

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2013035330101**

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

RE: Coker & Palmer, Inc., Respondent
CRD No. 29163

Pursuant to FINRA Rule 9216 of FINRA's Code of Procedure, Coker & Palmer, Inc. (hereinafter, "CPI" or "Respondent") submits 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 CPI alleging violations based on the same factual findings described herein.

I.

ACCEPTANCE AND CONSENT

A. CPI hereby accepts and consents, 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

CPI has been a FINRA member since December 1991. CPI is headquartered in Jackson, Mississippi and engages in a general securities business with private-placement offerings constituting the largest percentage of its revenue. CPI currently has 34 registered persons and maintains four branch offices.

OVERVIEW

At various times from August 23, 2010, through October 1, 2012, CPI failed to preserve and maintain electronic correspondence of associated persons and failed to establish and maintain an adequate system and procedures for the preservation, maintenance, and review of electronic correspondence of its associated persons. In addition, during the time period, from November 1, 2013, through October 31, 2014, CPI failed to enforce its written procedures regarding due diligence conducted in connection with private-placement offerings and failed to establish, maintain, and enforce adequate written procedures relating to its participation in contingency offerings.

FACTS AND VIOLATIVE CONDUCT

Email-Related Deficiencies

At various times from August 23, 2010, through October 1, 2012, CPI provided each of its associated persons with a CPI-sponsored email address for use in business-related communications. CPI's written supervisory procedures mandated that all business-related email communications be conducted through the CPI-sponsored email address and prohibited the use of personal email accounts for business-related communications. During the stated time period, CPI permitted four associated persons to maintain and utilize outside email addresses for communications relating to their respective outside businesses, which included investment-advisory, real-estate, and insurance services. However, CPI did not have an effective system or procedure in place to ensure that the outside email addresses were not used for CPI-related communications. Nor did CPI have a system in place to preserve, maintain, or review any such communications through the outside email addresses. On several occasions during the stated time period, the outside email addresses were utilized for communications relating to CPI business, and CPI did not preserve, maintain, or timely review those communications.

As a result of the foregoing conduct, Respondent CPI violated SEC Rule 17a-4; NASD Conduct Rules 3010, subparts (a) and (d)(2) and 3110 (for conduct before December 5, 2011); and FINRA Rules 4511 (for conduct after December 4, 2011) and 2010.

Supervisory Deficiencies Relating to Private-Placement and Contingency Offerings

During the time period, from November 1, 2013, through October 31, 2014, CPI failed to establish, maintain, and enforce adequate written procedures relating to its participation in contingency offerings. Specifically, CPI's written supervisory procedures relating to contingency offerings did not address actions required and actions prohibited in situations involving a modification to the terms of the contingency offering. In addition, during the time period, from November 1, 2013, through March 31, 2014, CPI failed to enforce its written procedures requiring that the specific details of due diligence conducted by the firm in connection with a private-placement offering be documented. Specifically, in connection with two private-placement offerings in which CPI participated as selling agent, CPI failed to fully document the details of the due diligence that it performed in connection with the offerings.

As a result of the foregoing conduct, Respondent CPI violated NASD Conduct Rule 3010, subparts (a) and (b)(1), and FINRA Rule 2010.

B. CPI also consents to the imposition of the following sanctions:

A censure and a fine in the amount of \$30,000.

CPI agrees to pay the monetary sanction upon notice that this AWC has been accepted and that such payment is due and payable. CPI has submitted an Election of Payment form showing the method by which it proposes to pay the fine imposed.

CPI specifically and voluntarily waives any right to claim that it is unable to pay, now or at any time hereafter, the monetary sanction imposed in this matter.

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

II.

WAIVER OF PROCEDURAL RIGHTS

CPI specifically and voluntarily waives the following rights granted under FINRA's Code of Procedure:

- A. To have a Complaint issued specifying the allegations against it;
- 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, CPI specifically and voluntarily waives any right to claim bias or prejudgment of the Chief Legal Officer, 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.

CPI further specifically and voluntarily waives 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

CPI understands 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 CPI; and
- C. If accepted:
 - 1. this AWC will become part of CPI's permanent disciplinary record and may be considered in any future actions brought by FINRA or any other regulator against CPI;
 - 2. this AWC will be made available through FINRA's public disclosure program in accordance with FINRA Rule 8313;
 - 3. FINRA may make a public announcement concerning this agreement and the subject matter thereof in accordance with FINRA Rule 8313; and
 - 4. CPI 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. CPI 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 CPI's: (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.
- D. CPI may attach a Corrective Action Statement to this AWC that is a statement of demonstrable corrective steps taken to prevent future misconduct. CPI understands that it 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 CPI, certifies that a person duly authorized to act on CPI's behalf has read and understands all of the provisions of this AWC and has been given a full opportunity

to ask questions about it; that CPI 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 CPI to submit it.

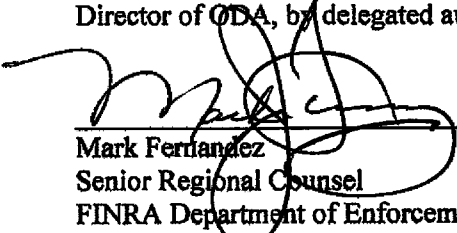
12/30/2015
Date (mm/dd/yyyy)

Coker & Palmer, Inc.
Respondent Coker & Palmer, Inc.

By: 
President

Accepted by FINRA:

January 15, 2016
Date

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

Mark Fernandez
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