

UNITED STATES OF AMERICA
before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Rel. No. 53146 / January 19, 2006

Admin. Proc. File No. 3-12058

In the Matter of the Application of

BAUNITA M. GREER
GRW Capital Corp.
501 L. Street N.W., Suite 2
Washington, D.C. 20001

For Review of Action Taken by
NASD

ORDER REMANDING PROCEEDINGS

Baunita Greer, a registered representative of GRW Capital Corporation, an NASD member firm, has appealed a ruling by the Waiver Subcommittee of NASD's National Adjudicatory Council ("NAC"). The NAC denied GRW's request on behalf of Greer, pursuant to NASD Membership and Registration ("MR") Rule 1070(d), 1/ for a waiver of the Series 24 (general securities principal), Series 27 (financial and operations principal), and Series 53 (municipal securities principal) qualification examinations. After receiving Greer's brief in support of her appeal, NASD has moved to remand this matter to the NAC so that it may consider the additional factors" that Greer raises in her appeal brief. 2/ Greer does not oppose a remand.

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- 1/ MR Rule 1070(d) provides, in pertinent part, "NASD may, in exceptional cases and where good cause is shown, waive the applicable Qualification Examination and accept other standards as evidence of an applicant's qualifications for registration."
- 2/ Apparently in an effort to comply with our briefing order in this matter, NASD subsequently filed a brief seeking dismissal of Greer's appeal. In view of our disposition of NASD's motion, we need not address that brief.

Greer passed the Series 27 examination in 1987, and the Series 24 and 53 examinations in 1993. From 1993 to early December 1999, she was associated in those principal capacities with her own member firm, Cromwell, Miller & Greer, Inc. (“CMG”). Greer and Benita Pierce, owner and president of B. Pierce & Co., Inc. (“BPI”), an NASD member, decided to merge their businesses, with BPI as the surviving firm. Accordingly, on December 3, 1999, CMG filed a notice of withdrawal of its broker-dealer registration and, on December 7, Greer joined BPI. BPI filed a Form U-4 on Greer’s behalf requesting the relevant principal registrations but, for some reason, no fingerprint card for Greer was recorded in NASD’s database. As a result, in February 2000, Greer’s principal registrations were purged from the Central Registration Depository (“CRD”) system. According to Greer, she was never notified of that fact. She asserts that, in April 2005, after she had left BPI, she discovered by examining her CRD “snapshot” that her principal registrations had been purged. In May 2005, GRW hired Greer and applied for a waiver of the principal examinations at issue.

No evidentiary hearing was held in this matter. NASD’s decision denying GRW’s request was based on written submissions and CRD records. In her brief, Greer specifies a number of circumstances in support of her allegations that the purging of her registrations was due to NASD error; that she was misled by NASD as to her registration status; that she was not given fair notice of NASD requirements for an examination waiver, which she could have satisfied had she been properly informed; and that she and GRW were not accorded a fair opportunity to present evidence on her behalf. 3/

Section 15A(b)(8) of the Securities Exchange Act 4/ requires that NASD procedures and proceedings be fair. 5/ Greer has challenged the fairness of NASD’s procedures and proceedings relating to a number of aspects of this matter. Under the circumstances, we believe it is appropriate to grant NASD’s request to remand this matter “for further consideration of the

3/ We note that, following the NAC’s decision, Greer, who is appearing pro se, wrote to NASD’s chairman and vice chairman detailing the circumstances raised in her brief on appeal to us and asking them to intervene on her behalf. NASD replied that those officials had “no role in intervening in this process,” and that the NAC’s decision was “the final action of NASD with respect to this matter.”

4/ 15 U.S.C. § 78o-3(b)(8).

5/ See Stephen R. Flaks, 46 S.E.C. 891, 895 n.8 (1977); cf. NASD v. SEC, ___ F.3d ___ (D.C. Cir. Dec. 13, 2005) (“Fair disciplinary procedures are a prerequisite for registration of a national securities association.”).

merits of [Greer's] waiver request.” 6/ On remand, NASD must accord Greer a full and fair opportunity to present the circumstances that she has detailed in her brief on appeal. Thereafter, NASD must reconsider GRW's waiver request in light of that information. We express no view on the outcome.

Accordingly, it is ORDERED that these proceedings be, and they hereby are, remanded to NASD for further action in accordance with this order.

By the Commission.

Nancy M. Morris
Secretary

6/ In the alternative, NASD asked that Greer's brief be stricken in light of her reliance on “nonrecord evidence that was not before the [NAC].” In light of our disposition of this matter, NASD's alternate request to strike Greer's brief is denied.