

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 20150474600-01**

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

RE: Arturo Fernando Alcocer Romo, Respondent
General Securities Representative
CRD No. 5053160

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

Romo entered the securities industry as a General Securities Representative ("GSR") with Merrill Lynch, Pierce, Fenner & Smith Incorporated (the "Firm"), a FINRA-regulated broker-dealer, in October 2005. Romo received his Series 7 license in January 2006 and his Series 66 license in March 2006.

On October 22, 2015, the Firm filed a Form U5 stating that Romo had been discharged effective October 14, 2015, for "[c]onduct involving failure to adhere to firm policy regarding electronic communications by sending proprietary information to external email addresses."

On December 18, 2015, Romo became registered with another FINRA-regulated broker-dealer as a GSR. Romo is subject to FINRA's jurisdiction because he is currently employed by a FINRA-regulated broker-dealer.

RELEVANT DISCIPLINARY HISTORY

Romo has no relevant disciplinary history.

OVERVIEW

In October, 2015, Romo improperly disclosed non-public personal information of Firm customers, including names, account numbers, addresses, birthdates, and passport numbers, by e-mailing it to a relative and uploading it to a third party website. Romo's conduct violated FINRA Rule 2010 by causing the Firm to violate Regulation S-P.

FACTS AND VIOLATIVE CONDUCT

Regulation S-P generally prohibits disclosure of "non-public personal information" about a customer unless the customer receives notice and an opportunity to opt out.

Information is considered to be "non-public personal information" if it contains personally identifiable financial information about one or more consumers, including: (1) information a consumer provides to a broker-dealer to obtain a financial product or service, (2) information about a consumer resulting from any transaction involving a financial product or service between a broker-dealer and a consumer, or (3) information a broker-dealer otherwise obtains about a consumer in connection with providing a financial product or service to that consumer.

"Non-public personal information" includes names, addresses, telephone and social security numbers, birth dates, and account balances that are provided to a financial institution by its customers.

FINRA Rule 2010 requires registered persons to observe high standards of commercial honor and just and equitable principles of trade.

At all relevant times, the Firm maintained policies and procedures that (i) required all employees to protect confidential customer information imparted to them or contained in the Firm's files; and (ii) prohibited them from disclosing such information to unauthorized persons.

On October 2, 2015, Romo used his Firm e-mail account to send a message to his relative, with an attachment consisting of five Merrill Lynch Wealth Management International Client Account Information Forms, containing the names of eight customers, along with their brokerage account numbers, addresses, birthdates, and passport numbers.

On or about October 6, 2015, Romo uploaded five files to a third party website accessible to the general public. The files collectively contained the names of

nine Firm customers, along with their addresses, birthdates, passport numbers and account numbers.

On both October 2 and October 6, 2015, Romo circumvented Firm information technology ("IT") safeguards by modifying the names of the files he transmitted in order to disguise their contents.

The materials Romo disclosed included "non-public personal information" as that term is defined under Regulation S-P, because it: (1) was provided by Firm customers to obtain financial products and services; (2) resulted from transactions involving financial products or services the Firm provided to its customers; and/or (3) was obtained in connection with providing financial products or services to Firm customers. Romo did not provide notice to the Firm, or any customer, that he intended to disclose customer information to any third party, nor did he receive authorization to do so.

By improperly taking non-public personal information from the Firm in October, 2015, Romo caused the Firm to violate Regulation S-P, and in so doing violated FINRA Rule 2010.

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

- A suspension from association with any FINRA member in any capacity for 31 calendar days.
- A \$5,000 fine.

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.

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 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.

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 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. 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.

- 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.

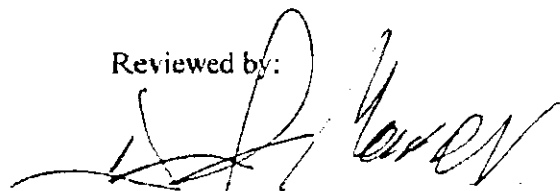
01/17/2017

Date (mm/dd/yyyy)

Respondent



Reviewed by:



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Accepted by FINRA:

2/14/17
Date

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



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