

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
2010021015201**

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

RE: Sicor Securities, Inc.
CRD No. 131282

Greg Merrick
Registered Principal
CRD No. 2933448

Pursuant to FINRA Rule 9216 of FINRA's Code of Procedure, Sicor Securities, Inc. ("Sicor") and Greg Merrick ("Merrick") (collectively, "Respondents"), 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 us alleging violations based on the same factual findings described herein.

I.

ACCEPTANCE AND CONSENT

We 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

Sicor became a member of FINRA and became registered with the Securities and Exchange Commission in 1985. It is approved to conduct business in variable contracts, investment advisory services, mutual funds, exchange-listed securities, corporate debt securities and municipal securities. The firm employs approximately 40 registered representatives.

In December 1997, Merrick became registered as a general securities representative with Sicor. In September 2000, he became registered as a general securities principal with Sicor. He is presently registered in the same capacity with Sicor, and acts as the firm's FINOP.

RELEVANT DISCIPLINARY HISTORY

Sicor has been the subject of several FINRA disciplinary proceedings that are relevant to this matter, while Greg Merrick has been the subject of one disciplinary matter. In 2007, FINRA fined the firm \$5,000 for inaccurate books and records and failure to file an accurate FOCUS report (AWC No. E8A20040724). Also in 2007, FINRA fined the firm \$15,000, \$5,000 of which was related to recordkeeping and FOCUS report violations (AWC No. 2006004682101). In 2009, FINRA imposed sanctions involving inaccurate books and records, failure to file an accurate FOCUS report and conducting a securities business while under net capital. The sanctions were as follows: a censure and \$20,000 fine of Sicor; a \$10,000 joint and several fine of Sicor and Greg Merrick; and a censure of Greg Merrick (AWC No. 20070097730).

OVERVIEW

Sicor, by and through Greg Merrick, conducted a securities business while failing to maintain its minimum required net capital in 2009 and again in 2010. Further, Sicor, by and through Greg Merrick, failed to make and keep current accurate ledgers, failed to prepare accurate net capital computations and filed an inaccurate FOCUS Report.

FACTS AND VIOLATIVE CONDUCT

- A.
1. In May 2009, Sicor, by and through Greg Merrick, failed to prepare a net capital computation, in violation of SEC Rule 17a-3(a)(11), NASD Rule 3110(a) and FINRA Rule 2010 by Sicor, and in violation of FINRA Rules 3110(a) and 2010 by Merrick.
 2. On May 29 and June 30, 2009, Sicor, by and through Greg Merrick, used the mails or other means or instrumentalities of interstate commerce to effect transactions in securities, while failing to maintain its minimum net capital requirement, in violation of SEC Rule 15c3-1 and FINRA Rule 2010 by Sicor,¹ and in violation of FINRA Rule 2010 by Merrick. Information related to the firm's net capital deficiency is set forth in Exhibit A.
 3. During March and April 2010, Sicor, by and through Greg Merrick, failed to make and keep current accurate ledgers, in violation of SEC Rule 17a-3(a)(2), and failed to prepare accurate net capital computations, in violation of SEC Rule 17a-3(a)(11). Information related to the firm's inaccurate calculations for the two months is set forth in Exhibits B and C, respectively. They include: overstated and aged commissions receivable, overstated and understated commissions payable, unsecured customer debits, and non-allowable referral fees. By engaging in this

¹ In July 2009, Sicor notified FINRA that it had been operating under net capital between May 29 and June 30, 2009. The firm represented that the underlying cause for the firm's net capital deficiency was an inaccurate calculation of its commissions.

conduct, Sicor, by and through Merrick, violated SEC Rule 17a-3, NASD Rule 3110(a) and FINRA Rule 2010, and Merrick violated FINRA Rules 3110(a) and 2010.

5. On March 31 and April 30, 2010, Sicor, by and through Merrick, used the mails or other means or instrumentalities of interstate commerce to effect transactions in securities, while failing to maintain its minimum net capital requirement, in violation of SEC Rule 15c3-1 and FINRA Rule 2010 by Sicor, and FINRA Rule 2010 by Merrick. Information related to the firm's net capital deficiency is set forth in Exhibit D.

6. Sicor, by and through Merrick, filed an inaccurate FOCUS Part IIA Report with regard to a three month period of time ending on March 31, 2010. By failing to file an accurate FOCUS Report, Sicor, by and through Merrick, violated SEC Rule 17a-5 and FINRA Rule 2010, and Merrick violated FINRA Rule 2010.

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

- Censure and \$50,000 fine of Sicor, (\$10,000 of which is joint and several with Merrick);
- 30 business day suspension of Merrick from acting in the capacity of a FINOP with any FINRA firm;
- \$10,000 fine of Merrick, joint and several with Sicor (as noted above), and
- a requirement that Merrick requalify as a FINOP by passing the Series 27 examination, prior to associating with any FINRA firm as a FINOP, following his suspension.

We agree to pay the monetary sanction(s) upon notice that this AWC has been accepted and that such payment(s) are due and payable. We have submitted an Election of Payment forms showing the method by which we proposed to pay the fine imposed.

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

I understand that if I am barred or suspended from associating with any FINRA member in a limited capacity, 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 my suspended capacity, during the period of the suspension (See FINRA Rules 8310 and 8311.) Furthermore, because I am subject to a statutory disqualification during the suspension, if I remain associated with a member firm in a non-suspended capacity, an application to continue that association may be required.

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

II.

WAIVER OF PROCEDURAL RIGHTS

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

- A. To have a Complaint issued specifying the allegations against us;
- 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, we 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.

