

NASD
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. E1020020590-01

TO: Department of Enforcement
NASD

RE: James Geoffrey Morris, Respondent
CRD No. 3075047

Pursuant to Rule 9216 of NASD Code of Procedure, James Geoffrey Morris ("Morris" or "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 Respondent alleging violations based on the same factual findings.

Respondent understands 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 Review Subcommittee ("NAC") 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 Respondent; and
3. If accepted:
 - a. this AWC will become part of Respondent's permanent disciplinary records and may be considered in any future actions brought by NASD or any other regulator against Respondent;
 - b. this AWC will be made available through NASD's public disclosure program in response to public inquiries about Respondent's 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. Respondent 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 finding in this AWC or create

the impression that the AWC is without factual basis. Nothing in this provision affects Respondent's testimonial obligations or right to take legal or factual positions in litigation or other legal proceedings in which NASD is not a party.

Respondent also understands that his 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:

Morris first became registered with NASD as a General Securities Representative ("GSR") in August 24, 2000 through NASD member firm Utendahl Capital Partners, L.P. (BD No. 30115) ("Utendahl"). Morris continued to be registered as a GSR through Utendahl until January 20, 2004, and last worked there on January 17, 2004.

Although Morris is not currently registered or associated with any member firm, he remains subject to NASD's jurisdiction pursuant to Article V, Section 4 of NASD's By-Laws.

Morris does not have any prior disciplinary history with the Securities and Exchange Commission, any self-regulatory organization or any state securities regulator.

I.

WAIVER OF PROCEDURAL RIGHTS

Respondent 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 him;
- 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, Respondent 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.

Respondent 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. Morris hereby accepts and consents, without admitting or denying the 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:

During the period from September 13, 2002 through January 15, 2003, Morris, while a research analyst at Utendahl, on five separate occasions, submitted research reports, which he had prepared, containing price targets, research ratings and/or research summaries to companies whose equity securities were the subjects of the respective research reports, before publication of the reports.¹ Additionally, Morris submitted the reports to the subject companies without first providing complete drafts of the research reports to Utendahl's legal or compliance department. By reason of the foregoing, Morris violated NASD Conduct Rules 2711(c)(1) and 2110.

Additionally, during the period from October 22, 2002 through January 16, 2003, Morris, while a research analyst at Utendahl, on four separate occasions, published research reports, which he had prepared, regarding a total of three different companies, which did not disclose the valuation methods used to determine price targets contained in the reports. By reason of the foregoing, Morris violated NASD Conduct Rule 2711(h)(7) and 2110.

¹ One report was submitted to one subject company, two reports were submitted to a second subject company, and two reports were submitted to a third subject company.

B. Morris also consents to the imposition, at a maximum, of the following sanctions:

1. Censure, and
2. \$15,000 fine.

The fine shall be due and payable either 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 sanctions imposed herein shall be effective on a date set by NASD staff.

III.

OTHER MATTERS

- A. Respondent understands that he may attach a Corrective Action Statement to this AWC that is a statement of demonstrable corrective steps taken to prevent future misconduct. Respondent understands that he 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 NASD, nor does it reflect the views of NASD or its staff.
- B. Respondent agrees to pay any monetary sanctions imposed upon re-entry as noted above and has attached an Election of Payment form showing the method by which he proposes to pay any fine imposed.
- C. Respondent specifically and voluntarily waives any right to claim that he is unable to pay, now or at any time hereafter, any monetary sanction imposed in this matter.

Respondent certifies that he has read and understands all of the provisions of this AWC and has 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 him to submit it.

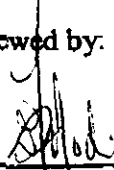
Date

1/4/06

By:

James Morris
James Geoffrey Morris, Respondent

Reviewed by:



Devanshu L. Modi, Esq.
Lyon, Glassman, Leites & Modi, LLC
Counsel for Respondent

Accepted by NASD:

January 9, 2006
Date

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



Gary A. Chodosh
Regional Counsel
NASD Department of Enforcement
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NASD District Director
Hans Reich
NASD, District 10
One Liberty Plaza
New York, New York 10006
(212) 858-4180

CORRECTIVE ACTION STATEMENT

TO: Department of Enforcement
NASD

RE: James Geoffrey Morris, Respondent
CRD No. 3075047

DATE: January 4, 2006

This Corrective Action Statement is submitted by the Respondent. It does not constitute factual or legal findings by NASD, nor does it reflect the views of NASD, or its staff.

Mr. Morris will use his best efforts to ensure that those research reports which contain price targets will disclose the valuation methods used to determine the price targets.

Mr. Morris looks forward to working with compliance professionals to ensure adherence with laws, rules and regulations affecting his position.