crockett Jr. until at least December 18, 2005 pursuant to Article V, Section 4(a)(i) of the NASD By-Laws. The Notice of Termination (Form U5) which was filed for Ronald C. Crockett Jr. by AEFA on May 21, 2003 was

substantively amended on thirteen dates ranging from May 23, 2003 to August 12, 2004, and the last new customer complaint was disclosed on the amendment filed December 19, 2003.

FIRST CAUSE OF COMPLAINT

NASD Conduct Rule 2110 Unauthorized Transactions and Forgery

3. Paragraphs 1 and 2, above, are realleged and incorporated herein by reference.
4. W.M. was a public customer who maintained a securities account with AEFA for which Ronald C. Crockett Jr. was the Representative.
5. Ronald C. Crockett Jr., acting without the prior authorization or consent of W.M., caused the following securities transactions to be effected in his IRA account with AEFA:

<u>Date</u>	<u>Sell/Buy</u>	<u>Security</u>	<u>Amount</u>
9/25/02	S	AXP Blue Chip Advantage	\$19,214.02
9/25/02	S	AXP Bond Fund	\$68,945.13
9/25/02	S	AXP Discovery Fund	\$9,694.92
9/25/02	S	AXP Diversified Equity Inc.	\$10,232.35
9/25/02	S	AXP Equity Select Fund	\$1,876.21
9/25/02	S	AXP Equity Value Fund	\$9,952.46
9/25/02	S	AXP Extra Income Fund	\$47,805.29
9/25/02	S	AXP Federal Income Fund	\$2,826.50
9/25/02	S	AXP Global Bond Fund	\$70,300.88
9/25/02	S	AXP Global Growth Fund	\$17,635.07
9/25/02	S	AXP International Fund	\$7,498.17
9/25/02	S	AXP Managed Allocation	\$12,830.66
9/25/02	S	AXP New Dimensions Fund	\$46,637.29
9/25/02	S	AXP Progressive Fund	\$10,306.86
9/25/02	S	AXP Small Company Index	\$24,998.43
9/25/02	S	AXP Strategy Aggressive	\$6,233.60

<u>Date</u>	<u>Sell/Buy</u>	<u>Security</u>	<u>Amount</u>
9/25/02	S	AXP Utilities Fund	\$3,483.20
10/1/02	B	Lib Quality Plus Bond	\$113,467.00
10/1/02	B	MFS Bond Fund	\$104,389.00
10/1/02	B	OPP US Govt Trust	\$68,000.00
10/1/02	B	Pimco Total Return	\$86,225.00
10/1/02	B	VK US Government	\$81,696.00

6. On or about September 18, 2002, Ronald C. Crockett Jr. affixed or caused to be affixed to an AEFA brokerage account agreement a signature purporting to be that of W.M., without his authorization or consent.

7. E.R. was a public customer who maintained securities accounts with AEFA for which Ronald C. Crockett Jr. was the Representative.

8. Ronald C. Crockett Jr., acting without the prior authorization or consent of E.R., caused the following securities transactions to be effected in his IRA accounts with AEFA:

<u>Date</u>	<u>Sell/Buy</u>	<u>Security</u>	<u>Amount</u>
6/7/02	S	AXP Bond Fund	\$23,857.92
6/7/02	S	AXP Diversified Equity	\$8,105.83
6/7/02	S	AXP Extra Income Fund	\$6,295.43
6/7/02	S	AXP Extra Income Fund	\$13,134.69
6/7/02	S	AXP Federal Income	\$5,685.04
6/7/02	S	AXP Federal Income Fund	\$8,716.99
6/7/02	S	AXP Global Bond Fund	\$5,829.62
6/7/02	S	AXP Global Growth Fund	\$5,694.57
6/7/02	S	AXP Mutual	\$10,880.40

9. B.C. was a public customer who maintained a securities account with AEFA for which Ronald C. Crockett Jr. was the Representative.

10. Ronald C. Crockett Jr., acting without the prior authorization or consent of B.C., caused the following securities transactions to be effected in his IRA account with AEFA:

<u>Date</u>	<u>Sell/Buy</u>	<u>Security</u>	<u>Amount</u>
9/26/02	S	AXP Utilities Fund	\$12,616.37
9/26/02	S	AXP Strategy Aggressive	\$3,878.44
9/26/02	S	AXP New Dimensions Fund	\$11,591.17
9/26/02	S	AXP Growth Fund	\$5,642.44
9/26/02	S	AXP Equity Select Fund	\$15,616.29
9/26/02	S	AXP Blue Chip Advantage	\$8,265.16
10/1/02	B	VK US Govt	\$21,015.00
10/1/02	B	VK US Govt	\$29,900.00
10/1/02	B	Pimco Total Return	\$7,880.00
10/1/02	B	Pimco Total Return	\$11,100.00
10/1/02	B	OPP US Govt Trust	\$7,000.00
10/1/02	B	OPP US Govt Trust	\$10,000.00
10/1/02	B	Dreyfus Prem Core Bond	\$14,440.00
10/1/02	B	Dreyfus Prem Bond Fund	\$21,015.00
10/1/02	B	AIM Muni Bond	\$19,264.00
10/1/02	B	AIM Muni Bond	\$24,440.00
10/1/02	S	OPP Global Growth & Income	\$9,570.11
10/1/02	S	Franklin Small-Mid Cap Grow	\$428.70
10/1/02	S	Franklin Small Cap Growth II	\$1,608.28
10/1/02	S	Alliance Balanced Shares	\$9,317.72
10/1/02	S	AIM Premier Equity	\$13,625.30
10/1/02	S	AIM Charter	\$8,106.64
10/4/02	S	AXP Strategy Aggressive	\$2,776.03
10/7/02	S	Janus Worldwide	\$7,794.17
10/7/02	S	ING Int'l Smallcap Growth	\$2,436.73
10/7/02	S	AXP New Dimensions	\$9,660.18
10/9/02	S	Putnam New Opportunities	\$7,886.58
10/9/02	S	Putnam Int'l Growth	\$10,898.71
10/9/02	S	OPP Quest Bal Value	\$12,813.45
10/9/02	S	Franklin Balance Sheet	\$7,483.32

11. The aforesaid conduct constitutes violations by Respondent Ronald C. Crockett Jr. of NASD

Conduct Rule 2110.

SECOND CAUSE OF COMPLAINT

NASD Conduct Rule 2110 and Procedural Rule 8210 Failure to Comply With Requests for Information

12. Paragraphs 1 and 2, above, are realleged and incorporated herein by reference.

Sources of Addresses to Which Mailings Were Sent

13. The residential address maintained by the Central Registration Depository ("CRD") for Respondent Ronald C. Crockett Jr. is [REDACTED]

14. The address of [REDACTED] was obtained from three sources: (1) an internet web site search conducted on May 10, 2004; (2) as a forwarding address appearing on the returned delivery receipt card ("green card") for the September 25, 2003 mailing; and (3) on a search report from a commercial data base search conducted on September 25, 2003.

15. The address of [REDACTED] was obtained from the search report from a commercial data base search conducted on May 10, 2004.

16. The address of [REDACTED] was obtained from Respondent's letter of October 8, 2003 to an NASD staff examiner.

17. The address of [REDACTED] was obtained from the returned mailings of May 11, 2004 sent to the Hatboro, Pennsylvania addresses.

Mailings of April 27, 2004

18. On or about April 27, 2004, the staff of NASD sent written notices to Ronald C. Crockett Jr. pursuant to NASD Procedural Rule 8210 requiring him, by May 11, 2004, to provide information concerning nine customer complaints which had been made against him, alleging unauthorized transactions and unsuitable recommendations. The notices stated that they were made pursuant to NASD Procedural Rule 8210, enclosed a copy of that Rule, and warned that failure to comply could result in disciplinary action.

19. The notices were sent both by certified and by first class mail to the CRD residential address of [REDACTED]

[REDACTED] The certified mailing and the first class mailing sent to the Bridle Lane address were both returned to the District Office marked "moved left no address." A delivery receipt signed by Respondent for the certified mailing sent to the [REDACTED] address reflects that it was delivered on May 1, 2004. The first class mailing sent to that address was not returned to the District Office.

20. Ronald C. Crockett Jr. failed to provide the information requested from him pursuant to NASD Procedural Rule 8210.

Mailings of May 11, 2004

21. On or about May 11, 2004, the staff of NASD sent written notices to Ronald C. Crockett Jr. pursuant to NASD Procedural Rule 8210 requiring him, by May 25, 2004, to provide information concerning customer complaints which had first been requested from him on April 27, 2004. The notices stated that they were made pursuant to NASD Procedural Rule 8210, enclosed a copy of that Rule, and warned that failure to comply could result in disciplinary action.

22. The notices were sent by both certified and by first class mail to: (1) the CRD residential address of [REDACTED]

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

23. Both the certified and the first class mailings sent to the Bridle Lane address were returned to the District Office marked "moved left no address." Both the certified and the first class mailings sent to the Heather Court address were returned to the District Office marked "not deliverable as addressed, unable to forward" and the certified mailing was additionally marked "FOE" to indicate "forwarding order expired." Both of the certified mailings addressed to [REDACTED]

[REDACTED] were returned to the District Office marked "attempted not known" and bore a forwarding address of [REDACTED]

[REDACTED] Neither of the first class mailings sent to those two addresses were returned to the District Office.

24. Ronald C. Crockett Jr. failed to provide the information requested from him pursuant to NASD Procedural Rule 8210.

Mailings of May 25, 2004

25. On or about May 25, 2004, the staff of NASD sent written notices to Ronald C. Crockett Jr. pursuant to NASD Procedural Rule 8210 requiring him, by June 8, 2004, to provide information concerning customer complaints which had first been requested on April 27, 2004. The notices stated that they were made pursuant to NASD Procedural Rule 8210, enclosed a copy of that Rule, and warned that failure to comply could result in disciplinary action.

