BEFORE THE COMMISSIONER OF COMMERCE AND INSURANCE OF THE STATE OF TENNESSEE AT NASHVILLE

TENNESSEE SECURITIES DIVISION,	)	
Petitioner	)	
	)	**Order No. 05-004**
vs.	)	
	)	
DAVID HERMAN BECERRA,	)	
Respondent	)	

CONSENT ORDER

The Tennessee Securities Division ("Division") and David Herman Becerra, Respondent herein, agree to the entry of this Consent Order in accordance with Tenn. Code Ann. § 48-2-116 of the Tennessee Securities Act of 1980, as amended, Tenn. Code Ann. § 48-2-101, et seq. ("Act"), which states that the Commissioner of Commerce and Insurance ("Commissioner") from time to time may make such orders as are necessary to carry out the provisions of the Act.

GENERAL STIPULATIONS

1. It is expressly understood that this Consent Order is subject to the Commissioner's acceptance and has no force and effect until such acceptance is evidenced by the entry of the Commissioner.

2. This Consent Order is executed by the Respondent for the purpose of avoiding further administrative action with respect to this cause. Furthermore, should this Consent Order not be accepted by the Commissioner, it is agreed that presentation to and

consideration of this Consent Order by the Commissioner shall not unfairly or illegally prejudice the Commissioner from further participation or resolution of these proceedings.

3. Respondent fully understands that this Consent Order will in no way preclude additional proceedings by the Commissioner against the Respondent for acts or omissions not specifically addressed in this Consent Order for facts and/or omissions that do not arise from the facts or transactions herein addressed.

4. The Respondent fully understands that this Consent Order will in no way preclude additional proceedings by the Commissioner for the Department of Commerce and Insurance or any other state government representative against the Respondent for violations of law under other statutes, rules, or regulations of the State of Tennessee, which may arise out of the facts, acts, or omissions contained in the Findings of Fact and Conclusions of Law stated herein, or which may arise as a result of the execution of this Consent Order by the Respondent.

5. Respondent expressly waives all further procedural steps, and expressly waives all rights to seek judicial review of or to otherwise challenge or contest the validity of the Consent Order, the stipulations and imposition of discipline contained herein, and the consideration and entry of said Consent Order by the Commissioner.

FINDINGS OF FACT

1. The Tennessee Securities Act of 1980, as amended, Tenn. Code Ann. § 48-2-101, et seq. (the "Act"), places the responsibility for the administration of the Act on the Commissioner of Commerce and Insurance ("Commissioner"). The Division is the lawful

agent through which the Commissioner discharges this responsibility. Tenn. Code Ann. § 48-2-115.

2. David Herman Becerra ("Becerra") (CRD#3147117) maintains his address at 4274 NW 114th Terrace, Coral Springs, FL 33065. Becerra is not currently registered in any capacity with the Division pursuant to the Act. Becerra, although previously registered with the NASD and in other jurisdictions, is not presently nor was he registered with the Division pursuant to the Act during the course of his employment and association with GunnAllen Financial, Inc. ("GunnAllen"). Becerra was a registered agent in Tennessee during the course of his employment with L.H. Ross & Company, Inc. That registration was termed on January 2, 2004.

3. Helen Lee ("Lee") is a citizen and resident of Knox County, Tennessee. She maintains her address at 5819 Hillock Lane, Knoxville, TN 37918.

4. Lee received a telephone message from Becerra who identified himself as an agent of L.H. Ross & Company. The phone message states that it was imperative that she return his call concerning her assets with L.H. Ross & Company.

5. Lee returned the phone call. When she called, she learned that Becerra was with GunnAllen. Becerra told Lee that he used to work for L.H. Ross & Company, but that he had left. Becerra attempted to transer Lee's business from L.H. Ross & Company to GunnAllen.

6. Lee was unfamiliar with GunnAllen and Becerra at the time that she returned the call. Lee had dealt with her broker at L.H. Ross & Company, Douglas Martin, for over 15 years. Her accounts had been at L.H. Ross & Company for approximately three years.

Lee had not had any complaints or problems with the servicing of her accounts by either Martin or L.H. Ross.

7. On August 10, 2004, GunnAllen terminated Becerra's employment for solicitation in a state where he was not registered.

8. Becerra did attempt to transfer securities business in, from, or into the State of Tennessee at a time when he was not registered pursuant to the Act to do so.

CONCLUSIONS OF LAW

9. Pursuant to Tenn. Code Ann. §48-2-115(a), the responsibility for administration of the Act is upon the Commissioner. The Division is the lawful agent through which the Commissioner discharges this responsibility.

