

BEFORE THE NATIONAL ADJUDICATORY COUNCIL
FINANCIAL INDUSTRY REGULATORY AUTHORITY

In the Matter of

Department of Enforcement,

Complainant,

vs.

Ryan A. Leopold
New Orleans, LA,

Respondent.

DECISION

Complaint No. 2007011489301

Dated: February 24, 2012

Respondent falsified hotel invoices and verification letters. Held, findings affirmed, in part, and sanctions modified.

Appearances

For the Complainant: Laura Leigh Blackston, Esq. and Leo F. Orenstein, Esq., Department of Enforcement, Financial Industry Regulatory Authority

For the Respondent: Meredith A. Cunningham, Esq.

Decision

Ryan A. Leopold (“Leopold”) and FINRA’s Department of Enforcement (“Enforcement”) each appeal a May 21, 2010 Hearing Panel decision pursuant to FINRA Rule 9311. The Hearing Panel found that Leopold fabricated hotel invoices and broker-dealer verification letters, in violation of NASD Rule 2110, and barred him.¹ Leopold appeals the Hearing Panel’s sanction determination.

The Hearing Panel also concluded that Enforcement failed to prove that Leopold’s falsification of hotel invoices and verification letters caused his employer member firm’s books and records to be inaccurate and in violation of Section 17(a) of the Securities Exchange Act of 1934 (“Exchange Act”), Exchange Rule 17a-3, and NASD Rule 3110 (“books and records rules”), which Enforcement alleged was a violation of NASD Rule 2110. Enforcement appeals

¹ The conduct rules that apply in this case are those that existed at the time of the conduct at issue.

this finding. After an independent review of the record, we affirm, in part, the Hearing Panel's findings and modify the sanctions it imposed.

I. Background

Enforcement initiated this action on March 30, 2009, with a complaint alleging two causes of action. The first cause alleges that Leopold violated NASD Rule 2110 by falsifying hotel invoices and verification letters. The second cause of action alleges that by submitting these fictitious hotel invoices and verification letters to his employer, PLANCO Financial Services, LLC ("PLANCO"), Leopold violated NASD Rule 2110 by causing his employer member firm to be in violation of the books and records rules. Leopold admitted his falsification of documents prior to the hearing. On January 11, 2010, Leopold and Enforcement entered into joint stipulations in which Leopold stipulated, among other things, that he created ten hotel invoices for meetings that did not occur and forged verification letters from registered representatives of broker-dealers in support of those fictitious meetings. The parties also stipulated that Leopold did not convert PLANCO funds or property.

During the pre-hearing conference on February 17, 2010, the Hearing Officer stated that the hearing would address sanctions alone because Leopold's admissions established liability on both counts. When counsel for Leopold noted that Leopold had not admitted liability as to the books and records cause of action, the Hearing Officer stated that Enforcement did not need to present evidence on that cause because Leopold's submission of false documents "per se" caused PLANCO to be violation of its books and records obligations.

At the commencement of the hearing on February 25, 2010, the Hearing Officer reiterated that the hearing would be limited to a determination of sanctions. Based on the Hearing Officer's representations, Enforcement did not call any witnesses to testify. Leopold testified on his own behalf and called as a witness his current supervisor at Lincoln Financial Services ("Lincoln Financial"), Tad Fifer ("Fifer"). Fifer is a divisional sales manager at Lincoln Financial, covering the southwest region for Lincoln Financial's Choice Plus Annuity line, and oversees approximately 12 wholesalers in the region. Fifer testified that Leopold was forthright with Lincoln Financial about his falsification of documents while at PLANCO and subsequent termination. Fifer also stated that due to his prior disciplinary history at PLANCO, Lincoln Financial created a heightened supervision program focused on Leopold's expense reporting. The heightened supervision plan requires that all of Leopold's reimbursement requests be submitted weekly along with the original receipts, which Fifer reviews before approving any expenses. He also travels with Leopold on a quarterly basis to meetings with retail firms and reviews with Leopold both Lincoln Financial's policies and procedures and those of the firms at which he makes presentations.

