

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2008015421501**

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

RE: Alvin C. Ramsey, Respondent
Investment Company & Variable Products Representative and
Corporate Securities Representative
(CRD No. 2583105)

Pursuant to FINRA Rule 9216 of FINRA's Code of Procedure, I, Alvin C. Ramsey ("Ramsey"), submit 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 me alleging violations based on the same factual findings described herein.

I.

ACCEPTANCE AND CONSENT

- A. I hereby accept and consent, 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

Ramsey entered the securities industry in November 1994 when he became associated with FINRA (f/k/a NASD) member firm ProEquities, Inc. In February 1995, he obtained his Investment Company & Variable Contract Products Representative (Series 6) license. Ramsey joined another member firm in January 2000, but left that firm in March 2000 to return to ProEquities, Inc. In March 2001, he obtained his Corporate Securities Representative (Series 62) license. Ramsey remained with ProEquities, Inc. until he was discharged in October 2008 after a customer alleged in a civil complaint that he converted her money for his own use.

Ramsey is not currently associated with any FINRA member firm but is within FINRA's jurisdiction pursuant to Article V, Section 4 of the FINRA By-Laws.

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RELEVANT DISCIPLINARY HISTORY

Ramsey has no prior disciplinary history.

OVERVIEW

Following her husband's death in January 2005, one of Ramsey's elderly customers received a death benefit of \$600,000. The customer gave Ramsey the money to invest. She also gave him power of attorney to handle her financial affairs. Between November 30, 2005 and May 28, 2008, Ramsey, without the customer's knowledge or authorization, withdrew more than \$480,000 from the customer's variable annuity in eleven separate transactions. After taxes were deducted, checks totaling over \$370,000 were issued in the customer's name and sent to Ramsey's office. Although Ramsey deposited some of the funds into the customer's bank account, he converted a portion of the funds for his personal use without the customer's knowledge or authorization. Separately, Ramsey borrowed an additional \$275,000 from the customer. Ramsey has admitted that, in total, he owes the customer approximately \$500,000.

On May 29, 2009, FINRA Staff (the "Staff") sent a letter requesting that Ramsey appear at the Staff's offices on June 16, 2009, and provide testimony pursuant to FINRA Rule 8210. The Rule 8210 request was sent to Ramsey via his counsel. By letter dated June 11, 2009, Ramsey's counsel acknowledged receiving the Rule 8210 request but informed the Staff that Ramsey would not appear to provide testimony.

FACTS AND VIOLATIVE CONDUCT

Conversion of Customer Funds

Ramsey served as a registered representative for an elderly customer, G.H., both before and after the unexpected death of her husband, H.H., in January 2005. At the time of H.H.'s death, the couple had over \$1.7 million invested with Ramsey. In addition, G.H. received a death benefit of approximately \$600,000 upon H.H.'s death. Less than two weeks after H.H.'s death, G.H. executed a power of attorney, giving Ramsey broad authority over her financial affairs. She also asked Ramsey to invest the \$600,000 death benefit.

Ramsey invested the \$600,000 in a variable annuity. Between November 30, 2005 and May 28, 2008, using the power of attorney authority G.H. had given to him but without G.H.'s knowledge or authorization, Ramsey requested and obtained approximately \$482,000 in withdrawals from the variable annuity in eleven separate transactions. After taxes were deducted, eleven checks totaling approximately \$373,750 were issued in G.H.'s name and sent to Ramsey's office.

Ramsey endorsed nine of the eleven checks as power of attorney and deposited some of the money into G.H.'s checking account. However, he converted some of the money for his personal use without G.H.'s knowledge or authorization.

In addition to the money that he misappropriated or converted from G.H., Ramsey also borrowed \$275,000 from her. Ramsey admits that, in total, he owes G.H. approximately \$500,000.

By converting G.H.'s money without her knowledge or authorization, Ramsey violated NASD Rules 2330(a) and 2110.

Failure to Provide Testimony

On May 29, 2009, the Staff sent a letter to Ramsey's attorney requesting, pursuant to FINRA Rule 8210, that Ramsey appear to provide testimony under oath on June 16, 2009, in the Staff's offices in Washington, D.C. By letter dated June 11, 2009, Ramsey's attorney responded to the Staff's request, acknowledged receipt of the request for testimony, but stated that Ramsey would not appear. As indicated in the letter, Ramsey failed to appear as requested. To date, Ramsey has not appeared to provide testimony before the Staff.

By virtue of his failure to appear to provide testimony pursuant to a FINRA Rule 8210 request, Ramsey violated FINRA Rules 8210 and 2010.

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

A bar from associating with any FINRA member firm 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.

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).

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 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.

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 [the Firm] to submit it.

3/9/10
Date (mm/dd/yyyy)

[Signature]
Respondent

Accepted by FINRA:

3/22/10
Date

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

[Signature]
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