

**NASD
OFFICE OF HEARING OFFICERS**

DEPARTMENT OF MARKET REGULATION,	:	DISCIPLINARY PROCEEDING
	:	No. CMS040048
Complainant,	:	
	:	HEARING OFFICER: HALL
v.	:	
	:	December 21, 2005
DOYLE MARK WHITE	:	
(CRD 2212634),	:	
	:	
Respondent.	:	

**ORDER ACCEPTING OFFER OF SETTLEMENT
FROM DOYLE MARK WHITE**

Disciplinary Proceeding No. CMS040048 was filed on April 20, 2004, by the Department of Market Regulation of NASD ("Complainant"). Respondent Doyle Mark White submitted an Offer of Settlement ("Offer") to Complainant on November 22, 2005. Pursuant to Code of Procedure Rule 9270(e), the Complainant and the National Adjudicatory Council ("NAC") Review Subcommittee or the Office of Disciplinary Affairs ("ODA") have accepted the uncontested Offer. Accordingly, this Order is now issued under Code of Procedure Rule 9270(e)(3). The findings, conclusions, and sanctions set forth in this Order are those stated in the Offer as accepted by the Complainant and approved by the NAC.

Under the terms of the Offer, Respondent has consented for the purpose of this proceeding only, without admitting or denying the allegations of the Complaint, and solely for the purposes of this proceeding and any other proceeding in which NASD is a party, to the

entry of findings of facts and violations consistent with the allegations of the Complaint, and to the imposition of the sanctions set forth below, and fully understands that this Order will become part of Respondent's permanent disciplinary record and may be considered in any future actions brought by NASD.

BACKGROUND

White started working in the securities industry in 1992, when he registered with Harris Securities, Inc. He was registered with six other member firms before forming RichMark Capital Corporation in 1997. He was registered with RichMark from July 1997 until February 18, 2005, when RichMark was expelled from NASD. He has not been registered since that date.

White has the following relevant disciplinary history.

- In 1999, the SEC found that White, together with RichMark, (see SEC Release No. 33-7712) committed securities fraud by failing to disclose an adverse interest while recommending and selling securities of an issuer to customers, in violation of Section 10(b) of the Securities Exchange Act and Rule 10b-5 and Section 17(a)(1) of the Securities Act. The SEC also found violations by White and RichMark of Section 17(a)(2) and (a)(3) of the Securities Act for failing to disclose the firm's investment banking relationship with the issuer while they recommending its securities. On appeal, the U.S. Court of Appeals for the Fifth Circuit, on February 10, 2004, affirmed the SEC Order and sanctions against White, which included a 90-day suspension, a civil penalty of \$55,000, and disgorgement of \$25,617.86 by White and RichMark, jointly and severally.

- On October 11, 2005, NASD's Office of Hearing Officers (in Disciplinary Proceeding No. C06030035) barred White for attempting to mislead NASD investigators, in violation of NASD Conduct Rule 2110, and for failing to register as a General Securities Principal, in violation of NASD Conduct Rules 2110 and 3010.

FINDINGS AND CONCLUSIONS

It has been determined that the Offer be accepted and that findings be made as follows:

White Manipulated the Price of Paradise Tan Common Stock

In July 2002, White told RichMark's head trader to quote the initial sell order in the market for Paradise Tan, Inc. (PTNK) securities at \$3.00 per share on the Pink Sheets. White was gifted at least 125,000 shares of PTNK by the company. White knew, or reasonably should have known, that PTNK had little value and that the \$3.00 price was arbitrary and that he set the price of the stock at an artificially high level. In September 2002, White entered five wash trades in PTNK at artificially high prices for the purpose of manipulating the price of the stock. White also published or circulated, or caused to be published or circulated, communications that purported to report transactions in PTNK when White did not believe, or had no reasonable basis to believe, that the transactions were *bona fide* purchases or sales of PTNK. White published or circulated, or caused to be published or circulated, communications that purported to quote the bid price or the ask price for PTNK when White did not believe, or had no reasonable basis to believe, that such quotations represented *bona fide* bids for or offers of PTNK.

By reason of the foregoing, White violated Section 10(b) of the Securities Exchange Act of 1934, Rule 10b-5 thereunder, and NASD Conduct Rules 2110, 2120, 3310, and IM-3310.

White Permitted an Unregistered Person to Associate with RichMark

In about February 2002, White allowed an unregistered person, Michael Niebuhr, to have discretionary authority over a RichMark proprietary account. Niebuhr used his authority to trade securities in the RichMark account, including common stock of Paradise Tan. Niebuhr was formerly registered with NASD and had a significant disciplinary history.

White violated Membership and Registration Rules IM-1000-3 and 1031, 1032(a), and 1032(f) and Conduct Rule 2110 by allowing Niebuhr to associate with RichMark and failing to register Niebuhr.

White Failed to Notify Member Firms of his Association with RichMark and Failed to Notify RichMark of his Accounts at Member Firms

White maintained a personal account together with his wife at member firm Charles Schwab & Co., Inc. White failed to notify RichMark, in writing, of his account at Charles Schwab and he failed to notify Charles Schwab, in writing, of his association with another member.

On behalf of Lakewood Development Corporation, which he owned entirely and in which he had a financial interest, White maintained a corporate securities account at member firm Kensington Capital Corporation, which he opened in July 1999, and for which he had discretionary authority. White failed to notify RichMark, in writing, of his account in the

name of Lakewood at Kensington and he failed to notify Kensington, in writing, of his association with another member.

On behalf of The Whitestone Group, a company which he owned entirely and in which he had a financial interest, White maintained a corporate securities account at Kensington which he opened in August 2000 and for which he had discretionary authority. White failed to notify RichMark, in writing, of his account in the name of Whitestone at Kensington and he failed to notify Kensington, in writing, of his association with another member.

By reason of the foregoing conduct, White violated NASD Conduct Rules 2110 and 3050(c).

White Failed to Update Form U-4

White failed to amend his Form U-4 ("Uniform Application for Securities Industry Registration or Transfer") after he received Wells notices from NASD's Dallas District Office, on July 22, 2003, and from NASD's Department of Market Regulation, on November 11, 2003, that he was the subject of separate investigations. The Dallas District Office Wells notice concerned White's acting as a principal without registering as a General Securities Principal and misleading NASD during an investigation. The Market Regulation Wells notice concerned the misconduct giving rise to the Complaint in this action.

By failing to amend his Form U-4 after learning of facts and circumstances giving rise to the amendments, White violated Membership and Registration Rule IM-1000-1, Conduct Rule 2110, and Article III, Section 4(f), and Article V, Section 2(c) of NASD's By-Laws.

The findings herein are pursuant to Respondent White's Offer of Settlement and are not binding on any other person or entity named as a respondent in this or any other proceeding.

Based on these considerations, the sanctions hereby imposed by the acceptance of the Offer are in the public interest, are sufficiently remedial to deter Respondent from any future misconduct, and represent a proper discharge by NASD of its regulatory responsibility under the Securities Exchange Act of 1934.

SANCTIONS

It is ordered that Respondent Doyle Mark White:

-- be permanently barred in all capacities from associating with any member firm.

The sanctions imposed herein shall be effective on a date set by NASD staff. Pursuant to IM-8310-2(f), a bar shall become effective upon approval or acceptance of this Order by the NAC.

SO ORDERED.

NASD

December 21, 2005

By: 
Cameron K. Funkhouser
Senior Vice President
Department of Market Regulation

On behalf of the Director of ODA, pursuant to delegated authority