

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2010023800401**

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

RE: Deanna Michelle Williamson, Respondent
General Securities Representative
CRD No. 4399708

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

Williamson entered the securities industry in June 2001. She was registered with Morgan Stanley, Inc. from May 2001 until August 2005, when she began working as a registered representative at LPL Financial Corporation ("the Firm" or "LPL"). LPL terminated Williamson's registrations in July of 2010. Since August 2010, Williamson has been employed at Independent Financial Group as a registered representative.

OVERVIEW

Between approximately July 2006 and May 2010 ("the relevant period"), Williamson falsified documents in violation of NASD Rule 2110 and FINRA Rule 2010 by attaching copies of signature pages of 11 customers to 16 documents rather than obtaining separate, original signature pages for each document. Through this same conduct, Williamson created and caused LPL to have inaccurate books and records in violation of NASD Rule 3110, NASD Rule 2110 and FINRA Rule 2010.

FACTS AND VIOLATIVE CONDUCT

Relevant Facts

During the relevant period, Williamson attached copies of signature pages to documents relating to transactions by eleven customers. For example, during the relevant period:

- Williamson sent nine customers prospectus receipts (each of which was a two-page document) indicating that the customers had received the prospectuses for products they had purchased. Each time, the customers were sent multiple prospectus receipts for them to sign, but the customers signed and sent back only one signature page (rather than separate signature pages for each document). Williamson made copies of the signed signature page, and attached those copies to the first page of the other, unsigned prospectus receipts;
- Williamson sent one customer four IRA Distribution Request Forms. The customer signed and sent back two signature pages rather than four separate pages. Williamson used photocopies of the two signature pages and attached them to the first pages of the other, unsigned documents;
- Williamson sent one customer two letters of non-solicitation. The customer signed and sent back one signature page that Williamson photocopied and attached to the other document. In addition, because the documents did not have dates, Williamson dated them herself.

Williamson thus created documents that falsely indicated that they had been signed by the customers when, in fact, they had not.

Violations

NASD Rule 2110 and FINRA Rule 2010¹ require an individual associated with a member firm to “observe high standards of commercial honor and just and equitable principle of trade” “in the conduct of [his or her] business.” In addition, NASD Rule 3110 required “members and associated persons to make and preserve books, accounts, records, memoranda, and correspondence in conformity with all applicable laws, rules, regulations, and statements of policy promulgated thereunder and the Rules of this Association and as prescribed by SEC Rule 17a-3.”²

As described above, during the relevant period, Williamson made copies of signature pages for documents submitted by eleven customers and reused those signature pages for other, unsigned, documents. Thus, Williamson created documents that falsely appeared

¹ Effective December 15, 2008, FINRA Rule 2010 superseded NASD Rule 2110. The text of the rule was unchanged. Because Williamson’s misconduct took place both before and after December 15, 2008, both FINRA Rule 2010 and NASD Rule 2110 apply.

² Effective December 5, 2011, the relevant portion of NASD Rule 3110 was superseded FINRA Rule 4511. Because the conduct at issue took place before December 5, 2011, NASD Rule 3110 applies.

to have been signed by customers. Williamson, therefore, violated NASD Rule 2110 (before December 15, 2008) and FINRA Rule 2010 (thereafter) by falsifying documents as described above. By creating these false documents, which caused LPL's books and records to be inaccurate, Williamson also violated NASD Rule 3110.

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

- A 4-month suspension from associating with any FINRA member in any capacity; and
- A fine of \$10,000.

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).

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

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. 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.

- 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.

July 9, 2012
Date

Deanna Michelle Williamson
Deanna Michelle Williamson, Respondent

Reviewed by:

R. Craig Zafis
R. Craig Zafis, APC
9201 Spectrum Center Blvd., Suite 210
San Diego, CA 92123
T: (858) 384-7380

Counsel for Respondent

Accepted by FINRA:

8/8/12
Date

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

Thomas B. Lawson

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