We 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

We 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

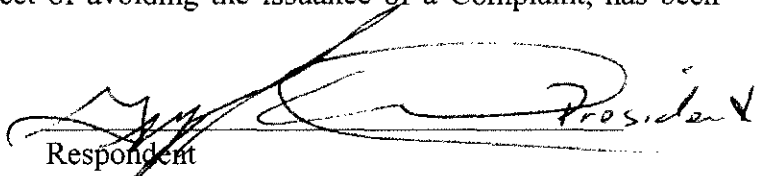
9216;

- B. If this AWC is not accepted, its submission will not be used as evidence to prove any of the allegations against us; and
- C. If accepted:
 - 1. this AWC will become part of our 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 our 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. We 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. We 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 our right to take legal or factual positions in litigation or other legal proceedings in which FINRA is not a party.
- D. We may attach a Corrective Action Statement to this AWC that is a statement of demonstrable corrective steps taken to prevent future misconduct. We understand that we 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.

The undersigned, on behalf of Sicor, 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 undersigned 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.

Furthermore, Greg Merrick certifies that he has read and understands all of the provisions of this AWC and has been given a full opportunity to ask questions about it; that he 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 him to submit it.

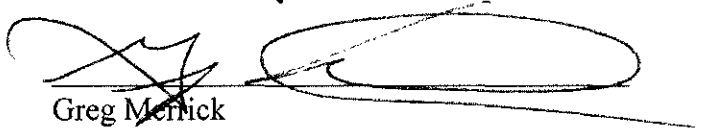
4/26/12
Date


Respondent

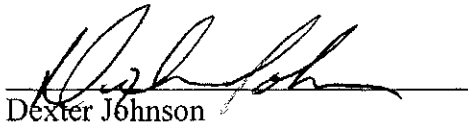
Sicor Securities, Inc.

By: Gregory L. Merrick, President

4/26/12
Date


Greg Merrick

Reviewed by: Gregory L. Merrick


Dexter Johnson

Accepted by FINRA:

Date

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

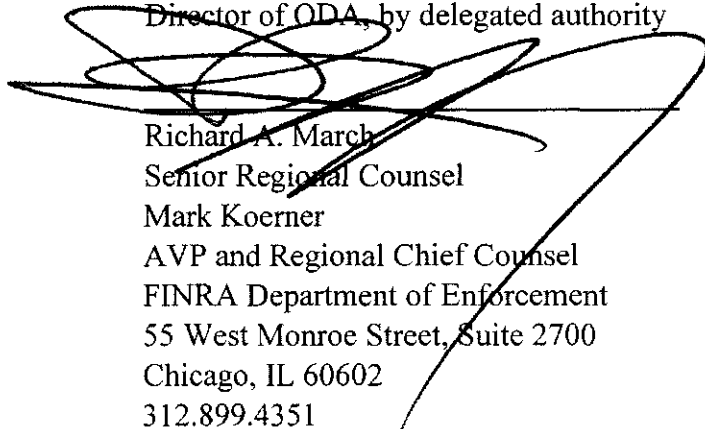

Richard A. March
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Mark Koerner
AVP and Regional Chief Counsel
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EXHIBIT A
NET CAPITAL DEFICIENCY

DATE	MINIMUM NC	ACTUAL NC	DEFICIENCY
May 29, 2009	\$23,988	\$21,227	\$2,761
June 30, 2009	\$20,985	(\$11,301)	\$32,286

EXHIBIT B
STAFF'S NET CAPITAL COMPUTATION
MARCH 31, 2010

Net Capital per Firm	\$ 38,917.56	
Common Stock in Sundry Account	315.00	
Additional Accrued Interest on CD	188.87	
Overstated Commission Receivable	(45,535.06)	
Aged Commissions Receivable	(684.94)	
Non-Allowable Referral Fees	(3976.78)	
Aged CATS Receivable	(1,423.74)	
Overstated CATS Receivable	(1,826.09)	
Adjustment - NA 12b-1 Fees	3,931.98	
Overstated 12b-1 Fees (NW)	(3,931.98)	
Overstated Commissions Payable	32,734.54	
Unsecured Customer Debits	(2,616.00)	
Understated Payable - AWC	(513.54)	
CATS Commissions Payable to TIS	(15,158.37)	
Haircut on Stock	(47.25)	
Haircut on Money Market-Sundry	(18.01)	
Haircut on CD	(148.93)	
Net Capital per Staff		207*
Net Capital Requirement		15,827*
Excess/Deficient Net Capital		(15,619)*

*Please note the figures above may vary slightly due to the eliminaton of cents.

EXHIBIT C
STAFF'S NET CAPITAL COMPUTATION
APRIL 30, 2010

Net Capital per Firm	\$27,947.01	
Common Stock in Sundry Account	447.50	
Additional Accrued Interest on CD	317.12	
Aged Commissions Receivable	(951.67)	
Additional NA 12b-1 Fees	(2,395.72)	
Aged CATS Receivable	(2,323.74)	
Unsecured Customer Debits	(2,616.00)	
Understated Payable - AWC	(594.34)	
CAT'S Commissions Payable to TIS	(7,296.54)	
Haircut on Stock	(67.13)	
Haircut on Money Market-Sundry	(109.36)	
Haircut on CD	(273.04)	
Net Capital per Staff		12,084*
Net Capital Requirement		(14,845)*
Excess/Deficient Net Capital		(2,761)*

*Please note the figures above may vary slightly due to the eliminaton of cents.

EXHIBIT D**NET CAPITAL DEFICIENCY**

DATE	MINIMUM NC	ACTUAL NC	DEFICIENCY
March 31, 2010	\$15,827	\$207	\$15,619
April 29, 2010	\$14,845	12,084	\$2,761