10. Tennessee Code Annotated §48-2-109(a) provides that it is unlawful for any person to transact business from or in this state as a broker-dealer or agent or investment advisor unless such person is registered as a broker-dealer or agent or investment advisor under this part.

11. The averments in paragraphs two - eight of this Consent Order constitute practices by David Herman Becerra, which would provide grounds under Tenn. Code Ann. § 48-2-109 for the entry of an order of sanctions against David Herman Becerra.

ORDER

NOW, THEREFORE, on the basis of the foregoing, and the Respondent's waiver of right to a hearing and appeal under the Tennessee Securities Act and Tennessee's Uniform Administrative Procedures Act, Tenn. Code Ann. § 4-5-101 et seq., and the Respondent's admission of jurisdiction of the Commissioner, the Commissioner finds that

Respondent, David Herman Becerra, for the purpose of settling this matter, admits the matters herein, has agreed to the entry of this Order and that the following Order is appropriate, in the public interest and necessary for the protection of investors.

IT IS ORDERED, pursuant to Tennessee Code Annotated §48-2-116(a) of the Tennessee Securities Act that:

1. Respondent **IS ORDERED AND AGREES** to fully comply with the Tennessee Securities Act, as amended, and all rules promulgated thereunder.

2. Respondent **IS ORDERED AND AGREES** to permanently cease and desist from committing violations of the Tennessee Securities Act of 1980, as amended.

3. Respondent **IS ORDERED AND AGREES** that should any Respondent seek registration with the Division as a broker-dealer, agent of a broker-dealer, investment adviser, or agent of an investment adviser, such Respondent shall state on Form U-4 this action, pursuant to the instructions of said form and as required by the NASD, and file the appropriate Disclosure Reporting Page to disclose the details of this filed administrative action. Respondent **IS FURTHER ORDERED AND AGREES** that disclosure of the existence and terms of this Consent Order shall be disclosed in any offer to sell, private placement memoranda, or other sales tool which in any manner relates to the issuance, sale, or offer to sell a security.

4. Respondent is hereby **ASSESSED** a civil penalty in the amount of five hundred dollars ($500.00). Said sum shall be due and paid in full upon execution of this document, but in no event later than March 15, 2005. Payment in the form of a money order

or cashier's check, made payable to the State of Tennessee, shall be mailed or delivered to:

State of Tennessee
Department of Commerce and Insurance
Attention: Michele K. Elliott, Staff Attorney
500 James Robertson Parkway, 5th Floor
Nashville, Tennessee 37243.

5. Respondent hereby **AGREES AND ACKNOWLEDGES AND IT IS ORDERED** that failure to comply with all of the requirements and prohibitions contained in this Order shall result in the denial of any application by Respondent for any registration and/or licensure of any type, which registration and/or licensure is administered by the Division of Securities and/or the Department of Commerce and Insurance.

Execution of this Consent Order is due on or before January 31, 2005.

IT IS ORDERED that this Order represents the complete and final resolution of, and discharge with respect to all administrative and civil, claims, demands, actions and causes of action by the Securities Division against David Herman Becerra for violations of the Tennessee Securities Act of 1980, as amended, alleged to have occurred with respect to facts contained herein. Nothing herein may be construed as preventing a separate division or section of the Department of Commerce and Insurance or a separate entity of the State of Tennessee from taking other appropriate action against the Respondent based on the Findings of Fact and Conclusions of Law enumerated herein or the existence of this executed Consent Order.

This Consent Order is in the public interest and in the best interests of the parties, and represents a compromise and settlement of the controversy between the parties and is

for settlement purposes only. By the signature affixed below, David Herman Becerra affirmatively states that he has freely agreed to the entry of this Consent Order, that he waives his right to a hearing on the matters underlying this Consent Order and to a review of the Findings of Fact and Conclusions of Law contained herein, and that no threats or promises of any kind have been made by the Commissioner, the Division, or any agent or representative thereof. The parties, by signing this Consent Order, affirmatively state their agreement to be bound by the terms of this Consent Order and aver that no promises or offers relating to the circumstances described herein, other than the terms of settlement set forth in this Consent Order, are binding upon them.

ENTERED this 28th day of February, 2005.

Paula A. Flowers

Paula A. Flowers, Commissioner
Department of Commerce and Insurance

APPROVED FOR ENTRY:

David H Becerra

David Herman Becerra,
Respondent

Daphne D. Smith

Daphne D. Smith,
Assistant Commissioner for Securities
Department of Commerce and Insurance

Michele K. Elliott

Michele K. Elliott (BPR#022618)
Staff Attorney
Department of Commerce and Insurance
500 James Robertson Parkway, Fifth Floor
Nashville, Tennessee 37243
(615) 741-2199