

**NASD
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. E052004030701**

TO: Department of Enforcement
NASD

RE: **Marsha K. Schubert**, Respondent
General Securities Representative and
Investment Company and Variable
Contracts Products Representative
[CRD No. 2205744]

Pursuant to Rule 9216 of the NASD Code of Procedure, Respondent submits 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 the 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 the 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:

Marsha K. Schubert entered the securities industry on September 30, 1999 as a General Securities Representative of The Equitable Life Assurance Society of the United States, a former member of NASD. During the period mentioned herein, Marsha K. Schubert was associated with member firms AXA Advisors, LLC from May 1992 through April, 2004, and Wilbanks Securities Inc., from May 2004 through October 2004 and was registered with NASD under Article V of the By-Laws as a General Securities Representative and Investment Company and Variable Contracts Products Representative. Marsha K. Schubert is not currently associated with any member firm. Marsha K. Schubert has previously been the subject of a formal disciplinary action by the State of Oklahoma, as follows:

On November 17, 2004, a Consent Order submitted by Marsha K. Schubert was accepted by the State of Oklahoma wherein the State of Oklahoma found that Schubert violated Oklahoma Uniform Securities Act of 2004 (Act) and the Oklahoma Securities Act (Predecessor Act). Specifically, Schubert was found to have violated Section 1-301 of the Act and Section 301 of the Predecessor Act for selling unregistered securities; Section 1-501 of the Act and Section 101 of the Predecessor Act for directly or indirectly, employing a device, scheme, or artifice to defraud, making untrue statements of material fact and omitting to state material facts necessary in order to make the statements made not misleading; directly or indirectly, engaging in an act, practice, or course of business that operated as a fraud or deceit upon other persons, in connection with the offer and sale of securities in the State of Oklahoma. Schubert was barred from association with broker-dealers and investment advisers in any capacity in the State of Oklahoma. Schubert neither admitted nor denied the findings of the Consent Order.

I.

WAIVER OF PROCEDURAL RIGHTS

I specifically and voluntarily waive the following rights granted under the 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. During the period of January 2001 through October 2004 Marsha K. Schubert made material false representations to induce 21 public customers to invest approximately \$7,738,500 in an investment program operated by her purportedly involving the trading of options contracts. Schubert repaid a total of approximately \$1,118,700 to certain of the customers, but such funds were derived from funds obtained from other investors and not from the trading of options contracts. Schubert engaged in this activity without prior notice to or approval from her employer member firms.

Such acts, practices, and conduct constitute separate and distinct violations of Section 10(b) of the Securities Exchange Act of 1934 and Rule 10b-5 thereunder, and NASD Conduct Rules 2110, 2120 and 3040 by Marsha K. Schubert.

2. By letter dated October 11, 2004, the NASD District staff requested that Marsha Schubert appear for on-the-record testimony and provide certain information to the staff. This request for information was sent by certified mail to Schubert's address as reflected in the Central Records Depository and her office address and was sent pursuant to, and in accordance with,

the provisions of Procedural Rule 8210. Schubert did not appear to provide the information requested.

By letters dated October 20, 2004, November 4, 2004, January 14, 2005, February 17, 2005 and March 4, 2005, the NASD District staff requested that Marsha Schubert provide certain information to the staff concerning the activities described in paragraph 1, above. These requests for information were sent pursuant to, and in accordance with, the provisions of Procedural Rule 8210. Schubert failed to respond to the above requests.

Such acts, practices, and conduct constitute separate and distinct violations of NASD Rules 2110 and 8210 by Marsha K. Schubert.

- B. I also consent to the imposition, at a maximum, of the following sanctions:

A bar of Marsha K. Schubert from association with any member of NASD in any capacity.¹

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

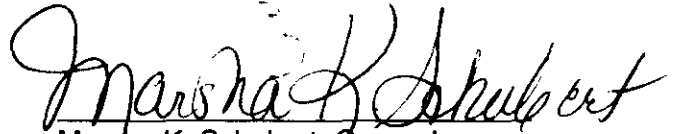
- A. I understand that I may not deny the charges or make any statement that is inconsistent with the AWC in this Statement. This Statement does not constitute factual or legal findings by the NASD, nor does it reflect the views of NASD or its staff.
- B. I understand that if I am barred or suspended 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.)

¹ Although no monetary sanctions have been imposed in this disciplinary action, this does not preclude any customers from pursuing their own actions to effect such remedies.

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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.

11/16/05
Date


Marsha K. Schubert, General
Securities Representative and
Investment Company and Variable
Contracts Products Representative

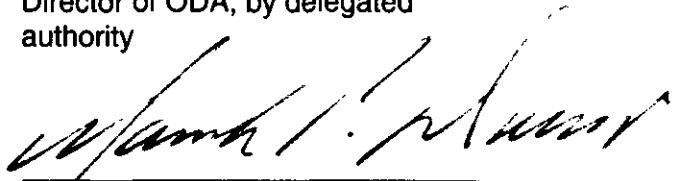
Reviewed by:

Counsel for Respondent

Accepted by NASD:

6 Dec. 2005
Date

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


Mark P. Dauer,
Senior Counsel
NASD, District No. 5
3490 Piedmont Road, N.E.
Atlanta, Georgia 30305
Phone: 404/239-6100
FAX: 404/264-1586

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**NASD Senior Vice President
and Regional Director**

Warren A. Butler, Jr.
NASD, District No. 5
1125 Highway 43 N
Picayune, Mississippi 39466