

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2008015413103**

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

RE: Artha L. Brooks, Respondent
Former Registered Representative
CRD No. 4528122

Pursuant to FINRA Rule 9216 of FINRA's Code of Procedure, Respondent Artha L. Brooks 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

Artha L. Brooks entered the securities industry in April 2002 with Primerica Financial Services (a.k.a. PFS Investments). While associated with PFS, Brooks maintained the following registrations: (i) Limited Representative - Investment Company and Variable Contracts Representative (Series 6) - FINRA; Limited Principal - Investment Company and Variable Contracts (Series 26) - FINRA; and State Agent (Series 63) - Mississippi. Brooks resigned from PFS (i.e., a voluntary termination) in December 2006 and has not since been associated with a member firm. PFS filed an amended U-5 on October 23, 2008 in connection with the events described below, extending FINRA's jurisdiction over Brooks until October 23, 2010.

RELEVANT DISCIPLINARY HISTORY

Respondent has no prior relevant disciplinary history.

OVERVIEW

On May 19, 2006, Brooks accepted \$5,000 in cash from a customer for a money market investment, but failed to invest it as promised. The customer discovered the omission and complained to the firm in October 2008. In addition, in 2008-2009, Brooks failed to comply with four requests for information from FINRA staff. Accordingly, Brooks violated NASD Rules 2330(a) and 2110, FINRA and NASD Rules 8210, and FINRA Rule 2010.

FACTS AND VIOLATIVE CONDUCT

On May 19, 2006, Customer RD (the "Customer"), a 60 year-old retired painter, met with Respondent Brooks in Brooks' capacity as a PFS registered representative. In addition to a check for \$10,000 to be invested in equity mutual funds (not at issue herein), the Customer gave Brooks \$5,000 in cash to be invested in money market mutual funds. Acting contrary to PFS procedures, Brooks accepted \$5,000 in cash from the Customer and gave the Customer a receipt indicating receipt of \$5,000 with a note indicating "money market." The Customer's account statements reflect no investment of the \$5,000 in money market or any other type of investment. As noted above, Brooks resigned from PFS in early December 2006. On October 14, 2008, the Customer, through his attorney, filed a written complaint with PFS alleging that Brooks had misappropriated the \$5,000.

FINRA staff sent a written request for information to Brooks at the address listed in Web CRD ("the CRD address") pursuant to NASD Rule 8210 on November 7, 2008. No response was received from Brooks. FINRA staff then contacted Brooks via telephone and obtained a current address. On November 24, 2008, FINRA staff sent Brooks second request pursuant to NASD Rule 8210, enclosing a copy of the November 7, 2008 request, at the new address Brooks provided.¹ FINRA staff then sent three additional requests pursuant to FINRA Rule 8210 on February 24, 2009, April 13, 2009, and May 1, 2009. Although Brooks made various promises to the Staff to respond to these requests, he failed to respond.

By reason of the foregoing, Brooks violated NASD Rule 2330(a) which prohibits associated persons from making improper use of a customer's securities or funds, and NASD Rule 2110. In addition, Brooks violated NASD and FINRA Rule 8210, NASD Rule 2110, and FINRA Rule 2010 for failing to respond to the staff's requests for information.

B. I also consent to the imposition of the following sanctions:

A bar from associating with any FINRA member in any capacity.

I understand that if I am barred or suspended from associating with any FINRA member, I become 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, I 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.)

¹ For purposes hereof, the November 7, 2008 and November 24, 2008 requests are considered one request.

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.

II.

WAIVER OF PROCEDURAL RIGHTS

I specifically and voluntarily waive the following rights granted under FINRA's Code of Procedure:

- A. To have a Complaint issued specifying the allegations against me;
- 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, I specifically and voluntarily waive any right to claim bias or prejudice 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.

I further specifically and voluntarily waive 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

I understand 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 me; and

C. If accepted:

1. this AWC will become part of my permanent disciplinary record and may be considered in any future actions brought by FINRA or any other regulator against me;
2. this AWC will be made available through FINRA's public disclosure program in response to public inquiries about my 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. I 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. I 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 my right to take legal or factual positions in litigation or other legal proceedings in which FINRA is not a party.

I certify that I have read and understand all of the provisions of this AWC and have been given a full opportunity to ask questions about it; that I have 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 me to submit it.

08-04-10

Date (mm/dd/yyyy)

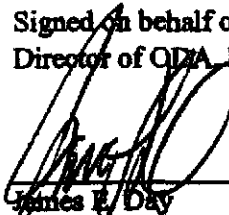


Artha L. Brooks, Respondent

Accepted by FINRA:

8/13/10
Date

Signed on behalf of the
Director of ODA by delegated authority



James E. Day
Associate Vice President and Chief
Counsel
FINRA Department of Enforcement
1801 K Street, NW – Suite 800
Washington, DC 20006-1334
202-974-2917 (Phone)
202-721-8303 (Fax)

RECEIVED