

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 20080123420**

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REGISTRATION & DISCLOSURE

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

RE: Corey Lockett, Respondent
Registered Representative
4418101

Pursuant to FINRA Rule 9216 of FINRA's Code of Procedure, Respondent 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 Respondent alleging violations based on the same factual findings described herein.

I.

ACCEPTANCE AND CONSENT

- A. Respondent 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

Respondent entered the securities industry in June 2001, as an Investor Representative for a FINRA member firm, Edward Jones (the "Firm"). Respondent worked in several different states, but he remained at that Firm, with that title, until he resigned in January 2008. At the times relevant to this AWC, his primary work location was DeSoto, Texas. The Firm reported his termination from employment to FINRA on a Uniform Termination Notice for Securities Industry Registration ("Form U-5), dated February 5, 2008. On that Form U-5, the Firm reported that Respondent left the Firm while he was the subject of an internal compliance review. The Firm's review was based on the trades discussed in this AWC.

Since January 2008, Respondent has been a Registered Representative at another FINRA member firm, LPL Financial Corporation. Thus, Respondent remains subject to FINRA's jurisdiction.

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RELEVANT DISCIPLINARY HISTORY

Respondent has no prior disciplinary history in the securities industry.

OVERVIEW

On October 23, 2007, Respondent effected 10 unauthorized trades in the accounts of 9 customers. The value of each individual trade ranged from approximately \$306 to approximately \$2,400. In each case, the unauthorized trade consisted of using available cash in the customer's account to purchase additional shares of a mutual fund that each customer already owned. Respondent's misconduct, as outlined above, constituted a violation of NASD Conduct Rule 2110 and IM 2310-2.

FACTS AND VIOLATIVE CONDUCT

1. As set forth below, on October 23, 2007, Respondent used the below-identified amounts of available cash in the accounts of specific customers to purchase additional shares in a mutual fund that each customer already owned.
 - a. At 9:21 a.m., Respondent purchased approximately 19.68 shares in Investment Company of America for \$753.50 for customer DB.
 - b. At 9:22 a.m., Respondent purchased approximately 21.97 shares in Investment Company of America for \$840.10 for customer MB.
 - c. At 9:43 a.m., Respondent purchased approximately 6.6 shares in Fundamental Investors Fund for \$318.92 for customer CD.
 - d. At 9:45 a.m., Respondent purchased approximately 22.2 shares in Franklin Mutual Beacon Fund for \$404.40 for customer RD.
 - e. At 9:49, Respondent purchased approximately 32.28 shares in Capital Income Builder Fund for \$2,300.00 for customer GG.
 - f. In a separate transaction, also at 9:49 a.m., Respondent purchased approximately 46.26 shares in Capital World Growth and Income for \$2,397.86 for customer GG.
 - g. At 10:03 a.m., Respondent purchased approximately 52.21 shares in Investment Company of America for \$1,972.63 for customer CP.
 - h. At 10:04 a.m., Respondent purchased approximately 52.25 shares in Investment Company of America for \$1,973.94 for customer KP.

- i. At 10:05 a.m., Respondent purchased approximately 18.59 shares in Capital Growth and Income for \$963.56 for customer HR.
 - j. At 10:09 a.m., Respondent purchased approximately 22.32 shares in Putnam Asset Allocation Growth for \$306.00 for customer TW.
 2. The above-identified trades were unauthorized by these customers.
 3. The trades Respondent effected on behalf of customers MB, DB, and GG were reversed by the Firm, at the customers' request.
- B. Respondent consents to the imposition of the following sanctions:
1. A fine of \$5,000; and
 2. A suspension from association with any FINRA member firm in any capacity for six weeks.

Respondent agrees to pay the monetary sanction upon notice that this AWC has been accepted and that such payments are due and payable. Respondent has submitted an Election of Payment form showing the method by which he proposes to pay the fine imposed.

Respondent specifically and voluntarily waives any right to claim that he is unable to pay, now or at any time hereafter, the monetary sanction imposed in this matter.

The sanctions imposed herein shall be effective on a date set by FINRA staff.

II.

WAIVER OF PROCEDURAL RIGHTS

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

- A. To have a Complaint issued specifying the allegations against him;
- B. To be notified of the 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, Respondent 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.

Respondent further specifically and voluntarily waives any right to claim that a person violated the ex parte prohibitions of FINRA Rule 9143 or the separation of functions prohibitions of FINRA 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

Respondent 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 FINRA Rule 9216;
- B. If this AWC is not accepted, its submission will not be used as evidence to prove any of the allegations against Respondent; and
- C. If accepted:
 - 1. this AWC will become part of Respondent's permanent disciplinary record and may be considered in any future actions brought by FINRA or any other regulator against Respondent;
 - 2. this AWC will be made available through FINRA's public disclosure program in response to public inquiries about Respondent's disciplinary record;
 - 3. FINRA may make a public announcement concerning this agreement and the subject matter thereof in accordance with FINRA Rule 8313; and
 - 4. Respondent 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 creating the impression that the AWC is without factual basis. Respondent 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 Respondent's right to take legal or factual positions in litigation or other legal proceedings in which FINRA is not a party.

- D. Respondent may attach a Corrective Action Statement to this AWC that is a statement of demonstrable corrective steps taken to prevent future misconduct. Respondent 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.

Respondent certifies that he has read and understands 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 induce Respondent to submit it.

12-21-09
Date (mm/dd/yyyy)

Cory Lockett
Respondent

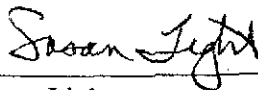
Reviewed by:

Nikayela Lockett
Counsel for Respondent
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Accepted by FINRA:

12/24/09
Date

Signed on behalf of the
Director of ODA, by delegated authority



Susan Light
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FINRA Department of Enforcement
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