

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
OFFICE OF HEARING OFFICERS**

DEPARTMENT OF ENFORCEMENT,

Complainant,

v.

DARETH MARTIN (CRD No. 4479899),

Respondent.

DISCIPLINARY PROCEEDING
NO. 2009019349301

Hearing Officer -- MC

ORDER ACCEPTING OFFER OF SETTLEMENT

INTRODUCTION

Disciplinary Proceeding No. 2009019349301 was filed on March 11, 2001, by the Department of Enforcement of the Financial Industry Regulatory Authority (FINRA) (Complainant). Respondent Dareth Martin submitted an Offer of Settlement (Offer) to Complainant dated April 28, 2011. Pursuant to FINRA Rule 9270(e), the Complainant and the National Adjudicatory Council (NAC), a Review Subcommittee of the NAC, or the Office of Disciplinary Affairs have accepted the uncontested Offer. Accordingly, this Order now is issued pursuant to FINRA Rule 9270(e)(3). The findings, conclusions and sanctions set forth in this Order are those stated in the Offer as accepted by the Complainant and approved by the NAC.

Under the terms of the Offer, Respondent has consented, without admitting or denying the allegations of the Complaint, 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, to the entry of findings and violations consistent with the allegations of the Complaint, and to the imposition of the sanctions set forth below, and fully understands that this Order will become part of

000082124 2011

Respondent's permanent disciplinary record and may be considered in any future actions brought by FINRA.

BACKGROUND

Between November 2001 and August 2009, Martin was employed in the securities industry through an entity called Creech Financial Group, LLC, located in Charlotte, North Carolina. Since March 2003, Creech Financial has been affiliated with FINRA member firm National Planning Corp. Martin was registered as a Series 6 representative with National Planning Corp. from August 2006 until August 20, 2009. Her job title with Creech Financial was Operations Manager. FINRA retains jurisdiction over Martin pursuant to Article V, Section 4(a)(iii) of FINRA's By-Laws, because the Complaint was filed within two years after the date upon which Martin ceased to be associated with a member firm.

FINDINGS AND CONCLUSIONS

It has been determined that the Offer be accepted and that findings be made as follows:

SUMMARY

Between 2004 and August 2009, Respondent Dareth Martin misappropriated approximately \$81,000 from her employer through the use of credit cards and checks for unauthorized purposes. Martin used personal credit cards belonging to her employer to purchase personal items from on-line and other retailers, used her employer's business checking account to make personal, unauthorized purchases, and used her employer's business checking account to write checks to herself. In addition, Martin refused to testify when required to do so under FINRA Rule 8210. By virtue of this conduct, Martin violated NASD Rule 2110, FINRA Rule 2010, and FINRA Rule 8210.

MISAPPROPRIATION

In order to perform her responsibilities as Operations Manager, Martin was given signatory authority for a bank-issued Creech Financial credit card, for its business checking account, and for a personal credit card in the name of the owner of Creech Financial that was used for business expenses.

Between 2004 and 2009, Martin used the personal credit cards of her employer to purchase items for her own use without authorization. This included items purchased from on-line retailers, including clothing stores, through accounts she set up. These unauthorized charges totaled at least \$33,402.

Between December 2007 and April 2009, Martin purchased electronic equipment for her own personal use without authorization using a business credit account maintained by Creech Financial at an office supply store, at a total cost of at least \$1,114.

Between February 2008 and July 2009, Martin issued checks from Creech Financial's business checking account without authorization to pay for her own personal items, such as groceries, personal hygiene products, and house wares. These checks exceeded \$1,603.

Between 2006 and 2009, Martin issued checks from Creech Financial's business checking account to herself without authorization. These payments were designated in the account records as "petty cash," but frequently did not represent actual cash expenditures by the business. In addition, Martin made cash withdrawals from the Creech Financial business checking account. These withdrawals exceeded the actual business expenses by at least \$23,385.

Between 2005 and 2009, Martin issued or caused checks to be issued to herself for unauthorized bonus payments totaling at least \$22,166.

Through the conduct described above, Martin misappropriated at least \$81,670 from Creech Financial and its owner.

FAILURE TO TESTIFY

On January 13, 2011, the Department of Enforcement served Martin with a notice, pursuant to Rule 8210, requiring her to appear for testimony in Washington, D.C. on February 7, 2011. The notice was sent by certified mail and email, and a signed return receipt card was returned to the Department of Enforcement. On January 20, 2011, Martin sent a letter to the Department of Enforcement in which she stated that she would not appear for testimony. She wrote: "Due to financial constraints and emotional stress from events related to this matter, I regret to advise your office I will not be able to attend the hearing [sic] on February 7, 2011." She then referred Enforcement to a letter she had previously provided in response to a preliminary inquiry in this matter.

In order to try to accommodate Martin's financial condition, Enforcement left her a telephone message offering to make alternative arrangements which would not require Martin to travel to Washington, D.C., such as testifying in Charlotte or by telephone. Although Martin eventually responded by email, she did not provide a time to contact her or offer to testify.

On February 7, 2011, Enforcement sent Martin a letter, by overnight delivery, regular mail, and email, requiring her to appear for testimony on February 21, 2011 in Washington, D.C. pursuant to Rule 8210. In the letter, the Enforcement staff again offered to discuss making reasonable accommodations in light of Martin's financial condition. Instead of contacting Enforcement to make appropriate arrangements, however, Martin sent an email again refusing to appear for testimony. As of the date of the Complaint in this matter, Martin has not appeared for testimony or tried to make alternative arrangements to do so.

By misappropriating and converting funds or other assets to her own use, as described above, Martin violated NASD Rule 2110 (for conduct up to and including December 14, 2008) and FINRA Rule 2010 (for conduct on or after December 15, 2008). By failing to testify, Martin violated FINRA Rule 8210 and, by violating Rule 8210, also violated FINRA Rule 2010.

* * *

Based on these considerations, the sanctions hereby imposed by the acceptance of the Offer are in the public interest, are sufficiently remedial to deter Respondent from any future misconduct, and represent a proper discharge by FINRA of its regulatory responsibility under the Securities Exchange Act of 1934.

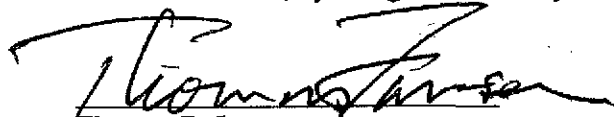
SANCTIONS

It is ordered that Respondent be barred from association with any FINRA member firm in any capacity. Pursuant to FINRA Rule 8313(e), a bar or expulsion shall become effective upon approval or acceptance of this Order.

SO ORDERED.

FINRA

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

A handwritten signature in black ink, appearing to read "Thomas B. Lawson", is written over a horizontal line.

Thomas B. Lawson
Vice President and Chief Counsel
FINRA Department of Enforcement
1801 K Street, N.W.
Washington, DC 20006