

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2012033141501**

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

RE: Berle Stocks, Respondent
Former General Securities Representative
CRD No. 1513263

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

Berle Stocks ("Stocks") first entered the securities industry in May 1986, when a Form U4 was filed on his behalf by a FINRA member firm and he obtained a Series 7 license. Stocks left the industry in January 1988. In August 2000, a Form U4 was filed on his behalf by a FINRA member firm, and Stocks re-entered the industry. Stocks again obtained a Series 7 license and subsequently a Series 66 license. Since re-entering the industry, Stocks has been registered with two FINRA member firms. On June 29, 2012, a Form U5 was filed by Stocks' employer, FINRA member Cetera Financial Specialists, LLC (f/k/a Genworth Securities Corporation) ("Genworth"), terminating his association with the firm as of June 26, 2012. Stocks is currently not associated with a FINRA member firm.

RELEVANT DISCIPLINARY HISTORY

Stocks does not have a formal disciplinary history with any securities regulators.

OVERVIEW

Between July 2009 and June 2012 (the "Relevant Period"), Stocks: (1) effected unauthorized transactions in a customer's account; (2) recommended excessive and unsuitable trading in the customer's account; and (3) churned the customer's account. As a result of the foregoing, Stocks willfully violated Section 10(b) of the Securities Exchange Act of 1934 ("Exchange Act") and Rule 10b-5 thereunder, and also violated FINRA Rules 2010 and 2020, NASD Rule 2310, and NASD IM-2310-2.

FACTS AND VIOLATIVE CONDUCT

Unauthorized Trading

During the Relevant Period, Stocks placed approximately 1,000 securities transactions in customer JB's account without obtaining JB's authorization for the trades.

As a result of the foregoing, Stocks violated FINRA Rule 2010.

Excessive and Unsuitable Trading and Churning

During the Relevant Period, while exercising control over JB's account, and while acting with the requisite scienter, Stocks excessively and unsuitably traded and churned JB's account in a manner that was inconsistent with JB's investment objectives, financial situation, and needs. Stocks' improper trading activity resulted in an annualized turnover ratio of 10.9, and an annualized cost-to-equity ratio (converted to a percentage) of 22.74%. Moreover, Stocks' improper trading activity resulted in losses of approximately \$75,000 and generated total commissions of approximately \$110,000.

As a result of the foregoing, Stocks willfully violated Section 10(b) of the Exchange Act and Rule 10b-5 thereunder, and also violated FINRA Rules 2010 and 2020, NASD Rule 2310, and NASD IM-2310-2.

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.

2/26/2014
Date (mm/dd/yyyy)

Berle H. Stocks
Berle Stocks, Respondent

Accepted by FINRA:

05/23/2014
Date (mm/dd/yyyy)

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

Steve Graham
~~Robert Long~~ STEVE GRAHAM
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