

NASD
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NOELI20040400-01

TO: Department of Enforcement
NASD

RE: Gou Zhan Ma (CRD No. 4855611)
Respondent

Pursuant to Rule 9216 of NASD Code of Procedure, Gou Zhan Ma ("Ma" 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 ("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 Respondent; and
3. If accepted:
 - a. this AWC will become part of Respondent's permanent disciplinary record 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 records;
 - 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 allegation in this AWC or

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

Respondent also understands that its 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:

Respondent entered the securities industry as an associated person of World Group Securities Inc. (BD No. 114473) ("World Group") on or about September 14, 2004, by virtue of the fact that he applied for registration by executing a Uniform Application for Securities Industry Registration or Transfer ("Form U-4") on that date.

Respondent became registered with NASD as an Investment Company and Variable Products Representative through his association with World Group upon the filing of the form U-4, on or about October 6, 2004.

On November 11, 2004, World Group filed with NASD a Uniform Termination Notice for Securities Industry Registration ("Form U-5") indicating that Respondent was terminated from the firm on that date for failure to disclose a criminal event of his initial Form U-4.

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

I.

WAIVER OF PROCEDURAL RIGHTS

Respondent specifically and voluntarily waives the following rights granted under NASD's Code of Procedure:

- A. To have a Formal Complaint issued specifying the allegations against Respondent;
- 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 waives 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 waives 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. Respondent hereby accepts and consents, 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. By letter dated March 3, 2005, sent to Respondent pursuant to and in accordance with NASD Procedural Rule 8210, the Staff of NASD requested that Respondent provide a written statement explaining his failure to disclose his misdemeanor charge on his Form U-4. A response was requested by March 17, 2005, but no response was received.
2. By letter dated March 22, 2005, sent to Respondent pursuant to and in accordance with NASD Procedural Rule 8210, the Staff of NASD again requested that Respondent provide a written statement explaining his failure to disclose his misdemeanor charge on his Form U-4. A response was requested by April 5, 2005. Again, no response was received.
3. By letter dated April 5, 2005, sent to Respondent pursuant to and in accordance with NASD Procedural Rule 8210, the Staff of NASD again requested that Respondent provide a written statement

explaining his failure to disclose his misdemeanor charge on his Form U-4. A response was requested by April 15, 2005. No response was received.

4. Respondent did not provide the requested information until May 25, 2005, and thus failed to respond in a timely manner. By reason of the foregoing, Respondent violated NASD Procedural Rule 8210 and Conduct Rule 2110.

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

- A suspension from associating with any member firm in any capacity for thirty (30) business days; and
- a \$5,000 fine.

The sanctions imposed herein shall be effective on a date set by NASD Staff.

III.

OTHER MATTERS

- A. Respondent understands that it 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 it 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 on Respondent upon notice that this AWC has been accepted and that such payments are due and payable upon reassociation with a member firm as noted above. Respondent has attached an Election of Payment form showing the method by which it proposes to pay any fine imposed.
- C. Respondent specifically and voluntarily waives any right to claim that it is unable to pay, now or at any time hereafter, any monetary sanction imposed in this matter.

Respondent certifies that it 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, have been made to induce Respondent to submit it.

Respondent Gou Zhan Ma
(CRD No. 4855611)

7/18/2005
Date

By GILLO ZHAN MA
Gou Zhan Ma

Accepted by NASD:

August 5, 2005
Date

Paul Hare
Paul Hare
Regional Attorney, District 10
Department of Enforcement

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