Notwithstanding the Hearing Officer's statements that the false submissions "per se" caused PLANCO to violate the books and records rules, the Hearing Panel found that Enforcement failed to present any evidence about how PLANCO recorded or accounted for Leopold's expenses in its books and records and thus dismissed cause two of the complaint. The Hearing Panel, amid a split decision, barred Leopold for his violation of NASD Rule 2110 under the first cause of action. Both parties have appealed. Leopold appeals on the grounds that the

bar is inappropriately punitive under the circumstances of the case. Enforcement appeals the Hearing Panel's dismissal of the books and records cause of action as contrary to the rulings made by the Hearing Officer during the pre-hearing conference as well as at the hearing itself.

II. Facts

The parties have stipulated as to liability under cause one (falsification of documents) and the underlying facts are not in dispute.

A. Leopold's Employment History

Leopold entered the securities industry in January 2005, as an investment company and variable contracts products limited representative at PLANCO. Leopold is currently employed by Lincoln Financial as a variable annuity wholesaler.

B. Leopold's Employment at PLANCO

Beginning in late 2004, Leopold was employed as a regional marketing director, or wholesaler, for PLANCO, a subsidiary of The Hartford Financial Services Group, Inc. ("Hartford Group").² One of his job responsibilities was to make seminar presentations to the registered representatives of other broker-dealers who would, in turn, sell variable annuity products issued by the Hartford Group or one of its subsidiaries. Leopold personally paid for the expenses associated with these seminars and received reimbursement from PLANCO based on a percentage of the total product sales generated by his presentations. PLANCO did not reimburse its wholesalers, including Leopold, beyond a certain set amount; however, for certain additional allowable expenses, the firm paid the wholesaler an equivalent amount of gross commissions without the deduction of income tax. During Leopold's tenure at PLANCO, he was provided an annual business expense account of approximately \$50,000 that he, like many of the wholesalers, regularly exceeded. PLANCO required its wholesalers to produce receipts for their seminars and related expenses as well as a verification letter from each broker-dealer whose representatives attended the seminars.

² A "wholesaler" markets a product to broker-dealers in an effort to persuade those broker-dealers to sell the offering to their customers. A wholesaler typically does not engage in retail sales of an offering.

C. Leopold Generated False Invoices and Verification Letters

From July 28, 2005, through June 7, 2007, Leopold admittedly used the template of an Embassy Suites hotel invoice to create ten invoices for meetings that did not occur and submitted those invoices to PLANCO for reimbursement. The template for the creation of these hotel invoices was found on Leopold's company-issued computer's hard drive.³

In connection with these created invoices, Leopold generated fictitious verification letters from the registered representatives of broker-dealers purportedly thanking Leopold for conducting the seminars. Leopold forged registered representatives' signatures to seven of the verification letters, leaving the other three letters unsigned. Leopold did not have authorization from the clients to draft these letters or to sign on their behalf.

On nine other occasions, Leopold admittedly submitted invoices to PLANCO that he created for meetings that occurred, but for which he did not maintain original receipts. Leopold approximated the amounts contained in these invoices and submitted these invoices to PLANCO, without informing the firm that he generated these invoices himself and only approximated the amounts. At the times Leopold engaged in the admitted misconduct, he had exceeded the \$50,000 expense limit provided by PLANCO, therefore these invoices and verification letters did not result in payments by PLANCO to Leopold. Rather, Leopold did this to reduce his tax liability. The total amount of the false hotel invoices submitted by Leopold was \$7,760.38, resulting in a reduction of his tax liability by approximately \$720.⁴

D. Leopold's Termination from PLANCO

During PLANCO's 2007 routine review of Leopold's expenses, its auditors identified an unusual pattern of activity and referred the matter to the Hartford Group's internal audit department. After the audit, the Hartford Group questioned Leopold, and he admitted that he falsified the hotel invoices and verification letters. In November of 2007, PLANCO terminated Leopold's employment and disclosed the reasons for the termination on his Form U5. Subsequent to this termination in December of 2007, FINRA initiated its own investigation.

E. Leopold's Association with Lincoln Financial

Leopold joined Lincoln Financial in June of 2008, after being recruited by Fifer. Fifer was the only other witness to testify at the hearing besides Leopold. Lincoln Financial was

³ Early in his employment at PLANCO, Leopold began working with a veteran wholesaler, with whom he traveled and who acted as a mentor for Leopold. This veteran wholesaler was the individual who introduced Leopold to the practice of reducing a wholesaler's tax liability by taking advantage of PLANCO's reimbursement system and provided Leopold with the computer template on which he created his fictitious invoices. This association merits mention only because it is discussed in the record and joint stipulations and is not mitigating.

