

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2015047426001**

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

**RE: Murray G. Monroe, Respondent
General Securities Representative and
Investment Company and Variable Contracts
Products Representative
[CRD No. 2337934]**

Pursuant to FINRA Rule 9216 of FINRA's Code of Procedure, I, Murray G. Monroe ("Monroe" 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

Monroe first became registered with FINRA in April 1993, as an Investment Company and Variable Contracts Products Representative of a member of FINRA. During all periods mentioned herein, Respondent was associated with Western International Securities, Inc. (the "Firm") and was registered with FINRA under Article V of the By-Laws as a General Securities Representative and an Investment Company and Variable Contracts Products Representative. Monroe is currently associated with the Firm and registered with FINRA, and thus remains subject to FINRA's jurisdiction. Monroe has no prior disciplinary history.

OVERVIEW

By failing to timely notify and obtain approval from the Firm after learning that a customer had named him as executor of her estate and granted him general power-of-attorney, Monroe violated FINRA Rule 2010. In addition, by failing to provide the Firm with prior written notice of his expectation of compensation due to his being named as the executor in a customer's will, Monroe violated FINRA Rules 3270 and 2010.

FACTS AND VIOLATIVE CONDUCT

1. From August 2015 through October 21, 2015, Monroe failed to disclose to his employing firm that he had been named executor of customer DL's estate. In addition, from September 25, 2015 through October 21, 2015, Monroe failed to disclose to his employing firm that he had been granted general power of attorney to act on DL's behalf. Monroe's employing firm only discovered the fiduciary appointments when the Firm obtained documents in order to close DL's account after her death. Monroe did not initiate the disclosure. The failures to make the disclosures violated the Firm's written supervisory procedures and FINRA Rule 2010.

FINRA Rule 2010 requires associated persons to observe high standards of commercial honor and just and equitable principles of trade. Failing to comply with a FINRA regulated broker-dealer's policies and procedures requiring the disclosure of fiduciary designations by customers violates FINRA Rule 2010.

The Firm's written supervisory procedures state that an employee may not act as a fiduciary, such as a trustee or executor, unless the fiduciary appointment is by a family member or the employee is granted prior approval by the Firm for the appointment. Monroe was not related to DL and had not sought prior approval to be appointed as her executor or general power of attorney. By failing to disclose the fiduciary appointments (general power-of-attorney and executor) to his firm, Monroe circumvented the Firm's supervision.

By virtue of the foregoing, Monroe violated FINRA Rule 2010.

2. FINRA Rule 3270 prohibits any registered person from being an employee, independent contractor, sole proprietor, officer, director or partner of another person, or being compensated, or having the reasonable expectation of compensation, from another person as a result of any business activity outside the scope of the relationship with his or her member firm, unless he or she has provided prior written notice to the firm in the form specified by the firm and received approval from the firm.

California Probate Code §10800 provides that for ordinary services an executor (known as a personal representative under California law) shall receive compensation based upon the value of the estate as follows: (a) four percent on the first \$100,000; (b) three percent on the next \$100,000; (c) two percent on the next \$800,000; and (d) one percent on the next nine million dollars. For purposes of calculating the value of the estate the statute makes clear that the value is determined without reference to any debt or encumbrances on the estate. The value of the real property that comprised the estate was approximately \$800,000, and the value of the brokerage account was approximately \$480,000. As a result, by operation of law, Monroe had a reasonable expectation of compensation.

In August 2015, Monroe became aware that he was named as executor in DL's will; however, Monroe did not provide notice to the Firm of his being named as executor in DL's will or his expectation of compensation. The Firm learned of his executor status on October 21, 2015 as a result of processing the closing of DL's account on her death. At that time, the Firm obtained a copy of DL's will and discovered that Monroe had been named executor.

By virtue of the foregoing, Monroe violated FINRA Rules 3270 and 2010.

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

- A suspension from association with any FINRA member, in any and all capacities, for a period of four months; and
- A fine of \$15,000.

I agree to pay the monetary sanction upon notice that this AWC has been accepted and that such payment is 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 imposed in this matter.

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.

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 prejudice 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 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.

06/14/2017
Date (mm/dd/yyyy)

Murray G. Monroe
Murray G. Monroe, Respondent

Reviewed by:

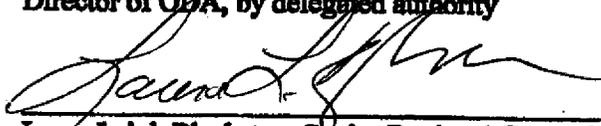
Brandon S. Reif
David Muner, Esq. Brandon S. Reif, Esq.
Counsel for Respondent

Accepted by FINRA:

July 6, 2017

Date

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



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