



STATE OF MISSOURI
OFFICE OF SECRETARY OF STATE

IN THE MATTER OF:

EDWARD W. GOETZ, CRD# 1792058)	Order No. AP-04-64
167 Plainview Road)	
Woodbury, New York 11797)	
)	
Respondent.)	

CONSENT ORDER

WHEREAS, on June 29, 2004, Assistant Commissioner Mary S. Hosmer as counsel for the Enforcement Section, submitted a Petition to the Commissioner alleging cause for discipline or disqualification of Edward W. Goetz ("Respondent") as an agent, for a Summary Order to Cease and Desist and for other administrative relief pursuant to §409.6-604:

1. Respondent and the Securities Division desire to settle the allegations and the matters raised by the staff of the Securities Division relating to the alleged violations by Respondent;
2. Respondent and the Securities Division consent to the issuance of this Consent Order and hereby stipulate that this Consent Order is in the public interest;
3. Respondent stipulates and agrees to the issuance of this Consent Order without further proceedings in this matter, agreeing to be fully bound by the terms and conditions specified herein;
4. Respondent waives his right to a hearing with respect to this matter; and
5. Respondent stipulates and agrees that Respondent waives any rights Respondent may have to seek judicial review or otherwise challenge or contest the terms and conditions of this Order and, further, Respondent specifically forever releases and holds harmless the Missouri Office of Secretary of State, Secretary of State, Commissioner of Securities and their respective representatives and agents from any and all liability and claims arising out of, pertaining to or relating to this matter.
6. Respondent stipulates and agrees that he has never received a complaint from any Missouri resident.

7. Respondent stipulates and agrees that, should the facts contained herein prove to be false or incomplete, the Missouri Division of Securities preserves the right to pursue any and all legal or administrative remedies at its disposal. The Securities Division stipulates and agrees that it will not take further action against Respondent based on information currently in the possession of the Division.

STIPULATIONS OF FACT

8. Respondent and the Securities Division stipulate and agree to the following Stipulations of Fact:
9. Respondent has a residence address of 167 Plainview Road, Woodbury, New York 11797.
10. Respondent has been a registered agent in Missouri with LH Ross & Company, Inc. ("LH Ross"), a Missouri-registered broker-dealer since February 2, 2004.
11. Respondent was registered in Missouri as an agent of Continental Broker-Dealer Corp. ("Continental") from January 14, 2003 to January 30, 2004. Respondent was a member of the National Association of Securities Dealers ("NASD").
12. On January 16, 2003, the Missouri Commissioner of Securities issued a Summary Order to Cease and Desist, Summary Order to Condition and Limit Broker-Dealer Registration, and order to show cause why civil penalties should not be imposed against Continental. On June 24, 2004, the Missouri Commissioner of Securities issued a Final Order ordering Continental to Cease and Desist violations of the act, permanently barring Continental from registration and ordering Continental to pay civil penalties.
13. In April 2003, the enforcement section of the Missouri Securities Division filed a petition with the Commissioner seeking to revoke, suspend, bar or censure the registration of LH Ross in the State of Missouri. A Petition for Findings of Fact and Conclusions of Law regarding this matter was filed with the Administrative Hearing Commission on July 7, 2003.
14. On January 30, 2004, Continental submitted a Uniform Termination Notice for Securities Industry Registration ("Form U-5") to the Central Registration Depository ("CRD") for agent number 1792058 and reported Respondent's voluntary termination from the firm.
15. On January 30, 2004, LH Ross submitted a Uniform Application for Securities Industry Registration or Transfer ("Form U-4") to the CRD for agent number 1792058 seeking to register Respondent as an agent in Missouri.
16. The Form U-4 page entitled, *Individual/ Applicant's Acknowledgment and Consent* states, in part, the following:

17. I agree to update this form by causing an amendment to be filed on a timely basis whenever changes occur to answers previously reported. Further, I represent that to the extent that any information previously submitted is not amended, the information provided in this form is currently accurate and complete.
18. The Form U-4 requires that prior to submission to the CRD System the applicant or applicant's agent must attest to the completeness and accuracy of the record.
19. A review of Respondent's record with the CRD System revealed that Respondent filed an application that failed to disclose a customer complaint and settlement of that complaint and that Respondent had failed to timely amend his Form U-4.
20. On October 10, 2002, Respondent, while employed with Continental, received a complaint from Client 1 that alleged that Respondent made unsuitable recommendations in the sale of securities. Client 1 alleged compensatory damages of \$309,000.
21. On September 16, 2003, Respondent and Continental settled the complaint with Client 1 and agreed to pay Client 1 \$125,000.
22. On January 30, 2004, Respondent, through LH Ross filed a Form U-4 seeking to register Respondent as an agent in Missouri. In this application, Respondent failed to disclose Client 1's complaint and settlement in the customer complaint question and failed to file a disclosure reporting page, providing details of this complaint and settlement. Respondent was registered in the State of Missouri on February 2, 2004.
23. Respondent represented in Respondent's Form U-4 filed with the State of Missouri that "to the extent that any information previously submitted is not amended, the information provided in this form is currently accurate and complete."
24. On March 26, 2004, more than 17 months after receiving this complaint, more than 6 months after settling the complaint and after Respondent was registered in the State of Missouri, Respondent filed an amendment to his Form U-4 and disclosed the complaint by Client 1 and the settlement of this complaint.

JURISDICTIONAL BASIS

25. Respondent and the Securities Division stipulate and agree that the Commissioner of Securities has jurisdiction over the Petition pursuant Chapter 409 of the Missouri Securities Act.
26. Respondent and the Securities Division hereby stipulate and agree that the Missouri Commissioner of Securities is empowered to issue such orders as he may deem just pursuant to §409.6-604(a), RSMo Cumulative Supp. 2003.

ORDER

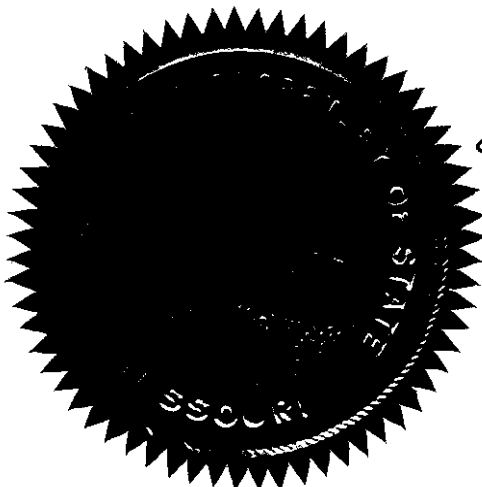
WHEREAS, the Commissioner, after consideration of the stipulations set forth above and on the consent of Respondent and the Securities Division, finds the following Order to be in the public interest, necessary for the protection of public investors and consistent with the provisions of Chapter 409, RSMo 2000.

NOW, THEREFORE, it is hereby Ordered that:

1. Respondent is prohibited from applying for registration in the State of Missouri for a period of 10 years;
2. Respondent is ordered to pay a civil penalty of \$7,500 made payable to the State of Missouri, and the Secretary of State shall forward these funds to the state treasury for the benefit of county and township school funds as provided in Article IX, Section 7 of the Constitution of Missouri;
3. Respondent is Ordered to Cease and Desist from violating, or materially aiding others in the violation of §409.5-505, RSMo Cumulative Supp. 2003, by making or causing to be made false or misleading statements in filings with the commissioner, specifically in connection with responses to questions in Form U-4 in the CRD System; and
4. Respondent will pay his own costs and attorneys fees with respect to this matter.

SO ORDERED:

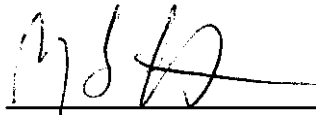
WITNESS MY HAND AND OFFICIAL SEAL OF MY OFFICE AT JEFFERSON CITY, MISSOURI THIS 30th DAY OF November, 2004.



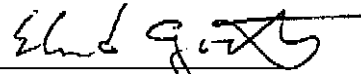
MATT BLUNT
SECRETARY OF STATE

DOUGLAS M. OMMEN
COMMISSIONER OF SECURITIES

Consented to by:
MISSOURI SECURITIES DIVISION

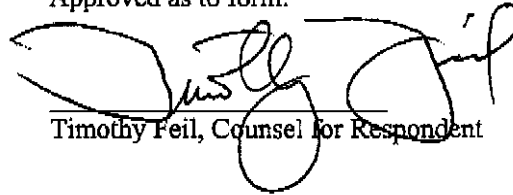


Mary S. Hosmer
Assistant Commissioner for Enforcement



Edward Goetz, Respondent

Approved as to form:



Timothy Feil, Counsel for Respondent