

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2013036045601**

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

RE: John M. Pickens, Jr. (CRD No. 4316358),
Respondent

Pursuant to FINRA Rule 9216 of FINRA's Code of Procedure, I, John M. Pickens, Jr. ("Pickens" or "Respondent"), 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

On January 31, 2001, Pickens first became registered with FINRA as a General Securities Representative. From October 3, 2006 to February 22, 2013, he was registered with FINRA through an association with United Brokerage Services, Inc. (BD No. 39062) ("UBSI" or "Firm") as a General Securities Representative. On February 22, 2013, UBSI filed a Uniform Termination Notice for Securities Industry Registration ("Form U5") stating that Pickens was terminated. His last date of employment was February 8, 2013. Pickens is not currently associated with a FINRA member firm. Pursuant to Article V, Section 4 of the By-Laws, however, FINRA retains jurisdiction over Pickens.

RELEVANT DISCIPLINARY HISTORY

Pickens has no prior formal disciplinary history with the Securities and Exchange Commission, any self-regulatory organization or any state securities regulator.

OVERVIEW

Between November 9, 2009 and February 7, 2012, Pickens sent six letters to five UBSI customers (RH, CC, MR, HS, and PK) without the Firm's knowledge or authorization, circumventing its procedures for reviewing and approving outgoing correspondence. As detailed below, the letters made false representations and/or promised unauthorized benefits regarding an investment product that each customer owned and three of the six letters purported to be signed, or in two instances co-signed, by other individuals when in fact Pickens forged the individuals' signatures on the letters and sent them. Pickens also effected unauthorized money transfers amongst RH's accounts thereby misusing her money.

FACTS AND VIOLATIVE CONDUCT

1. Between November 9, 2009 and February 7, 2012, Pickens sent six letters to five UBSI customers without the Firm's knowledge or authorization, circumventing its procedures for reviewing and approving outgoing correspondence. The customers were RH, CC, MR, HS and PK (who received two letters). Based on the foregoing, Pickens violated FINRA Rule 2010.
2. All of the above-referenced letters to RH, CC, MR, HS and PK made false representations and/or promised unauthorized benefits regarding an investment product that each customer owned. For example, on October 17, 2011, Pickens sent a letter to CC, stating that if she wanted to withdraw funds from her fixed annuity before the surrender period expired on April 25, 2015, the Firm would reimburse the surrender charges. The representation in the letter was false in that the Firm had no knowledge Pickens had made it and did not authorize it. On April 29, 2011, Pickens sent a letter to PK concerning a fixed annuity PK owned. The letter stated that the Firm had agreed to a "reimbursement schedule" whereby the Firm would pay her 1.5% interest on the value of her annuity as of April 1, 2011 that would be in addition to the interest paid by the annuity issuer. On February 7, 2012, Pickens prepared and sent an additional letter to PK concerning her fixed annuity. This letter stated that the Firm had agreed to a "reimbursement schedule" whereby the Firm would pay her 1.5% interest on the value of her annuity as of December 31, 2011 that would be in addition to the interest paid by the annuity issuer. The representations in the respective letters were false in that the Firm had no knowledge of the representations Pickens made in the letters to PK and did not authorize such payments. Based on the foregoing, Pickens violated NASD Conduct Rule 2210(d)(1) and FINRA Rule 2010.
3. Pickens forged signatures on three of the six letters:
 - One letter purported to be signed by Pickens and AS, his manager at UBSI, when in fact Pickens forged AS's signature;

- One letter purported to be signed by Pickens and BG, his former colleague at UBSI, when in fact Pickens forged BG's signature; and
- One letter purported to be signed by TS, an officer at another company and was sent on that company's stationery, when in fact Pickens forged TS's signature.

Based on the foregoing, Pickens violated FINRA Rule 2010.

4. The February 2010 letter to customer RH stated that the Firm would make specified payments to her with respect to two variable annuities she owned. Thereafter, on nine occasions in 2010 and on four occasions in 2013, without RH's knowledge or authorization, Pickens caused a total of about \$7,714 to be withdrawn from a money market fund RH owned and deposited into her two variable annuities. Based on the foregoing, Pickens violated NASD Conduct Rule 2330(a) (for conduct before December 15, 2010), FINRA Rule 2150(a) (for conduct after December 14, 2010) and FINRA Rule 2010.

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

- a bar from association with any FINRA member in any capacity.

I understand that if I am barred 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 (see FINRA Rules 8310 and 8311).

The sanction imposed herein shall be effective on a date set by FINRA staff. Pursuant to FINRA Rule 8313(e), a bar 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

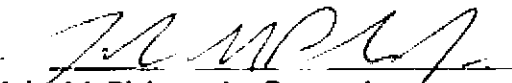
I understand that:

- 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.

7-31-2013
Date (mm/dd/yyyy)


John M. Pickens, Jr., Respondent

Accepted by FINRA:

August 6, 2013
Date

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


Thomas M. Huber
Sr. Regional Counsel
FINRA Department of Enforcement
1835 Market Street, Suite 1900
Philadelphia, PA 19103
(215) 963-1990
Fax: 215-496-0434