

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2009017821401**

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

RE: Carl M. Mook
Registered Representative
CRD No. 2440514

Sammons Securities Company, LLC
CRD No. 115368

Pursuant to FINRA Rule 9216 of FINRA's Code of Procedure, Respondents Carl M. Mook ("Mook") and Sammons Securities Company, LLC ("Sammons Securities") 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 Respondents alleging violations based on the same factual findings described herein.

I.

ACCEPTANCE AND CONSENT

- A. Respondents 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

Carl M. Mook ("Mook") Mook entered the securities industry in December 1993 as an Investment Company/ Variable Contracts Representative with a FINRA registered firm. Between June 2006 and February 2009, Mook was registered with IPI, a FINRA registered firm, as a General Securities Representative and as an Investment Company/ Variable Contracts Principal. Mook is currently registered in the same capacity with Sammons Securities.

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Sammons Securities is currently, and was during all times relevant hereto, a FINRA registered firm and a registered broker-dealer with the U.S. Securities and Exchange Commission. Sammons Securities conducts a general securities business from its main office located in Ann Arbor, Michigan.

RELEVANT DISCIPLINARY HISTORY

On September 7, 2007, FINRA accepted a Letter of Acceptance, Waiver and Consent (AWC) from Sammons Securities, which contained findings that the firm failed to report to TRACE eligible transactions within 30 minutes of the time of execution, failed to report to TRACE the correct time of the trades executed, and failed to show the correct time of execution on brokerage order memoranda, in violation of SEC Rule 17A-3 and NASD Rules 2110, 3110, and 6230. In addition, the firm's supervisory system regarding the reporting of transactions to TRACE was not reasonably designed to achieve compliance with securities laws, in violation of NASD Rule 3010. Sammons Securities was censured and fined \$10,500.

Mook has no prior disciplinary history.

OVERVIEW

Mook took non-public personal customer information from IPI before he transferred to Sammons Securities, and gave the information to Sammons Securities to populate direct marketing materials to IPI's customers, without first giving the effected customers any opt out notices. Sammons Securities, in turn, used the nonpublic customer information acquired from Mook to create and mail the transition packets to IPI customers, in order for the IPI customers to switch their accounts to Sammons Securities. This conduct by Mook and Sammons Securities was in violation of Regulation S-P and violated Rule 2010.

FACTS AND VIOLATIVE CONDUCT

1. In or about February 2009, before Mook terminated his registration with IPI, and became registered with Sammons Securities, he accessed IPI's system and downloaded customers' names, addresses, account numbers, account registrations, and security products held in the accounts to a CD.
2. In or about March 2009, when Mook began employment with Sammons Securities, he turned the CD over to his new firm. Sammons Securities accessed the non-public personal customer information contained on the CD, and using that information, Sammons Securities generated and mailed to IPI customers "transition packets" which contained, among other things, a Change of Broker/Dealer form for each securities account. Sammons Securities entered personal customer information on the Change of Broker-

Dealer forms that it obtained from Mook's CD, including customer account numbers at IPI, and the securities products they held at IPI.

3. Mook and Sammons Securities used the non-public personal customer information without determining whether they were acting in compliance with Regulation S-P. For instance, Mook and Sammons Securities failed to determine whether any of the customers whose information they used had been given the opportunity by IPI to opt out of the disclosure of their personal information when Mook left IPI.

By reason of the foregoing, Mook and Sammons Securities acted in contravention of Regulation S-P, and in violation of FINRA Rule 2010.

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

1. a ten business-day suspension from association with any member of FINRA in any capacity and a \$5,000 fine against Mook, and
2. a censure and a \$10,000 fine against Sammons Securities.

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

Mook understands that if he is barred or suspended from associating with any FINRA member, he becomes 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, Mook 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).

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

II.

WAIVER OF PROCEDURAL RIGHTS

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

- A. To have a Formal Complaint issued specifying the allegations against them;
- B. To be notified of the Formal 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, Respondents 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.

Respondents 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

Respondents 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 them; and
 - C. If accepted:
 - 1. this AWC will become part of their respective permanent disciplinary record and may be considered in any future actions brought by FINRA or any other regulator against them;
 - 2. this AWC will be made available through FINRA's public disclosure program in response to public inquiries about their disciplinary records;
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3. FINRA may make a public announcement concerning this agreement and the subject matter thereof in accordance with FINRA Rule 8313; and
 4. Respondents 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. Respondents 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 their right to take legal or factual positions in litigation or other legal proceedings in which FINRA is not a party.
- D. Respondents may attach a Corrective Action Statement to this AWC that is a statement of demonstrable corrective steps taken to prevent future misconduct. Respondents understand that they 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.

09/29/2011
Date

Carl M Mook
Carl M. Mook
Registered Representative

The undersigned, on behalf of Mook Securities, certifies that a person duly authorized to act on its behalf has read and understand all of the provisions of this AWC and have been given a full opportunity to ask questions about it; that the firm 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 the firm to submit it.

8/18/11
Date

Sammons Securities Co., LLC, Respondent

By: JM
Its: Chief Compliance Officer

Reviewed by:

Counsel for Respondent

Accepted by FINRA:

10/7/11
Date

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

Dale A. Glanzman
Dale A. Glanzman
Senior Regional Counsel
FINRA Department of Enforcement
55 West Monroe Street
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Chicago, IL 60603
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Attachment: Election of Payment Forms