

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2012034319701**

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

RE: Andre Paul Young, Respondent
CRD No. 2901804

Pursuant to FINRA Rule 9216 of FINRA's Code of Procedure, Andre Paul Young ("Young") 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 Respondent 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

Young first entered the securities industry in July 1997. From November 2009 to August 2012, he was associated with FINRA member, Metlife Securities, Inc. ("the Firm") as a General Securities Representative. The Firm filed a Form U5 disclosing the voluntary termination of Young's registration on August 15, 2012. On October 8, 2012, the Firm filed an amended Form U5 disclosing that "the Firm is investigating a complaint that alleges that clients gave the former registered representative a check for the purchase of an investment. The clients contacted their bank and found that the check was deposited into a loan account in the name of the registered representative."

Young was associated with another FINRA member firm from August 20, 2012 through April 29, 2013. Since that time, Young has not been associated with any FINRA member firm. Young remains subject to FINRA's jurisdiction pursuant to Article V, Section 4 of FINRA's By-Laws.

RELEVANT DISCIPLINARY HISTORY

Young has no relevant disciplinary history.

OVERVIEW

From June 2010 through June 2012, Young borrowed approximately \$208,400 from customers of the Firm, to be used in connection with expenses he was incurring in settling his deceased father's estate. The Firm prohibited registered representatives from borrowing from customers, and as a result, Young's conduct violated NASD Rule 2370, FINRA Rule 3240 and FINRA Rule 2010.

Young also failed to provide complete and timely responses to FINRA's requests for information pursuant to FINRA Rule 8210 by failing to respond to two requests and providing an untimely response to another. As a result, Young violated FINRA Rules 8210 and 2010.

FACTS AND VIOLATIVE CONDUCT

Young Improperly Borrowed From Customers

FINRA Rule 3240 prohibits any person associated with a member in any registered capacity from borrowing money from any customer unless his firm has written procedures permitting borrowing between registered persons and customers.¹ At all relevant times, the Firm's policies and procedures prohibited borrowing from customers, stating that "a representative must not lend money or securities to a client or borrow money or securities from a client."

From June 2, 2010 through June 5, 2012, Young borrowed approximately \$208,400 from Firm customers, SA and CA, a married couple. During this time period, SA and CA issued five checks from their Firm brokerage account payable to a bank account number, owned by Young. Young intended to use the funds to settle his deceased father's estate in a foreign country and to develop real estate properties held by the estate, and applied those funds to, among other things, attorney fees, travel expenses, and other personal expenses. Additional amounts were requested by Young from SA and CA when prior funds had been exhausted. Young did not document the loan agreement in a promissory note or in any other written form.

Young provided partial repayment to SA and CA in October 2012, and the customers were ultimately reimbursed for the remaining balance of the loan by the Firm.

At no point during the relevant period did Young provide notice to, or receive permission from, the Firm to borrow from SA and CA.

¹ FINRA Rule 3240 superseded NASD Rule 2370, effective June 14, 2010. NASD Rule 2370 similarly prohibits any registered person from borrowing money from any customer unless the firm had written procedures allowing such borrowing. NASD Rule 2370 applies to conduct at issue occurring prior to June 14, 2010.

As a result of the foregoing conduct, Young violated NASD Rule 2370, FINRA Rule 3240 and FINRA Rule 2010.

Young Failed to Provide Timely and Complete Responses to FINRA Requests

FINRA Rule 8210 imposes on persons over whom FINRA has jurisdiction an obligation to fully and promptly respond to requests for documents and information made under the Rule.

In connection with this investigation, FINRA sent Young letters requesting certain documents and information pursuant to FINRA Rule 8210. Although Young responded to some of FINRA's requests for information, he did not provide timely or complete responses on three occasions.

On February 11, 2013, the staff requested, among other things, that Young to produce a list of any and all bank or brokerage accounts, as well as copies of all monthly statements in those accounts. No response was provided to this request until August 28, 2013, and although the response was represented as complete at that time, it did not include information regarding the bank account into which SA and CA's funds had been deposited. The staff advised counsel for Respondent regarding the deficiency on September 10, 2013, and it was not until October 18, 2013 – approximately eight months after originally requested – that the statements were provided to FINRA.

The staff also sent separate requests on January 22, 2014 and March 12, 2014, seeking clarifying information regarding items under investigation and information regarding Young's contacts with other regulators, respectively. The staff did not receive responses to these requests and sent follow-up requests to Young on March 10 (for the January 22 letter) and April 2 (for the March 12 letter). The staff did not receive any response to these requests for information under FINRA Rule 8210.

As a result of the foregoing conduct, Young violated FINRA Rule 8210 and FINRA Rule 2010.

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

- A suspension from associating with any FINRA member firm in any capacity for a period of one year.

Respondent has submitted a sworn financial statement and demonstrated an inability to pay. In light of the financial status of Respondent, no monetary sanctions have been imposed.

Respondent understands that if he is barred or suspended from associating with any FINRA member, Respondent becomes 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, Respondent 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

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

- A. To have a Complaint issued specifying the allegations against him;
- 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, Respondent specifically and voluntarily waives any right to claim bias or prejudgment 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.

Respondent 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.

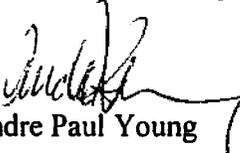
OTHER MATTERS

Respondent understands 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 Respondent’s permanent disciplinary record and may be considered in any future actions brought by FINRA or any other regulator against him;
 - 2. this AWC will be made available through FINRA’s public disclosure program in response to public inquiries about Respondent’s 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. Respondent 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. Respondent 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 Respondent’s: (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. Respondent may attach a Corrective Action Statement to this AWC that is a statement of demonstrable corrective steps taken to prevent future misconduct. Respondent understands that he 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.

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

02/11/2015
Date (mm/dd/yyyy)


Andre Paul Young

Accepted by FINRA:

3/19/15
Date

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


James E. Day
Vice President and Chief Counsel
FINRA Department of Enforcement
15200 Omega Drive, 3rd Floor
Rockville, MD 20850
Phone: 301-258-8520
Fax: 202-974-2805