BEFORE THE
STATE OF WISCONSIN
DEPARTMENT OF FINANCIAL INSTITUTIONS
DIVISION OF SECURITIES

In the Matter of PETER W. BREY	PETITION FOR ORDER
Respondent.	File No. S-00282(LX)

The staffs of the Bureaus of Licensing & Compliance and Registration & Enforcement of the Division of Securities, Department of Financial Institutions, State of Wisconsin have conducted an investigation in this matter pursuant to sec. 551.56, Wis. Stats., and as a result thereof allege as follows:

1. Peter W. Brey ("Brey") is a securities agent (CRD #1017881) with a last known residence address at 4018 Mandan Circle, Madison WI 53711;

2. At all times material hereto, Brey was licensed as a securities agent with Merrill Lynch in their Madison office;

3. During at least 1999 through 2002, Brey exercised discretionary power in effecting a securities transaction on behalf of the accounts of at least 12 customers in Wisconsin without first obtaining a written discretionary agreement from such customers;

4. Brey's actions, as described in Paragraph 3 above, are deemed by DFI-Sec 4.06(2), Wis. Adm. Code to be a dishonest or unethical business practice or taking unfair advantage of a customer and provide a basis, pursuant to sec. 551.34(1)(g), Wis. Stats., for the suspension of an agent's license;

5. On November 14, 2001, Brey was specifically asked by the staff if he had contacted all of his customers about effecting a particular transaction for customer accounts;

6. Brey stated that he contacted all of his customers with respect to the particular transaction and had not effected any unauthorized transactions in his customer accounts;

7. Brey failed to inform the staff that for some of the customer accounts, the contact occurred after the particular transaction for those customers he believed had provided him with unwritten discretionary authority for their account;

8. Brey's statements, as described above, constitutes withholding or concealing a material fact from the staff and provides a basis, pursuant to sec. 551.34(1)(m), Wis. Stats., for the suspension of an agent's license;

9. Customer AP, a foreign resident, opened an account with Merrill Lynch with instructions not to effect any transactions in securities that would result in reportable income to the U.S. Internal Revenue Service;

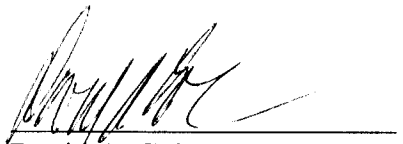
10. On at least two occasions, Brey recommended to customer AP transactions in securities that resulted in reportable income to the U.S. Internal Revenue Service;

11. Brey's recommendations as described in Paragraph 10 above constitute, under the circumstances, the recommending to a customer the purchase of a security without reasonable grounds to believe that the recommendation is suitable for the customer on the basis of information furnished by the customer;

12. Brey's actions, as described above are deemed, pursuant to DFI-Sec 4.06(2), Wis. Adm. Code to be a dishonest or unethical business practice or taking unfair advantage of a customer and provide a basis under sec. 551.34(1)(g), Wis. Stats. for the suspension of an agent's license;

THEREFORE, the staffs of the Bureaus of Licensing & Compliance and Registration & Enforcement of the Division of Securities petition the Administrator for the issuance of the attached Order.

DATED this 20th day of February, 2003.



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