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REGISTRATION & DISCLOSURE

FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 20060067191-02

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

RE: Westrock Advisors, Inc., Respondent
Member Firm
BD No. 114338

Pursuant to NASD Rule 9216 of FINRA's Code of Procedure, Westrock Advisors, Inc. ("Westrock" or the "Firm") 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 Westrock alleging violations based on the same factual findings described herein.

I.

ACCEPTANCE AND CONSENT

- A. Westrock 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

Westrock has been a FINRA member firm since February 7, 2002. It is a full service broker-dealer.

RELEVANT PRIOR DISCIPLINARY HISTORY

Westrock has the following relevant formal disciplinary history:

In 2007, an AWC submitted by Westrock was accepted by FINRA. In the AWC, Westrock consented to findings that it, *inter alia*, failed to have reasonable written supervisory procedures in place to ensure compliance with NASD Rules 2711 and 2110, and the firm conducted an options business at a branch without a supervisor who was

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registered as either a registered options principal or as a limited principal general securities sales supervisor. For those and other violations, the firm consented to sanctions of a censure and a fine of \$42,000.

Westrock has no other relevant formal disciplinary history with the Securities and Exchange Commission, any state securities agency or any self-regulatory organization.

FACTS AND VIOLATIVE CONDUCT

1. During the period from April 2005 through January 2007 Westrock failed to:
 - (a) establish and maintain an adequate supervisory system in that the firm failed to assign a supervisor to registered representative and producing branch office manager Lee Alexander Gold; and
 - (b) include in its written report of a November 2006 inspection and review of the Amityville branch office certain required topics, including the testing and verification of Westrock's supervisory policies and procedures regarding the transmittal of funds between customers and registered representatives.

By reason of the foregoing, Westrock violated NASD Conduct Rules 3010 and 2110.

2. During the period from April 2005 through January 2007, Westrock failed to establish, maintain and enforce written supervisory control procedures relating to:
 - (a) NASD Conduct Rule 3012(a)(2)(C) and its requirement of an analysis and determination of whether producing branch office managers should have been subjected to heightened supervision; and
 - (b) NASD Conduct Rule 3012(a)(2)(B) and its requirement that firms review and monitor the transmittal of funds (e.g., wires or checks, etc.) between customers and registered representatives.

By reason of the foregoing, Westrock violated NASD Conduct Rules 3012 and 2110.

OTHER FACTORS

- B. Westrock also consents to the imposition of the following sanctions:
 - A Censure; and
 - A Fine of \$15,000.

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

Westrock 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

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

- A. To have a Formal Complaint issued specifying the allegations against it;
- B. To be notified of the Formal 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, Westrock specifically and voluntarily waives 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.

Westrock further specifically and voluntarily waives any right to claim that a person violated the *ex parte* prohibitions of NASD Rule 9143 or the separation of functions prohibitions of NASD 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

Westrock understands that:

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- 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 NASD Rule 9216;
 - B. If this AWC is not accepted, its submission will not be used as evidence to prove any of the allegations against Westrock; and
 - C. If accepted:
 - i. this AWC will become part of Westrock's permanent disciplinary record and may be considered in any future actions brought by FINRA or any other regulator against Westrock;
 - 2. this AWC will be made available through FINRA's public disclosure program in response to public inquiries about Westrock's disciplinary record;
 - 3. FINRA may make a public announcement concerning this agreement and the subject matter thereof in accordance with NASD Rule 8310 and IM-8310-3; and
 - 4. Westrock 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. Westrock 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 Westrock's right to take legal or factual positions in litigation or other legal proceedings in which FINRA is not a party.
 - D. Westrock may attach a Corrective Action Statement to this AWC that is a statement of demonstrable corrective steps taken to prevent future misconduct. Westrock 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.

Westrock Advisors, Inc. certifies that it has read and understands all of the provisions of this AWC and has been given a full opportunity to ask questions about it; that Westrock 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 Westrock to submit it.

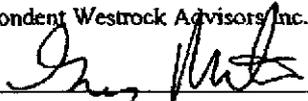
Date

Respondent Westrock Advisors Inc.

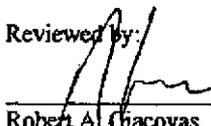
By:

Name:

Title:


Greg Martino
10/26/08

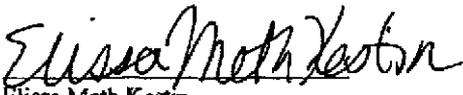
Reviewed by:


Robert A. Giacovas, Esq.
Counsel for Westrock Advisors Inc.
Lazare Potter Giacovas & Kranjac, LLP
950 Third Avenue
New York, New York 10022
(212) 758-9300

Accepted by FINRA:

November 21, 2008
Date

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


Elissa Meth Kestin
Senior Regional Counsel
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