

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 20080140993**

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

RE: Allen Pond Mecham, Respondent
General Securities Representative
CRD No.1929783

Pursuant to FINRA Rule 9216 of FINRA's Code of Procedure, Allen Pond Mecham (Mecham or 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

Allen Pond Mecham became registered as a Series 6 and Series 7 Representative in June 1993. He worked in those capacities for FINRA registered firms, including Securities Service Network, Inc. from approximately March 1, 2001 until July 3, 2008. Mecham subsequently worked at another FINRA registered firm until February 9, 2009 when his registration was terminated. Mecham is not currently registered with a FINRA firm.

RELEVANT DISCIPLINARY HISTORY

Mecham has no relevant formal disciplinary history.

OVERVIEW

1. On July 3, 2008, Mecham's firm at the time, Securities Service Network, Inc. (SSNI) discovered signs that he may have engaged in a private securities transaction away from the firm, deposited customer funds into his personal account and engaged in other violative activities. SSNI terminated Mecham immediately upon the discovery of these events. During Mecham's on-the-record testimony before FINRA, Mecham referred to documentation that he asserted would corroborate his claims that he did nothing improper. Despite several requests by FINRA, Mecham failed to produce the documentation.

FACTS AND VIOLATIVE CONDUCT

2. After detecting certain irregularities in Mecham's checking account, SSNI performed an unannounced audit of Mecham's branch office location on or about July 3, 2008. SSNI's audit of Mecham's activities discovered, among other things, that customer funds had been deposited in Mecham's personal account and Mecham may have engaged in a private securities transaction away from SSNI. On July 3, 2008, SSNI terminated Mecham's registration.
3. In connection with FINRA's investigation into the underlying activities by Meacham that were cited as the basis for his termination by SSNI, including that he may have engaged in private securities transactions and deposited customer funds into his personal bank account, Meacham was notified, pursuant to FINRA Rule 8210, that he was required to produce to FINRA his personal bank records.
4. Specifically, on October 5, 2009, FINRA staff sent Mecham a request for documentation, pursuant to FINRA Rule 8210, by certified and first class mail, and by facsimile. FINRA requested that Mecham provide his bank account statements, cancelled checks, and any other documentation to support statements he made during his on-the-record testimony.
5. The certified mail receipt that was returned to FINRA was signed by "Allen P. Mecham" and dated October 7, 2009. The first class mail was not returned to FINRA.
6. On October 15, 2009, Mecham submitted a written response to FINRA in which he stated that he did not have in his possession, and could not obtain from his bank, documentation showing Mecham's personal bank account activity.
7. On October 16, 2009, and on October 30, 2009, FINRA staff sent to Mecham a second request for documentation, pursuant to FINRA Rule 8210, via facsimile transmission, requesting that he provide written confirmation from his bank about the unavailability of the records in question.
8. Mecham telephoned FINRA to acknowledge receipt of the requests for information sent on October 16 and 30, 2009. Although Mecham received actual notice of FINRA's written requests, he failed to provide the requested documentation and information that FINRA requested of him.

9. Based on the foregoing, Mecham violated FINRA Rules 2010 and 8210.
- B. Respondent also consents to the imposition of the sanction of a bar from associating with any FINRA member in any capacity.

The sanctions imposed herein shall be effective on a date set by FINRA staff. Pursuant to FINRA Rule 8313(e), a bar or expulsion shall become effective upon approval or acceptance of this AWC.

Respondent understands that if he is barred or suspended from associating with any FINRA member, Respondent becomes subject to a statutory disqualification as that term is defined in Article III, Section 4 of FINRA's By-Laws, incorporating Section 3(a)(39) of the Securities Exchange Act of 1934. Accordingly, Respondent 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 FINRA Rules 8310 and 8311).

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 Respondent;
- 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 create 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.

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 Respondent 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.

7/1/2010
Date

Allen Pond Mecham
Allen Pond Mecham, Respondent

Reviewed by:

Attorney Name
Counsel for Respondent
Firm Name
Address
City/State/Zip
Phone Number

Accepted by FINRA:

July 9, 2010
Date

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

Pamela Shu
Pamela Shu, Senior Regional Counsel
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