

**FINANCIAL INDUSTRY REGULATORY AUTHORITY  
LETTER OF ACCEPTANCE, WAIVER AND CONSENT  
NO. 2016048658302**

**TO:** Department of Enforcement  
Financial Industry Regulatory Authority ("FINRA")

**RE:** Mark Stewart Saunders, Respondent  
General Securities Representative  
CRD No. 3060799

Pursuant to FINRA Rule 9216 of FINRA's Code of Procedure, I, Respondent Mark Stewart Saunders ("Saunders"), submit this Letter of Acceptance, Waiver and Consent ("AWC") for the purpose of proposing a settlement of the alleged rule violations described below. This AWC is submitted on the condition that, if accepted, FINRA will not bring any future actions against me alleging violations based on the same factual findings described herein.

**I.**

**ACCEPTANCE AND CONSENT**

- A. I hereby accept and consent, without admitting or denying the findings, and solely for the purposes of this proceeding and any other proceeding brought by or on behalf of FINRA, or to which FINRA 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 FINRA:

**BACKGROUND**

Saunders entered the securities industry in May 1998 when he became associated with a FINRA regulated broker-dealer. In November 1998, Saunders became associated with FINRA regulated broker-dealer Edward D. Jones & Co., L.P. ("Edward Jones") and in January 1999, he became registered with FINRA as a General Securities Representative ("GSR") through that association. Saunders currently serves as a GSR and financial advisor with Edward Jones in Monroe City, Missouri. Accordingly, pursuant to Article V, Section 4 of the FINRA By-Laws, Saunders is subject to FINRA's jurisdiction.

**RELEVANT DISCIPLINARY HISTORY**

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

## **OVERVIEW**

During the period of May 2015 through June 2015 (the "Relevant Period"), Saunders effected 15 discretionary trades in a customer's securities account without obtaining prior written authorization from the customer or written acceptance of the account as discretionary from his employing member firm. This conduct violated NASD Rule 2510(b) and FINRA Rule 2010.

## **FACTS AND VIOLATIVE CONDUCT**

NASD Rule 2510(b) provides that no registered representative shall exercise any discretionary power in a customer's account unless such customer has given prior written authorization to exercise discretionary power in the account and the registered representative's firm has provided written acceptance of the account as discretionary. A violation of NASD Rule 2510(b) is also a violation of FINRA Rule 2010, which requires registered persons to adhere to just and equitable principles of trade.

During the Relevant Period, Saunders was registered with FINRA through an association with Edward Jones. During that time, he effected 15 discretionary trades in a customer's brokerage account. In two days in May and June 2015, Saunders purchased over \$198,000 in securities for the customer's account, using unapproved discretionary authority. Although the customer verbally granted Saunders discretion to place trades in her account, she did not provide written authorization for him to do so. Edward Jones did not accept the account for discretionary trading.

Edward Jones's written policies and procedures prohibited representatives from exercising discretionary power in customer brokerage accounts. In addition, the Firm prohibited time and price discretion.

Through this conduct, Saunders violated NASD Rule 2510(b) and FINRA Rule 2010.

B. I also consent to the imposition of the following sanctions:

- a 15 business-day suspension from association with any FINRA member in any and all capacities; and
- a \$5,000 fine.

I understand that if I am barred or suspended from associating with any FINRA member, I become subject to a statutory disqualification as that term is defined in Article III, Section 4 of FINRA's By-Laws, incorporating Section 3(a)(39) of the Securities Exchange Act of 1934. Accordingly, I may not be associated with any FINRA member in any capacity, including clerical or ministerial functions, during the period of the bar or suspension (see FINRA Rules 8310 and 8311).

I agree to pay the monetary sanction upon notice that this AWC has been accepted and that such payment is due and payable. I have submitted an Election of Payment form showing the method by which I propose to pay the fine imposed.

I specifically and voluntarily waive any right to claim that I am unable to pay, now or at any time hereafter, the monetary sanction imposed in this matter.

The sanctions imposed herein shall be effective on a date set by FINRA staff.

## **II.**

### **WAIVER OF PROCEDURAL RIGHTS**

I specifically and voluntarily waive the following rights granted under FINRA's Code of Procedure:

- A. To have a Complaint issued specifying the allegations against me;
- B. To be notified of the 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 National Adjudicatory Council ("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 prejudgment of the Chief Legal Officer, 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 FINRA Rule 9143 or the separation of functions prohibitions of FINRA 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.

### III.

#### OTHER MATTERS

I understand that:


- A. Submission of this AWC is voluntary and will not resolve this matter unless and until it has been reviewed and accepted by the NAC, a Review Subcommittee of the NAC, or the Office of Disciplinary Affairs ("ODA"), pursuant to FINRA Rule 9216;
- B. If this AWC is not accepted, its submission will not be used as evidence to prove any of the allegations against me; and
- C. If accepted:
  - 1. this AWC will become part of my permanent disciplinary record and may be considered in any future actions brought by FINRA or any other regulator against me;
  - 2. this AWC will be made available through FINRA's public disclosure program in accordance with FINRA Rule 8313;
  - 3. FINRA may make a public announcement concerning this agreement and the subject matter thereof in accordance with FINRA Rule 8313; and
  - 4. 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 finding in this AWC or create the impression that the AWC is without factual basis. I may not take any position in any proceeding brought by or on behalf of FINRA, or to which FINRA is a party, that is inconsistent with any part of this AWC. Nothing in this provision affects my: (i) testimonial obligations; or (ii) right to take legal or factual positions in litigation or other legal proceedings in which FINRA is not a party.
- D. I may attach a Corrective Action Statement to this AWC that is a statement of demonstrable corrective steps taken to prevent future misconduct. 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 FINRA, nor does it reflect the views of FINRA or its staff.

I, Mark Stewart Saunders, 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; that I have agreed to its provisions voluntarily; and that no offer, threat, inducement, or promise of any kind, other than the terms set forth herein and the prospect of avoiding the issuance of a Complaint, has been made to induce me to submit it.

6/05/2017  
Date

Mark Stewart Saunders  
Mark Stewart Saunders - Respondent

Reviewed by:

  
John W. Shaw, Esq.  
Counsel for Respondent  
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Accepted by FINRA:

June 9 2017  
Date

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

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