

ORIGINAL



0000081692

February 4, 2008

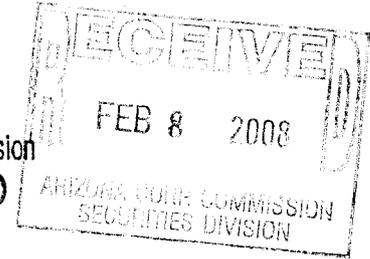
RECEIVED

de

Mr. Matthew J. Neubert  
Director of Securities  
Arizona Corporation Commission  
1200 W. Washington  
Phoenix, AZ 85007

2008 FEB 12 P 1: 55

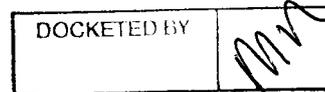
AZ CORPORATION COMMISSION  
DOCKET CONTROL  
Arizona Corporation Commission  
DOCKETED



RE: Docket No. S-20572A-08-0009

FEB 12 2008

Mr. Neubert:



I did not intentionally engage in acts, practices and or transactions that constitute any violations of the Securities Act of Arizona.

**With regard to Article III, A. BAI's Discovery of the Transfer of Customer Funds to Respondent's Accounts. Customer A**

Upon reviewing my checking account from home, where I was re-cooperating from a recent illness, I noticed a deposit of \$6,712.20, into my personal checking account and an immediate reversal of same. I knew that I had not deposited the money and since it was immediately withdrawn, I did not notify the bank of the error. Banc of America and I were already at odds with one another and I saw no reason to call. The identity of this client was not made aware to me at my interrogation and subsequent firing on October 15, 2006. The documents surrounding this erroneous deposit were never shown to me at my interrogation on October 16, 2006. These documents were finally shown to me at my FINRA arbitration. I can say with absolute certainty that I would never have caused harm to the deceased client in question, Gloria Brown, nor to her son Terry Brown. Gloria had been my client for the past 15 years. At one point I assisted in her care for a weekend when I went to visit her in Pinetop. We spoke at least once a week for the last 15 years. We cried together over our ex-husbands, children, the loss of her second husband and the illness that eventually took her life. Terry Brown and I worked closely trying to tie up all of the loose ends of the Brown Estate. If you would talk to Terry, he would tell you that I went over and beyond the call of duty when it came to the Brown family. To this day he continues to sing my praises. If there was an error in the documents submitted to Morgan Stanley for redemption, it was simply that, an error. Honestly, I don't even remember preparing the documents.

**Customer B**

Customer B pertains to my good friend and long time client, Selma Mackoff. Selma and I go back 20 years. I refer to her as my "Jewish mother" and she refers to me as her "Italian daughter". Selma has been to my house for holidays, I have taken her to hospital and doctor appointments, airports for trips she was taking, to lunches, dinners, her CPA

for tax time appointments; at her request, I sat in on these appointments and then safely delivered her home.

Prior to my leave of absence for a surgery that I required, Selma and I were working on some additional estate planning. At her CPA's request, Selma was in need of some additional life insurance. While I was still at work, we tried one Life Insurance carrier who kicked the application back. Just prior to my leave, I tried another carrier who accepted her application. Her acceptance came days before my leave date and we did not have time to process the application. Two weeks into my re-cooperation, Selma called me at my mother's house, where I was staying. I did not fair well after this surgery and needed the assistance of my parents. Selma asked me to drive over to her house so that we could complete the Insurance forms and submit the check. She was going to be leaving for Seattle to see her daughter and didn't want to leave any loose ends. I went as a favor to Selma knowing full well that it was too soon for me to drive. Anyway, I took a pain pill and drove to Selma's house which was a good 45 minutes away. By the time I got there, I was in terrible pain.

As Selma and I usually do on my visits, we talked about everything under the sun, family, friends, politics, the market and God knows what else. Finally I told Selma that we should finish up, I was fading fast and I still had to drive this completed and signed, (by Selma), application along with the check over to Banc of America and then drive home. I took another Percocet because I was having break through pain. We finished up our business; I drove the application along with the check over to Banc of America. On my way, I called my sales assistant to meet me downstairs to pick up the envelope from me so that I wouldn't have to walk any further. That was it, the envelope was taken from me and mysteriously, the application was never seen again.

While it is true that the account number written on the memo line of the check was mine, and it was in my handwriting, the memo line of a check does not direct where a check is to be deposited. Further, this check was stapled to an application for insurance. To date, the insurance application and I might add all my personal files, are missing from the Banc, including 10 years of my own income tax returns. Repeated written and registered mail requests have been sent to the Banc concerning these, asking for their return and have fallen on deaf ears.

On October 16, 2006, when I returned to work only to be dismissed, I was informed of this error and that the \$58,000.00 had been deposited into my IRA. My interrogators asked me how this could have happened. I found that to be a very good question since many hands touched that check prior to it getting deposited into my account. Why didn't I know, I never looked at my IRA. My IRA was fully invested for the long term. I had 15 more years to work; there was just no reason to get upset over the fluctuations of an account I never intended to touch until I was 70 1/2. Are you aware that the \$58,000.00 was just sitting there in my IRA in money market? Does that make sense to you? Even after this was brought to my attention, it was the Banc's intention to only give Selma her \$58,000.00 back; I am the one that said we owe her the interest. Clearly, the Banc was not concerned that the client be made whole, I was she was my client and my friend. Did

**I intentionally write my account number on her check, no. Did I loose the application that was attached, no. Did I make an honest mistake, yes.**

In July of 2006, I had a breakdown of sorts and attempted suicide. I informed the management of the Banc. That was by far my biggest mistake.

**Customer C**

I have no knowledge of a Customer C. Your writing is the first I am learning of this situation.

**To summarize, I deny each allegation of your notice and pray for relief.**

**I was in the securities industry for 22 years, enjoyed a clean record, prided myself for holding firm to my integrity in an industry where the companies bottom line far out weighs the good of the client.**

I never intentionally wrote my account number on Selma's, check nor did I, personally deposit the check into my account. The account number error on the check should have been caught by my sales assistant, a cashier or some operations person at Fidelity (the clearing house). First and foremost though, where is the Insurance application with the instructions to which the check was attached? It may be true that I made a couple of mistakes but, that's what they were, mistakes. Did I report the money in my IRA, no.....I didn't even realize it was there. There was no profit to me, I did not use the funds for personal gain, the money was not used by me in any fashion and the clients in question are not out any money.

I did not intentionally violate any rules, I made a mistake on two documents after handling thousands and I made these errors while unknowing experiencing a breakdown leading to a suicide attempt which resulted in a diagnosis of bi-polar disease, two hospitalizations in a psych ward and on-going sessions with my psychiatrist.

Sincerely,



Donna M. Shurot

C: Pam Johnson