

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT**

NO. 2009020779101

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

RE: George H. Martin, Respondent
General Securities Principal
CRD No. 2888367

Pursuant to FINRA Rule 9216 of FINRA's Code of Procedure, I, George H. Martin, 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

In June 1997, Martin acquired a Series 7 license. He subsequently acquired Series 4, 9, 10, 24, and 63 licenses. At various times between October 1996 and December 2009, Martin was associated with several FINRA members. Most recently, he was associated with FINRA member Basis Financial, Inc. On November 2, 2004, Basis filed a Form NRF for Martin, reflecting a "Status Date" of November 2, 2004. On May 23, 2005, Basis filed a Form U4 for Martin, reflecting an "Employment Date" of November 2, 2004. On December 15, 2009, Basis filed a Form U5 for Martin, terminating his association with the firm as of that date. Martin currently is not associated with a FINRA member.

RELEVANT DISCIPLINARY HISTORY

Martin does not have a relevant disciplinary history.

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OVERVIEW

Martin failed to provide investigative testimony, in violation of FINRA Rules 8210 and 2010.

FACTS AND VIOLATIVE CONDUCT

In 2010, FINRA staff was investigating an allegation that Martin, while registered with FINRA and while associated with Basis, falsified, or caused to be falsified, account statements for two of his insurance customers' premium finance loan applications for the purchase of insurance. In April 2010, in connection with the investigation and pursuant to FINRA Rule 8210, the staff sent a request for documents and information to Martin. In May 2010, Martin responded to the requests. On September 21, 2010, in connection with the investigation and pursuant to FINRA Rule 8210, the staff requested that Martin provide investigative testimony on October 28, 2010. Martin failed to provide such testimony. On November 9, 2010, in connection with the investigation and pursuant to FINRA Rule 8210, the staff again requested that Martin provide investigative testimony on November 19, 2010. Martin failed to provide such testimony. By failing to provide the requested testimony, Martin violated FINRA Rules 8210 and 2010.

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

A bar from association with any FINRA member in all capacities.

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 Article III, Section 4 of FINRA's By-Laws, incorporating Section 3(a)(39) of the Securities Exchange Act of 1934. 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).

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 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 to submit it.

02/08/11

Date (mm/dd/yyyy)

George H. Martin

George H. Martin

Accepted by FINRA:

2/11/11

Date

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

Michael A. Gross

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