26. The notices were sent by both certified and by first class mail to: (1) the CRD residential address of [REDACTED]

[REDACTED]
[REDACTED]
[REDACTED]

27. Both the certified and the first class mailings sent to the Bridle Lane address were returned to the District Office marked "moved left no address." Both the certified and the first class

mailings sent to the Heather Court address were returned to the District Office marked "not deliverable as addressed, unable to forward" and the first class mailing was additionally marked "FOE" to indicate "forwarding order expired." Certified mail delivery receipts signed "J. Slusz Jr." reflecting delivery on June 1, 2004 were received for both of the certified mailings addressed to [REDACTED]

[REDACTED] Neither of the first class mailings sent to those addresses were returned to the District Office. A certified mail delivery receipt dated May 27, 2004 signed "Sergio Ventore" was received for the certified mailing sent to [REDACTED] The first class mailing sent to that address was not returned to the District Office.

28. Ronald C. Crockett Jr. failed to provide the information requested from him pursuant to NASD Procedural Rule 8210.

Mailings of June 8, 2004

29. On or about June 8, 2004, the staff of NASD sent written notices to Ronald C. Crockett Jr. pursuant to NASD Procedural Rule 8210 requiring him, by June 22, 2004, to provide information concerning customer complaints which had first been requested on April 27, 2004. The notices stated that they were made pursuant to NASD Procedural Rule 8210, enclosed a copy of that Rule, and warned that failure to comply could result in disciplinary action.

30. The notices were sent by both certified and by first class mail to: (1) the CRD residential

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

31. The certified mailing sent to the Bridle Lane address was not returned to the District Office, nor was a delivery receipt received for it. The first class mailing to the Bridle Lane address was returned to the District Office marked "moved left no address." Both the certified and the first class mailings sent to the Heather Court address were returned to the District Office marked "not deliverable as addressed, unable to forward" and the certified mailing was additionally marked "FOE" to indicate "forwarding order expired." The certified mailing sent to [REDACTED] was forwarded to [REDACTED] and then returned to the District Office. The first class mailing sent to that address was not returned to the District Office. The certified mailing sent to [REDACTED] was forwarded to [REDACTED] and a delivery receipt signed by "Sergio Ventore" reflects its delivery to that address. The first class mailing sent to that address was not returned to the District Office. The certified mailing sent to 16 [REDACTED] was delivered at that address on June 17, 2004 according to the delivery receipt signed by "J. Slusz Jr." The first class mailing sent to that address was not returned to the District Office.

32. Ronald C. Crockett Jr. failed to provide the information requested from him pursuant to NASD Procedural Rule 8210.

Mailings of June 23, 2004

33. On or about June 23, 2004, the staff of NASD sent written notices to Ronald C. Crockett Jr. pursuant to NASD Procedural Rule 8210 requiring him, by July 7, 2004, to provide information concerning customer complaints which had first been requested on April 27, 2004. The notices stated that they were made pursuant to NASD Procedural Rule 8210, enclosed a copy of that Rule, and warned that failure to comply could result in disciplinary action.

34. The notices were sent by both certified and by first class mail to: (1) the CRD residential address of [REDACTED]

35. Both the certified and the first class mailings sent to the Bridle Lane address were returned to the District Office marked "moved left no address." Both the certified and the first class mailings sent to the Heather Court address were returned to the District Office marked "not deliverable as addressed, unable to forward" and the certified mailing was additionally marked "FOE" to indicate "forwarding order expired." For both the certified and the first

class mailings sent to the [REDACTED]

[REDACTED]

[REDACTED] addresses, none of the mailings were returned to the District Office, nor were any delivery receipts received.

36. Ronald C. Crockett Jr. failed to provide the information requested from him pursuant to NASD Procedural Rule 8210.

37. The aforesaid failures to provide information constitute violations by Ronald C. Crockett Jr. of NASD Conduct Rule 2110 and Procedural Rule 8210.

PRAYER FOR RELIEF

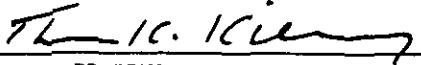
WHEREFORE, Complainant respectfully requests:

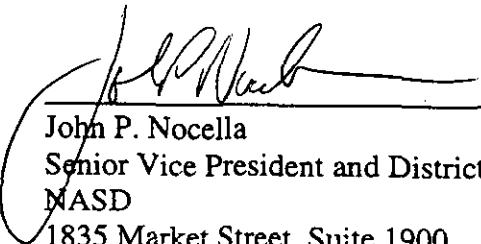
- A. Findings of fact and conclusions of law that Respondent committed the violations charged and alleged herein;
- B. An order imposing sanctions upon the Respondent in accordance with NASD Rule 8310;
- C. An order imposing such costs of any proceeding as are deemed fair and appropriate under the circumstances in accordance with NASD Rule 8330; and

D. An order imposing any other fitting sanction.

DEPARTMENT OF ENFORCEMENT

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Dated: June 23, 2005