

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2012031739101**

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

RE: Darrell S. Current, Respondent
General Securities Representative
CRD No. 1375058

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

Darrell S. Current ("Current") entered the securities industry in or about April 1985 when he became associated with Merrill Lynch, Pierce, Fenner & Smith Incorporated ("MLPFS") and became a Series 7 general securities representative in June 1985. Current remained at MLPFS until December 1987. Thereafter, between December 1987 and March 27, 2008, Current was associated as a general securities representative with various financial entities, including Smith Barney Inc., PaineWebber Incorporated, which became UBS Financial Services Inc. ("UBS"), and MLPFS. On April 22, 2008, Current joined Sterne, Agee & Leach, Inc. ("Sterne Agee" or the "Firm"), a FINRA regulated broker-dealer, where he remained until the Firm terminated his employment on March 7, 2012.

In a Uniform Termination Notice For Securities Industry Registration ("Form U5") dated March 9, 2012, Sterne Agee reported that Current was terminated for, among other things, exercising discretion in clients accounts in violation of Firm policies.

Current is not currently associated with a FINRA regulated broker-dealer, however, pursuant to Article V, Section 4 of FINRA's By-Laws, Current remains subject to

FINRA's jurisdiction until March 6, 2014.

RELEVANT DISCIPLINARY HISTORY

On March 9, 2010, Current executed an AWC with FINRA wherein he consented to findings that he caused inaccurate changes to be made to UBS customer telephone records and a sanction of a one month suspension and \$5,000 fine.

OVERVIEW

Current violated FINRA Rules 8210 and 2010 by failing to comply with FINRA Rule 8210 requests for his testimony. In addition, Current violated NASD Rule 2510(b) and FINRA Rule 2010 in that he exercised discretion in a customer's accounts without the customer's prior written authorization during 2011.

FACTS AND VIOLATIVE CONDUCT

Failure to Comply With FINRA Rule 8210 Requests for Testimony

FINRA Rule 8210(a)(1) states, in relevant part, that FINRA staff have the right to "require a member, person associated with a member, or any other person subject to FINRA's jurisdiction to provide information orally, in writing, or electronically . . . with respect to any matter involved in the investigation . . ." FINRA Rule 8210(c) states that "[n]o member or person shall fail to provide information or testimony or to permit an inspection and copying of books, records, or accounts pursuant to this Rule."

FINRA Rule 2010 states that "[a] member, in the conduct of its business, shall observe high standards of commercial honor and just and equitable principles of trade." A violation of FINRA Rule 8210 constitutes a violation of FINRA Rule 2010.

By letter dated February 11, 2013 (the "February 11 Letter"), the Department of Enforcement ("Enforcement") of FINRA notified Current, through his attorney, that Enforcement was requesting pursuant to FINRA Rule 8210, that Current appear at Enforcement's offices on March 12, 2013 to provide on-the-record testimony.

By letter dated February 19, 2013, Current responded to the February 11 Letter, and stated, in part, that:

I am in receipt of your request under FINRA Rule 8210. After reviewing the options available to me, I have decided to voluntarily withdraw as a member of the Financial Industry Regulatory Authority. I will no longer be participating in the financial industry and have no interest to continue to do so in the future. Pursuant to this withdrawal, I will no longer be subject to the terms and conditions of your agency and do not intend to participate in the on-the-record interview scheduled for March 12, 2013.

Current failed to appear and testify on March 12, 2013.

By letter dated August 9, 2013 (the "August 9 Letter"), Enforcement requested pursuant to FINRA Rule 8210 that Current appear at a designated location in Louisville, KY on August 21, 2013, to provide testimony. The August 9 Letter was sent to Current by certified mail return receipt requested, and by first class mail, addressed to Current's last known residential address as reflected in the Central Registration Depository. A copy of the letter was also sent to Current by electronic mail.¹ The copy of the August 9 Letter sent by certified mail return receipt requested was returned unclaimed. The copy sent by first class mail was not returned.

On August 13, 2013, Current advised Enforcement staff verbally, and by e-mail that he would not appear for testimony on August 21, 2013 or cooperate further with Enforcement's investigation. Current stated in his e-mail, in part, that:

I have NO intention of cooperating with any investigation of FINRA now or anytime in the future, or to be providing any documents or information. I want to be out of the business and will not be showing up at any pre arranged testimony site for testimony.

Current failed to appear and testify on August 21, 2013.

To date, Current has failed to provide the testimony requested in the February 11 and August 9 Letters. By reason of the foregoing, Current violated FINRA Rules 8210 and 2010.

Exercising Discretion Without Prior Written Customer Authorization

NASD Rule 2510(b) states that: "[n]o member or registered representative shall exercise any discretionary power in a customer's account unless such customer has given prior written authorization to a stated individual or individuals and the account has been accepted by the member, as evidenced in writing by the member or the partner, officer or manager, duly designated by the member, in accordance with Rule 3010."

Between August and November 2011, Current exercised discretion on several occasions in two accounts of a customer with verbal but without the required prior written authorization from the customer, and without the required written acceptance from Sterne Agee. The customer at issue, indicated that even though he moved away from Louisville, KY, where Current was also located, he gave Current verbal authorization to exercise discretion to make trades on his behalf. Between August and November 2011, Current acted upon this verbal authorization and exercised discretion when making trades for the customer's accounts.

By reason of the foregoing, Current violated NASD Rule 2510(b) and FINRA Rule 2010.

¹ Current was no longer represented by counsel at the time of this request.

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

A bar from association with any FINRA member in any capacity.

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.

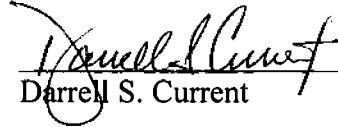
OTHER MATTERS

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: (i) testimonial obligations; or (ii) 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.

10-22-13
Date


Darrell S. Current

Accepted by FINRA:

10-29-13
Date

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


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