⁴ Leopold has filed amended tax returns for 2006 and paid an additional \$720 in taxes.

aware of the circumstances of Leopold's termination from PLANCO prior to hiring Leopold, and pursuant to *NASD Notice to Member 97-19*, 1997 NASD LEXIS 23 (Apr. 1997) placed Leopold under heightened supervision. Leopold remains under heightened supervision at Lincoln Financial and has had no disciplinary problems since joining the firm.

III. Discussion

Our role as an appellate body is to conduct a de novo review of cases appealed from Hearing Panel decisions to determine whether, in each instance, Enforcement has proven its allegations by a preponderance of the evidence and whether the sanctions imposed are appropriate. *Dep't of Enforcement v. Sathianathan*, Complaint No. C9B030076, 2006 NASD Discip. LEXIS 3, at *51 (NASD NAC Feb. 21, 2006), *aff'd*, Exchange Act Rel. No. 54722, 2006 SEC LEXIS 2572 (Nov. 8, 2006), *aff'd*, 304 Fed. App'x 883 (D.C. Cir. 2008). If we find that "the totality of the evidence suggests an equally or more compelling inference than [Enforcement's] allegation," we can reverse or modify a Hearing Panel's findings. *Dep't of Enforcement v. Reynolds*, Complaint No. CAF990018, 2001 NASD Discip. LEXIS 17, at *54 (NASD NAC June 25, 2001) (citing *SEC v. Moran*, 922 F. Supp. 867, 892 (S.D.N.Y. 1996)).

For the reasons discussed below, we affirm the Hearing Panel's findings that Leopold falsified hotel invoices and registered representative verification letters based on the joint stipulations agreed to by the parties. We vacate the Hearing Panel's dismissal of the second cause of the complaint. We find that the Hearing Panel precluded Enforcement from presenting its case and then proceeded inappropriately to dismiss the cause of action based on Enforcement's failure to sustain its burden of proof.

A. Leopold's Falsification of Documents

There is no dispute that Leopold created fictitious hotel invoices and forged the signatures of registered representatives on false verification letters for the purpose of reducing his tax liability, in violation of NASD Rule 2110. "Falsifying documents is a prime example of misconduct that adversely reflects on a person's ability to comply with regulatory requirements and has been held to be a practice inconsistent with just and equitable principles of trade." *Dep't of Enforcement v. Taylor*, No. C8A050027, 2007 NASD Discip. LEXIS 11, at *22-23 (NASD NAC Feb. 27, 2007).

Leopold used an Embassy Suites invoice template, provided by another PLANCO employee, to generate invoices for meetings that did not occur, or for which he did not maintain actual receipts, and he submitted these invoices to PLANCO as expenses. Leopold also created false verification letters to accompany the forged hotel invoices, purportedly thanking Leopold for holding meetings that never occurred. Leopold stipulated that on seven occasions, he signed the registered representatives' signatures to the verification letters without their authorization. Based on Leopold's admissions, the Hearing Panel correctly found him to be in violation of NASD Rule 2110.

B. Books and Records Violations

Enforcement appealed the Hearing Panel's decision with respect to its finding that Enforcement failed to prove that Leopold's falsification of hotel invoices and verification letters caused his employer's books and records to be inaccurate and not in compliance with Exchange Act Section 17(a), Exchange Rule 17a-3, and NASD Rules 3110 and 2110. Enforcement maintains that the Hearing Panel erred in its findings based on the Hearing Officer's statements on the record during the pendency of this matter. We agree with Enforcement and vacate the Hearing Panel's dismissal under cause two.

