

NEW YORK STOCK EXCHANGE, INC.

DAVID W. JONSSON, FORMERLY A SECURITIES ANALYST AND REGISTERED REPRESENTATIVE AND PRESENTLY A REGISTERED REPRESENTATIVE WITH RAYMOND, JAMES & ASSOCIATES, INC., ENGAGED IN CONDUCT INCONSISTENT WITH JUST AND EQUITABLE PRINCIPLES OF TRADE IN THAT, WITH OUT THE KNOWLEDGE OF HIS MEMBER ORGANIZATION EMPLOYER, HE DISCLOSED TO A CUSTOMER THAT HE WOULD PROBABLY ISSUE A FAVORABLE RESEARCH REPORT PRIOR TO THE RELEASE OF THE REPORT FOR DISSEMINATION BY HIS MEMBER ORGANIZATION EMPLOYER--CONSENT TO CENSURE, \$5,000 FINE AND SIX-MONTH SUSPENSION AS AN ANALYST.

EXCHANGE HEARING PANEL DECISION 87-53

October 1, 1987

An Exchange Hearing Panel met to consider a Stipulation of Facts and Consent to Penalty entered into between the Exchange's Department of Enforcement and David W. Jonsson, formerly a securities analyst and registered representative and presently a registered representative of Raymond, James & Associates, Inc. Without admitting or denying guilt, Jonsson consents to a finding by the Hearing Panel that he engaged in conduct inconsistent with just and equitable principles of trade in that, without the knowledge of his member organization employer, he disclosed to a customer that he would probably issue a favorable research report prior to the release of the report for dissemination by his member organization employer.

For the sole purpose of settling this disciplinary proceeding, the Department of Enforcement and Jonsson stipulate to certain facts, the substance of which follows:

1. Jonsson was born on [REDACTED] and entered the securities industry in September 1967 as a commodity analyst with a member organization and was approved as a registered representative of that firm on October 12, 1972. Jonsson remained there as a commodity analyst and account executive until November 7, 1977, when he voluntarily resigned. He joined another member organization where he was approved as a registered representative on November 10, 1977 and remained there until January 27, 1978 when he voluntarily resigned and joined another firm as a securities analyst. Jonsson left this firm in December 1982 and was approved as a registered representative of another firm on January 3, 1983. Jonsson voluntarily resigned on March 17, 1983 and was self-employed until April 23, 1984 when he joined Raymond, James & Associates, Inc. (the "firm") as a securities analyst and registered

representative who handled institutional accounts. Since August 1984 Jonsson has been employed with the firm solely as a registered representative.

2. At all times relevant herein Jonsson was employed by the firm as a Securities analyst and institutional account executive.
3. On May 29, 1984 the firm disseminated to its sales force and to its public customers a recommendation to buy the Stock of the W Corporation ("W").
4. The firm's recommendation to buy W was based on a favorable research report on W which had been prepared by Jonsson.
5. Prior to the firm's dissemination of its buy recommendation on W, and without the firm's knowledge, Jonsson informed Mr. M, an investment advisor whose fund account at the firm Jonsson serviced, that he was preparing a favorable research report on W and would probably issue a buy recommendation.
6. Jonsson has cooperated fully with the Exchange in its investigation.

At the hearing the Department of Enforcement represented that this matter was referred to it by the Exchange's Market Surveillance Division because of activity in W Corporation, an Exchange-listed common stock.

#### DECISION

The Hearing Panel, in accepting the Stipulation of Facts and Consent to Penalty, found Jonsson guilty as set forth above by unanimous vote.

#### PENALTY

In view of the above findings, the Hearing Panel, by unanimous vote, imposed the penalty consented to by Jonsson of a censure, a \$5,000 fine, and a six-month suspension as an analyst with any member or member organization.

For the Hearing Panel

John J. Mulcahy, Jr.  
Chief Hearing Officer