

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 20070094116**

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REGISTRATION & DISCLOSURE

TO: Department of Enforcement
Financial Industry Regulatory Authority ("FINRA")

RE: Bernard Santos, Respondent

CRD No. 4838431

Pursuant to Rule 9216 of FINRA Code of Procedure, Bernard Factor Santos ("Santos") submits this Letter of Acceptance, Waiver and Consent ("AWC") for the purpose of proposing a settlement of the alleged rule violations described below. This AWC is submitted on the condition that, if accepted, FINRA will not bring any future actions against Santos alleging violations based on the same factual findings.

I.

ACCEPTANCE AND CONSENT

- A. Santos hereby accepts and consents, without admitting or denying the findings, and solely for the purposes of this proceeding and any other proceeding brought by or on behalf of FINRA, or to which FINRA is a party, prior to a hearing and without an adjudication of any issue of law or fact, to the entry of the following findings by FINRA:

BACKGROUND

Santos entered the securities industry in June 1998 as a dividend clerk at US Clearing, a division of Fleet Securities. In June 2000 he joined Lehman Brothers as a dividend analyst, and the Deutsche Bank as a consultant, in May 2004. Thereafter, on August 2, 2004 Santos began employment with ING Financial Markets, LLL (the "Firm") as an Operations Specialist in the Corporate Actions Department. He left that position voluntarily, in January 2006 to pursue a professional bowling career, but was subsequently rehired on May 24, 2006 as a full-time temporary employee. On September 28, 2006 Santos' employment was terminated and he has not been employed in the securities industry in any capacity since that time. Santos is currently not registered with any FINRA member, and has no disciplinary history.

VIOLATIVE CONDUCT BY RESPONDENT

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1. Between October 2005 and September 2006, Santos, an unregistered clerk responsible for processing dividend payments for securities routinely borrowed or lent by the Firm Global Finance Department, misappropriated Firm funds for his own use and benefit
2. Santos falsified dividend claims and supporting documentation from legitimate customers, in order to effect wire transfers from a Firm account established to pay such dividends, without the Firm's knowledge or authorization.
3. Santos initiated 13 wire payments, totaling approximately \$523,000, made to accounts he controlled at two different banks, based upon the falsified dividend claims. These funds were misappropriated from the Firm in violation of NASD Conduct Rule 2110.
4. Santos failed to respond to a FINRA Staff request, made pursuant to NASD Procedural Rule 8210, to provide a written statement concerning the misappropriation of Firm funds, as noted above, in violation of NASD Conduct Rule 2110 and NASD Procedural Rule 8210.

OTHER FACTORS

- B. Santos consents to the imposition of a bar from association with any FINRA member in any capacity.

The sanction imposed herein shall be effective on a date set by FINRA staff. Santos understands that if he is barred or suspended from associating with any FINRA member, he becomes subject to a statutory disqualification as that term is defined in Section 3(a)(39) of the Securities Exchange Act of 1934, as amended. Accordingly, Santos may not be associated with any FINRA member in any capacity, including clerical or ministerial functions, during the period of the bar or suspension. (See NASD Rule 8310 and IM-8310-1.)

II.

WAIVER OF PROCEDURAL RIGHTS

Santos specifically and voluntarily waives the following rights granted under FINRA's Code of Procedure:

- A. To have a Formal Complaint issued specifying the allegations against him;
- B. To be notified of the Formal Complaint and have the opportunity to answer the allegations in writing;
- C. To defend against the allegations in a disciplinary hearing before a hearing panel, to have a written record of the hearing made and to have a written decision issued; and
- D. To appeal any such decision to the National Adjudicatory Council ("NAC") and then to the U.S. Securities and Exchange Commission and a U.S. Court of Appeals.

Further, Santos specifically and voluntarily waives any right to claim bias or prejudgment of the General Counsel, the NAC, or any member of the NAC, in connection with such person's or body's participation in discussions regarding the terms and conditions of this AWC, or other consideration of this AWC, including acceptance or rejection of this AWC.

Santos further specifically and voluntarily waives any right to claim that a person violated the ex parte prohibitions of Rule 9143 or the separation of functions prohibitions of Rule 9144, in connection with such person's or body's participation in discussions regarding the terms and conditions of this AWC, or other consideration of this AWC, including its acceptance or rejection.

III. OTHER MATTERS

Santos understands that:

- A. Submission of this AWC is voluntary and will not resolve this matter unless and until it has been reviewed and accepted by the NAC, a Review Subcommittee of the NAC, or the Office of Disciplinary Affairs ("ODA"), pursuant to NASD Rule 9216;
- B. If this AWC is not accepted, its submission will not be used as evidence to prove any of the allegations against him; and
- C. If accepted:
 - 1. this AWC will become part of his permanent disciplinary record and may be considered in any future actions brought by FINRA or any other

regulator against him;

2. this AWC will be made available through FINRA's public disclosure program in response to public inquiries about his disciplinary record;
3. FINRA may make a public announcement concerning this agreement and the subject matter thereof in accordance with ~~Rule~~ Rule 8310 and IM-8310-2; and
4. Santos may not take any action or make or permit to be made any public statement, including in regulatory filings or otherwise, denying, directly or indirectly, any finding in this AWC or create the impression that the AWC is without factual basis. Santos may not take any position in any proceeding brought by or on behalf of FINRA, or to which FINRA is a party, that is inconsistent with any part of this AWC. Nothing in this provision affects his right to take legal or factual positions in litigation or other legal proceedings in which FINRA is not a party.

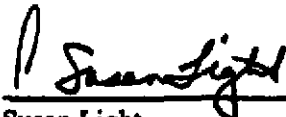
D. Santos may attach a Corrective Action Statement to this AWC that is a statement of demonstrable corrective steps taken to prevent future misconduct. He understands that he may not deny the charges or make any statement that is inconsistent with the AWC in this Statement. This Statement does not constitute factual or legal findings by FINRA, nor does it reflect the views of FINRA or its staff.

Santos certifies that he has read and understand all of the provisions of this AWC and has been given a full opportunity to ask questions about it; that he has agreed to its provisions voluntarily; and that no offer, threat, inducement, or promise of any kind, other than the terms set forth herein and the prospect of avoiding the issuance of a Complaint, has been made to him to induce him to submit it.

Date

4/29/08


Bernard Factora Santos, Respondent


Susan Light

Senior Vice President

FINRA Department of Enforcement

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6/2/08