

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2012032562801**

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

RE: Charles W. Apodaca, Respondent
General Securities Principal
General Securities Representative
Investment Company and Variable Contracts Products Representative
Direct Participation Program Representative
CRD No. 1604427

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

Respondent Charles W. Apodaca entered the securities industry in December 1986 by applying for registration at a FINRA member. He first became registered as an Investment Company and Variable Contracts Products Representative in April 1987, a Direct Participation Program Representative in August 1989, a General Securities Representative in December 1999 and a General Securities Principal in March 2000.

From March 7, 2007 through May 11, 2012, Apodaca was registered in each of the foregoing capacities at FINRA member Capital Financial Services, Inc. He has not since become registered at or associated with any FINRA members.

Apodaca has no relevant disciplinary history.

OVERVIEW

Apodaca executed unauthorized transactions in the accounts of two customers. Further, he failed to provide testimony requested by FINRA in connection with an investigation.

FACTS AND VIOLATIVE CONDUCT

Between January 2010 and May 2012, Apodaca effected a total of 121 purchases and sales of securities in the account of Customer A. During that same time period, he effected a total of 77 purchases and sales of securities in the account of Customer B. Apodaca did not receive authorization from either customer to effect any of the transactions described above. Moreover, the customers never granted Apodaca discretionary authority over their accounts.

By effecting unauthorized transactions in customer accounts, Apodaca violated FINRA Rule 2010.

On September 23, 2013, FINRA staff sent Apodaca a request, pursuant to FINRA Rule 8210, to appear at FINRA's Seattle District Office on October 17, 2013, for the purpose of providing testimony in connection with FINRA's investigation of the above-described matters. On October 9, 2013, however, Apodaca informed the staff by telephone that he would not provide the requested testimony. He failed to appear on October 17, 2013 and has never provided the requested testimony.

By failing to provide testimony requested by FINRA staff in connection with an investigation, Apodaca violated FINRA Rules 8210 and 2010.

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

- A bar from association with all FINRA members 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).

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 prejudice 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:

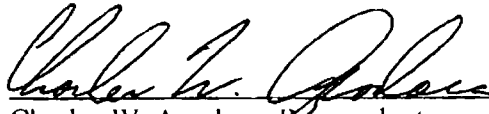
- A. Submission of this AWC is voluntary and will not resolve this matter unless and until it has been reviewed and accepted by the NAC, a Review Subcommittee of the NAC, or the Office of Disciplinary Affairs ("ODA"), pursuant to FINRA Rule 9216;
- B. If this AWC is not accepted, its submission will 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.

11-21-2013

Date (mm/dd/yyyy)


Charles W. Apodaca, Respondent

Accepted by FINRA:

12/10/2013
Date

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


John S. Han
Senior Regional Counsel
FINRA Department of Enforcement
One Montgomery Place, Suite 2100
San Francisco, California 94104
(415) 217-1100