Our review of the Hearing Panel's decision permits us to make independent findings and cure any errors that may exist in the Hearing Panel's decision. *See Kevin M. Glodek*, Exchange Act Rel. No. 60937, 2009 SEC LEXIS 3936, at *19 (Nov. 4, 2009) (stating that the NAC's review is de novo, and the NAC has the authority to make an independent finding), *aff'd*, No. 09-5325, 2011 U.S. App. LEXIS 6178 (2d Cir. Mar. 25, 2011); *Dep't of Enforcement v. Erenstein*, Complaint No. C9B040080, 2006 NASD Discip. LEXIS 31, at *10 (NASD NAC Dec. 18, 2006) (holding that the NAC's de novo review of the Hearing Panel's decision "cures any drafting deficiencies or errors that may exist in the Hearing Panel's decision"), *aff'd*, Exchange Act Rel. No. 56768, 2007 SEC LEXIS 2596, (Nov. 8, 2007), *aff'd*, 2008 U.S. App. LEXIS 19746 (11th Cir. Sep. 16, 2008). The Hearing Officer's statements on the record during the pre-hearing conferences and at the hearing itself completely contradicted the final rulings made by the Hearing Panel in the decision. The Hearing Officer's statements prejudiced Enforcement by prohibiting it from presenting its case in chief, and prejudiced Leopold by denying him the opportunity to defend against those allegations. We therefore vacate the Hearing Panel's findings under cause two.

Although we vacate the Hearing Panel's dismissal under cause two, we do not adopt Enforcement's position that Leopold's admissions contained in the joint stipulations and the documents presented at the hearing are sufficient to find that he caused his member employer firm's books and records to be in violation of SEC and NASD rules. Enforcement had the burden of proving, by a preponderance of the evidence, each violation charged in the complaint. *See Dep't of Enforcement v. Reynolds*, 2001 NASD Discip. LEXIS 17 at *54-55 (NAC June 25, 2001). Leopold in turn was entitled to an opportunity to respond to Enforcement's presentation of evidence and offer a defense. Due to the Hearing Officer's rulings, each side was prohibited from proffering evidence to support, or defend against, the books and records allegations. In light of this, and based on the record that we have before us, we are unable to make a reasoned and supported determination that Leopold either did or did not violate NASD Rule 2110 in count two. Moreover, as discussed in greater detail in the sanctions discussion below, while we have determined that the Hearing Panel erred in dismissing the books and records cause of action, we decline to remand the matter for further consideration. Our analysis of Leopold's falsification leads us to conclude that even if we were to find that he caused his firm to violate the books and records rules, any sanction imposed for said violation would not be materially different from the suspension we impose for the falsification of documents, because both violations resulted from identical conduct.

IV. Sanctions

The FINRA Sanction Guidelines (“Guidelines”) for forgery or falsification of records recommend a fine of \$5,000 to \$100,000 and a suspension for up to two years in cases where mitigating factors exist, and a bar in egregious cases.⁵ In determining appropriate sanctions, we also are guided by the “General Principles Applicable to All Sanction Determinations” and the “Principal Considerations in Determining Sanctions” included in the Guidelines.⁶

Based on its findings that Leopold generated falsified hotel invoices and related verification letters, the Hearing Panel found his violation egregious and barred Leopold from associating with any firm in any capacity.⁷ The record does not support this sanction. Rather, we find that the existence of mitigating factors renders this a serious case and therefore reduce the sanctions. We instead fine Leopold \$25,000 and suspend him from associating with any FINRA member in any capacity for one year.

In serving as the single appellate body for FINRA’s disciplinary appeals, we bring a national perspective to the task of assessing sanctions in an attempt to promote consistency in the imposition of remedial sanctions. Our review of the sanctions imposed by a hearing panel is de novo. *See First Heritage Inv. Co.*, 51 S.E.C. 953, 960 (1994). When conducting our de novo review, we can assign our own weight to the relevant—and often countervailing—factors in a case. We do so here.

The Guidelines for falsification of records provide two considerations in determining the appropriate sanctions: (1) the nature of the documents falsified; and (2) whether the respondent had a good-faith, but mistaken, belief of express or implied authority to falsify the records. Both considerations serve to aggravate Leopold’s misconduct.⁸ First, the documents falsified were hotel invoices and verification letters. While not related to clients, prospective clients, or client

⁵ *FINRA Sanction Guidelines*, at 37 (2011), <http://www.finra.org/web/groups/industry/@ip/@enf/@sg/documents/industry/p011038.pdf>. [hereinafter *Guidelines*].

⁶ *Id.* at 2-6.

