

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2014042764601**

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

RE: Solomon David Krispeal, Respondent
General Securities Representative
CRD No. 2735776

Pursuant to FINRA Rule 9216 of FINRA's Code of Procedure, I, Solomon David Krispeal ("Krispeal" 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

Krispeal first joined the securities industry in 2006. From May 2006 to January 2008, Krispeal was registered as a general securities representative ("GSR") through associations with three different member and former member firms.

Krispeal joined former member firm John Thomas Financial (BD No. 40982) ("John Thomas") in January, 2008 as a GSR. Krispeal left John Thomas in April 2012 after which he joined another member firm. Then, in March, 2013 Krispeal joined Legend Securities, Inc. (BD No. 44952) ("Legend") as a GSR where he worked until January 19, 2016. Since January 20, 2016, Krispeal has been registered through a member firm.

RELEVANT DISCIPLINARY HISTORY

Krispeal has no formal disciplinary history with the Securities Exchange Commission, FINRA, any other self-regulatory organization or any state securities regulator.

OVERVIEW

This matter concerns Krispeal's failure to timely and accurately amend his Uniform Application for Securities Industry Registration or Transfer ("Form U4") to disclose that he was named as a respondent in a securities arbitration that alleged sales practice violations against him.

FACTS AND VIOLATIVE CONDUCT

Article V, Section 2(c) of FINRA's By-Laws provides that every application for registration filed with FINRA shall be kept current at all times by supplementary amendments which must be filed, in most instances, within thirty days after learning of the facts or circumstances giving rise to the amendment.

FINRA Rule 1122 provides that, "No member or person associated with a member shall file with FINRA information with respect to membership or registration which is incomplete or inaccurate so as to be misleading, or which could in any way tend to mislead, or fail to correct such filing after notice thereof."

Since at least 2009, Disclosure Question 14I.(1)(a) has stated "[h]ave you ever been named as a respondent/defendant in an investment-related, consumer-initiated arbitration or civil litigation which alleged that you were involved in one or more sales practice violations and which . . . is still pending."

In or about late February 2015, when Krispeal was registered through Legend, Krispeal received notice from FINRA Dispute Resolution that he was named as a respondent in an arbitration filed by husband and wife claimants DM and SM. DM and SM alleged that Krispeal and other respondents engaged in various sales practice violations in the handling of their account at a time when Krispeal was registered through John Thomas. Krispeal failed to timely amend his Form U4 within thirty days (i.e., by late March 2015) to disclose an investment-related, consumer initiated arbitration that alleged sales practice violations against him. The arbitration was settled on or about December 11, 2015. While that settlement resulted in the dismissal of claims against Krispeal, he did not file a Form U4 amendment to disclose the existence of the arbitration until January 11, 2016, after he was dismissed from the arbitration.

Krispeal did not timely disclose the initiation of the February 2015 arbitration until January 2016. When he made the disclosure, following the settlement, he inaccurately disclosed that the matter was "withdrawn," rather than "settled."

By reason of the foregoing, Krispeal violated FINRA Rules 1122 and 2010 and Article V, Section 2(c) of FINRA's By-Laws.

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

- A suspension of 30 days in all capacities; and
- A fine of \$2,500.

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 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.

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:

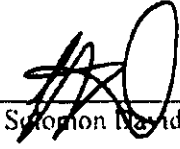
- A. Submission of this AWC is voluntary and will not resolve this matter unless and until it has been reviewed and accepted by the NAC, a Review Subcommittee of the NAC, or the Office of Disciplinary Affairs ("ODA"), pursuant to FINRA Rule 9216;
- B. If this AWC is not accepted, its submission will 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.

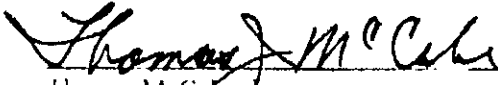
I certify that I have read and understand all of the provisions of this AWC and have been given a full opportunity to ask questions about it, that I have agreed to its provisions voluntarily; and that no offer, threat, inducement, or promise of any kind, other than the terms set forth herein and the prospect of avoiding the issuance of a Complaint, has been made to induce me to submit it.

12/02/16

Date (mm/dd/yyyy)


Respondent Solomon David Krispeal

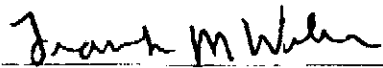
Reviewed By:


Thomas McCabe, Esq.
McCabe & Flynn, LLP
One Whitehall Street
New York, NY 10004
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Accepted by FINRA:

January 6, 2017
Date

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


Frank M. Weber
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