

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 20090165472**

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

RE: Carmen McCranie, Respondent
General Securities Representative
CRD No. 4139628

Pursuant to FINRA Rule 9216 of FINRA's Code of Procedure, I, Carmen McCranie, 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

Carmen McCranie ("Respondent") entered the securities industry in March 2001 as a registered sales assistant at Morgan Keegan & Co., Inc. in Atlanta, Georgia. In December 2007, McCranie became employed with SunTrust Investment Services, Inc. ("SunTrust" or the "Firm") in Brunswick, Georgia as a registered investment consultant and remained there until December 2008 when her employment was terminated. On January 2, 2009, Enforcement received a Uniform Termination Notice for Securities Industry Registration from SunTrust, which reported that McCranie's employment was terminated on December 18, 2008 for violating the Firm's policies and procedures by altering a client signature form. In January 2009, McCranie became employed as a registered representative with Cadaret, Grant & Co., Inc., where she is currently employed.

RELEVANT DISCIPLINARY HISTORY

Respondent has no relevant disciplinary history.

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OVERVIEW

In December 2008, while employed with SunTrust Investment, Respondent altered rate information and backdated a signature on a customer's Transamerica Capital Builder Fixed Annuity Acknowledgement Form (the "Acknowledgement Form") without permission or authority from the customer or the Firm.

FACTS AND VIOLATIVE CONDUCT

On Wednesday, November 26, 2008, customer JM purchased a five-year Transamerica annuity in the amount of \$36,872.49. JM completed an Acknowledgement Form that disclosed the following rates on the first page: Effective Yield: 5.05%; Base Rate: 5.00%; Premium: .25%; Bailout Rate: 4.75% (the November 26th Rates"). The third page of the Acknowledgment Form included two signature lines, which JM and the advisor offering the annuity were required to sign. JM signed and dated the Acknowledgment Form on November 26, 2008. Respondent, the assigned advisor, was ill from Monday, November 24, 2008, through Thursday November 27, 2008 and did not receive the signed Acknowledgment Form until Friday, November 28, 2008 when she returned to the SunTrust office.

On December 3, 2008, the rates for the Transamerica Annuity changed to the following: Effective Yield: 4.80%; Base Rate: 4.75%; Premium: .25%; Bailout Rate: 4.50% (the "December 3rd Rates"). The December 3rd Rates reflected a .25% reduction in the effective yield and base and bailout rates from the November 26th Rates. Firm employees, including Respondent, would not have had access to the new rates until at least December 3, 2008.

Respondent backdated her signature on the third page of the Acknowledgement Form to show November 26, 2008, even though Respondent did not sign the document until sometime after November 28, 2008 when she returned to the SunTrust office. Additionally, Respondent changed the first page of the Acknowledgment Form to make it appear as though the customer signed an acknowledgment form reflecting the December 3rd Rates.

Respondent caused JM's Acknowledgement Form with the Respondent's backdated signature and altered rate information to be sent to SunTrust's Compliance Department. On December 16, 2008, the Firm's Compliance Department received the altered version of JM's Acknowledgement Form.

Respondent's backdating of the Acknowledgement Form was an attempt to conceal the actual date that she reviewed JM's Transamerica Annuity paperwork and Respondent did not benefit from the alteration of the document. Further, the Firm provided JM the Transamerica Annuity according to the November 26th Rates that the customer had intended to purchase.

Relevant Rules

NASD Rule 2110 states "a member, in the conduct of his business, shall observe high standards of commercial honor and just and equitable principals of trade." Falsification of documents is not consistent with the high standards of commercial honor required by NASD Rule 2110.

Respondent backdated her signature on the customer's Acknowledgement Form and changed the rate information on the customer's Acknowledgment Form. Respondent did not have permission or authority from the customer or the Firm to backdate or change the Acknowledgment Form. Therefore, her conduct violated NASD Rule 2110.

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

A censure, five-month suspension from association with any member in any capacity, and a \$5,000 fine.

The fine shall be due and payable either immediately upon reassociation with a member firm following the five-month suspension noted above, or prior to any application or request for relief from any statutory disqualification resulting from this or any other event or proceeding, whichever is earlier.

I specifically and voluntarily waive any right to claim that I am unable to pay, now or at any time hereafter, the monetary sanction(s) imposed in this matter.

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

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.

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

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.

7/12/2010
Date

CN McCranie
Carmen McCranie

Accepted by FINRA:

8-4-10
Date

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

Suzanne R. Elovic
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