⁷ One of the three Hearing Panelists dissented as to the sanctions imposed. The dissenting Panelist believed that mitigating factors existed which should have resulted in a sanction lower than a bar. Specifically, the dissenting Panelist found that Leopold’s youth and inexperience led him to follow the guidance given by a more experienced wholesaler with respect to expense reimbursement procedures. The Panelist also noted that Leopold does not recommend investments to public customers and that no customers were harmed by Leopold’s misconduct. Unlike the majority of the Hearing Panel, the dissenting Panelist found the testimony of Leopold’s current supervisor, Fifer, compelling and, like the full Hearing Panel, found Leopold sincerely remorseful. This Panelist would have imposed a six- to nine-month suspension.

⁸ *Id.* at 37.

accounts, these documents are an important reflection on Leopold's veracity and integrity. Second, Leopold admitted that he did not have a good-faith belief that it was appropriate to falsify the hotel invoices and verification letters. We find that these two factors lend themselves to an aggravation of Leopold's sanctions.

We also find that Leopold engaged in a pattern of misconduct over an extended period of time.⁹ From July 28, 2005 through June 7, 2007, Leopold admittedly used a template of a hotel invoice to create ten invoices for meetings that did not occur and submitted those invoices to PLANCO for reimbursement. During this same time period, in conjunction with the falsified hotel invoices, Leopold generated fictitious verification letters. This extended pattern of behavior also serves to aggravate Leopold's misconduct.

We overrule the majority of the Hearing Panel with respect to the presence of mitigating factors and find that it disregarded mitigating factors with respect to sanctions. We weigh these mitigating factors against the aggravating factors discussed above and conclude that Leopold's misconduct was serious.¹⁰

When conducting our de novo review, we normally give deference to the Hearing Panel as the fact finder on the matter of witness credibility, based on its having had the opportunity to observe the witness's demeanor.¹¹ We note that the Hearing Panel credited certain aspects of Leopold's testimony, most importantly stating that it "was persuaded that Leopold is remorseful for his conduct."¹² See *Dep't of Enforcement v. Nouchi*, Complaint No. E102004083705, 2009 FINRA Discip. LEXIS 8, at *11 (FINRA NAC Aug. 7, 2009) (concluding that a sanction should fall within the lower end of the relevant Guidelines where the respondent expressed "sincere remorse").

On the other hand, the Hearing Panel is silent as to any credibility determinations it may have made regarding the other aspects of Leopold's testimony. In the absence of any

⁹ *Id.* at 6 (Principal Considerations in Determining Sanctions, Nos. 8, 9).

¹⁰ We expect the written submissions filed by all parties in all matters to be well grounded in fact and free from scandalous and impertinent matters. We hold all parties to an exacting standard and expect them to comply with the letter and spirit of these requirements. We find that Enforcement's appellate briefs and other submissions missed the mark in certain respects. For example, Enforcement's appellate briefs characterized Leopold's misconduct as fraud, notwithstanding that Enforcement neither alleged nor proved that Leopold engaged in fraudulent conduct. Nevertheless, we did not consider these arguments in our deliberations. We have relied instead on our careful review of the record in resolving this case.

¹¹ *Eliezer Gurfel*, 54 S.E.C. 56 (1999), *aff'd*, 205 F.3d 400 (D.C. Cir. 2000); *Dep't of Enforcement v. Frankfort*, Complaint No. CO2040032, 2007 NASD Discip. LEXIS 16, at *24-25 (NASD NAC May 24, 2007); *Dep't of Enforcement v. DaCruz*, Complaint No. C3A040001, 2007 NASD Discip. LEXIS 1, at *23-24 (NASD NAC Jan. 3, 2007).

¹² The Hearing Panel believed Leopold's remorse did not outweigh his dishonesty.

countervailing testimony or evidence, we credit the entirety of his testimony. Leopold testified that he recognized the severity of his misbehavior, expressed sincere remorse, and accepted responsibility for his actions. He acknowledges that a serious sanction is warranted for his misconduct, is genuinely ashamed of his behavior, and avows that his lapses in judgment will not be repeated. *See Dep't of Enforcement v. Charles V. Cuozzo, Jr.*, Complaint No. C9B050011, 2007 NASD Discip. LEXIS 12, at *35-36 (NASD NAC Feb. 27, 2007) (several factors that militate against a finding that the respondent's misconduct was egregious include that respondent did not attempt to conceal his false dating of documents from investigators; expressly acknowledged that his conduct may have harmed firm customers; accepted responsibility for his misconduct; and expressed remorse and offered sincere apologies for his actions throughout these proceedings).

