

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2016049833301**

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

RE: Alfred William Valz, Respondent
Registered Representative
CRD No. 452388

Pursuant to FINRA Rule 9216 of FINRA's Code of Procedure, I, Alfred William Valz ("Valz") 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

Valz entered the securities industry in July 1971 and since that time has been associated with nine current and former FINRA member broker-dealers. Valz obtained his Registered Representative ("Series 1") license in June 1971, his Uniform Securities Agent ("Series 63") license in June 1986, and his Uniform Investment Advisor ("Series 65") license in August 2002. Valz is currently associated with National Securities Corporation.

RELEVANT DISCIPLINARY HISTORY

Valz has no disciplinary history with the Securities and Exchange Commission, FINRA, any other self-regulatory organization, or any state securities regulator.

OVERVIEW

Between April 23, 2015 and May 14, 2015 (the "Relevant Period"), while associated with UBS Financial Services ("UBS" or the "Firm"), Valz exercised

discretion in a customer's account without obtaining prior written authorization from the customer or written approval of the account as discretionary from his employing member firm in violation of NASD Conduct Rule 2510(b) and FINRA Rule 2010.

FACTS AND VIOLATIVE CONDUCT

NASD Rule 2510(b) generally prohibits registered representatives from exercising discretion in a customer's account unless the customer has given prior written authorization to the registered representative to exercise discretion, and the registered representative's firm accepted the accounts as discretionary in writing. A violation of NASD Rule 2510(b) is also a violation of FINRA Rule 2010, which requires registered persons to, among other things, adhere to just and equitable principles of trade.

During the Relevant Period, Valz exercised discretion in effecting three transactions in a customer's account, without obtaining written authorization from the customer to exercise discretion in the accounts. Valz discussed the investment strategy with the customer prior to effecting the transactions, but exercised his discretion in effecting the transactions on dates when he had not spoken with the customer. Further, UBS did not accept the accounts for discretionary trading.

As a result of the foregoing, Valz violated NASD Rule 2510(b) and FINRA Rule 2010.

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

- A 10 business-day suspension from associating with any FINRA member broker-dealer in any capacity; and
- A fine in the amount of \$5,000.

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.

12-1-2015

Date

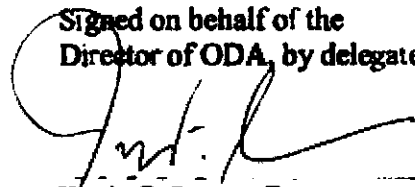

Alfred William Valz, Respondent

Accepted by FINRA:

1/3/2017

Date

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


Kevin E. Pogue, Esq.
Director
Jeffrey F. Manzella, Esq.
Senior Counsel
FINRA Department of Enforcement
Brookfield Place, 200 Liberty Street
New York, NY 10281-1003
212-416-1733 (t)
646-315-7386 (t)
301-527-4854 (f)