

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2014043506501**

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

RE: Mark Tauzin, Respondent
General Securities Representative
CRD No. 1716373

Pursuant to FINRA Rule 9216 of FINRA’s Code of Procedure, I, Mark Tauzin (“Tauzin”) 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

Tauzin entered the securities industry in September 1987 as a General Securities Representative of a former member of FINRA. Tauzin, during the periods mentioned herein, was associated with member firm, LPL Financial LLC (“LPL” or the “Firm”), and was registered with FINRA under Article V of the By-Laws as a General Securities Representative. Tauzin has not been associated with a FINRA member since November 12, 2014. Although Tauzin’s FINRA registration ended on November 14, 2014, he remains subject to FINRA jurisdiction pursuant to Article V, Section 4 of FINRA’s By-Laws. Tauzin has no disciplinary history.

OVERVIEW

Tauzin engaged in a pattern of unsuitable short-term trading of front-loaded Unit Investment Trusts (“UITs”) in connection with the accounts of 14 households from November 2012 through November 11, 2014, in violation of FINRA Rules 2111 and 2010. In addition, Tauzin maintained blank, signed forms in his files in violation of Firm policy and FINRA Rule 2010.

FACTS AND VIOLATIVE CONDUCT

1. Unsuitable UIT Transactions

FINRA Rule 2111 requires that, before recommending a security to any customer, a registered representative must have a “reasonable basis” for any recommendation that he/she makes. This is a prerequisite to any recommendation, because a broker cannot determine whether a recommendation is suitable for a particular customer unless he has a “reasonable basis” to believe that the recommendation could be suitable for at least some customers. Tauzin violated this rule when he engaged in a pattern of short-term trading in UITs.

UITs are investment companies that offer shares of a fixed portfolio of securities in a one-time public offering, and terminate on a specified date. As such, they are not designed to be used as trading vehicles. In addition, UITs typically carry significant upfront charges, and as with mutual funds that carry front-end sales charges, short-term trading of UITs is presumptively improper.

Specifically, from November 1, 2012 through November 11, 2014, in connection with the accounts of 14 households, Tauzin recommended the purchase of UITs and the subsequent sale of these products within a year of purchase. The UITs recommended by Tauzin had maturity dates of twenty-four months or longer and carried initial sales charges ranging from 3.95% to 2.5%.

Within the accounts of these 14 households, Tauzin effected 215 UIT transactions that were sold within a 12-month time period. The transactions resulted in sales charges to the customers of \$316,840.50. At the same time, these transactions resulted in \$205,115.02 in commissions to Tauzin. Tauzin had no reasonable basis to believe the short-term trading of these front-loaded products was suitable for the customers.

As a result of the foregoing conduct, Tauzin violated FINRA Rules 2111 and 2010.

2. Maintaining Signed, Blank Forms in Customer Files

The Firm’s written supervisory procedures prohibited registered representatives from having customers sign any blank document, regardless of client knowledge

or consent.

As of October 2014, Tauzin maintained 16 blank forms signed by customers relating to accounts for six different households. The forms included ACH authorization forms, margin agreements, account applications and switch disclosure forms. With regards to at least two households, completed switch disclosure forms were used for transactions that appeared identical to the signed, blank forms maintained in Tauzin's files. The maintenance of the blank forms violated the Firm's written supervisory procedures.

As a result of the foregoing conduct, Tauzin violated FINRA Rule 2010.

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

- An eight-month suspension from association with any FINRA member firm in all capacities;
- A \$20,000 fine; and
- Disgorgement of ill-gotten gains in partial restitution to the customers listed on Attachment A hereto in the total amount of \$205,115.02, plus interest at the rate set forth in Section 6621(a)(2) of the Internal Revenue Code, 26 U.S.C. 6621(a)(2), from November 11, 2014, until the date of payment.

The disgorgement of ill-gotten gains in partial restitution amount ordered, pursuant to this disciplinary action, is due and payable immediately upon reassociation with a member firm, or prior to any application or request for relief from any statutory disqualification resulting from this or any other event or proceeding, whichever is earlier. The imposition of a restitution order or any other monetary sanction herein, and the timing of such ordered payments, does not preclude customers from pursuing their own actions to obtain restitution or other remedies. If for any reason Respondent cannot locate any customer identified in Attachment A after reasonable and documented efforts within such period, or such additional period agreed to by the staff, Respondent shall forward any undistributed restitution and interest to the appropriate escheat, unclaimed property, or abandoned property fund for the state in which the customer is last known to have resided.

The fine shall be due and payable either immediately upon reassociation with a member firm, or prior to any application or request for relief from any statutory disqualification resulting from this or any other event or proceeding, whichever is earlier.

I specifically and voluntarily waive any right to claim that I am unable to pay, now or at any time hereafter, the monetary sanctions 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 prejudice 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.

9.7.16
Date (mm/dd/yyyy)

Mark Tawin
Mark Tawin, Respondent

Reviewed by:

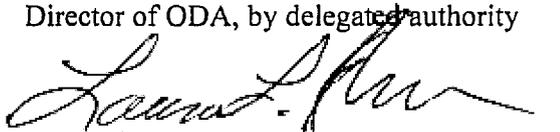
Attorney Name
Counsel for Respondent
Firm Name
Address
City/State/Zip
Phone Number

Accepted by FINRA:

October 19, 2016

Date

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



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ATTACHMENT A
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
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Customer Initials	Restitution Amount
JM	\$ 68,432.57
LV	\$ 28,176.89
KO	\$ 857.91
KM	\$ 4,944.76
WGJ	\$ 3,438.32
WH	\$ 2,043.94
WG	\$ 4,175.29
LG	\$ 1,456.26
JG	\$ 9,493.02
DG	\$ 4,853.01
EG	\$ 67,484.61
RD	\$ 4,623.15
LB	\$ 3,672.23
AB	\$ 1,463.06