Leopold admitted his misconduct from the outset, first to the Hartford Group and then to FINRA. After Leopold was approached by investigators at the Hartford Group, he admitted to the falsification of the documents, provided detailed testimony both to the Hartford Group and to FINRA investigators, accepted responsibility for his misconduct, was remorseful, and willingly accepted heightened supervision at Ohio National and Lincoln Financial.¹³ We find that Leopold testified consistently throughout the course of the underlying investigations and at the hearing.

We have also considered that several serious aggravating factors are notably absent from an examination of Leopold's misconduct. While the lack of aggravating factors are not mitigating under the Guidelines, their absence in this instance, when examined in consort with the genuinely mitigating factors discussed above, militates against a bar. There was no customer loss or harm sustained due to Leopold's misconduct. Leopold's falsification of hotel invoices and verification letters did not result in any financial loss for PLANCO. Enforcement even stipulated that it does not contend that Leopold converted PLANCO's funds or property. The absence of these factors colors our evaluation and further supports a reduction of Leopold's sanctions.

Based on the presence of both aggravating and mitigating factors, and our assigning of moderate weight to mitigating factors, we have determined that Leopold's conduct was serious and warrants a downward departure from a bar. We find that Leopold breached his duty as an associated person to act ethically and in a manner that comports with high standards of commercial honor and just and equitable principles of trade. We also find that Leopold failed to use sound judgment by knowingly falsifying hotel invoices and verification letters. Leopold, however, appears to understand fully the magnitude of his failings and is genuinely remorseful. Based on the foregoing, we fine Leopold \$25,000 and suspend him for one year.¹⁴ We find that

¹³ Enforcement did not call any witnesses from PLANCO to rebut Leopold's argument that he was forthcoming and cooperative, but Enforcement nonetheless argued that if the Hartford Group's auditors had testified, they would have said that Leopold was not initially forthcoming. The record does not support Enforcement's argument, and we have disregarded it.

¹⁴ We also view favorably Lincoln Financial's heightened supervision of Leopold during the pendency of this matter and the firm's willingness to continue such supervision into the future.

these sanctions will best serve to remedy the violation and deter others who may consider engaging in such activity.¹⁵

While we have determined that the Hearing Panel erred in dismissing the books and records cause of action, we decline to remand back to the Hearing Panel for further consideration. Assuming we were to be able to find, based on the record before us, that Leopold violated NASD Rule 2110 by causing his firm to be in violation of the books and records rules, it would not change our sanction determination. Leopold's violations stem from a single source, which is his falsification of hotel invoices and verification letters. These violations are based on identical conduct, uniform in nature, and do not pose any distinct or differing public policy concerns. *See generally Michael Frederick Siegel*, Exchange Act Rel. No. 58737, 2008 SEC LEXIS 2459, at *46 (Oct. 6, 2008), *aff'd in relevant part*, 592 F.3d 147, 157-158 (D.C. Cir. 2010). Because the second cause of action is derivative of the first, and both causes are the result of identical conduct, we need not remand the books and records cause of action to the Hearing Panel for further consideration. We believe that the appropriate sanction is the one-year suspension and fine imposed for Leopold's falsification of records

V. Conclusion

Leopold falsified hotel invoices and verification letters in violation of NASD Rule 2110.¹⁶ For this violation, we fine Leopold \$25,000, suspend him in all capacities for one year, and affirm costs of \$1,403.60.¹⁷

On Behalf of the National Adjudicatory Council,

Marcia E. Asquith, Senior Vice President
and Corporate Secretary

¹⁵ FINRA sanctions may be remedial, but must not be punitive. *McCarthy v. SEC*, 406 F.3d 179, 188-89 (2d Cir. 2005); *Guidelines*, at 2. A remedial sanction is designed to correct the harm done by respondent's wrongdoing and to protect the trading public from any future wrongdoing the respondent is likely to commit. *McCarthy*, 406 F.3d at 188. In addition to remediation, deterrence may also be relied upon as an additional rationale for the imposition of sanctions. *Id.*

¹⁶ We have considered and reject without discussion all other arguments advanced by the parties.

¹⁷ Pursuant to FINRA Rule 8320, the registration of any person associated with a member who fails to pay any fine, costs, or other monetary sanction, after seven days' notice in writing, will summarily be revoked for non-payment.