

**FINANCIAL INDUSTRY REGULATORY AUTHORITY  
LETTER OF ACCEPTANCE, WAIVER AND CONSENT  
NO. 2016048601901**

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

RE: James Calder, Respondent  
General Securities Representative  
CRD No. 4022637

Pursuant to FINRA Rule 9216 of FINRA’s Code of Procedure, James Calder (“Calder” or “Respondent”) 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. Respondent hereby accepts and consents, 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**

Calder entered the securities industry in September 1999 when he associated with a FINRA member firm. He subsequently associated with member Raymond James Financial Services, Inc. (“Raymond James”) from August 2002 to February 22, 2016, when he was permitted to resign during Raymond James’ internal investigation of his involvement in “selling life settlement to clients.” Calder has not since associated with another FINRA member firm. During his career in the securities industry, Calder obtained Series 7, 9, 10 and 63 securities licenses.

On March 22, 2016, Raymond James filed a Uniform Termination Notice for Securities Industry Registration (“Form U5”) terminating Calder’s association with the firm and his registrations with FINRA on that same date. Although Calder is not currently associated with a member firm, he remains subject to the jurisdiction of FINRA until March 21, 2018, pursuant to Article V, Section 4(a) of FINRA’s By-Laws, which provides for a two-year period of retained jurisdiction over formerly-registered persons.

Calder has no prior relevant disciplinary history.

## **OVERVIEW**

During the period from April 2010 to June 2010, Calder failed to comply with NASD Rule 3030 and FINRA Rule 2010 in that he engaged in an undisclosed outside business activity by participating in the sale of life settlement contracts offered by Life Partners, Inc., ("Life Partners") to Raymond James customers after the firm had expressly denied his request to participate in such activity.

## **FACTS AND VIOLATIVE CONDUCT**

### *Outside Business Activity*

NASD Rule 3030 provides, in relevant part: "No person associated with a member in any registered capacity shall be employed by, or accept compensation from, any other person as a result of any business activity, other than a passive investment, outside the scope of his relationship with his employer firm, unless he has provided prompt written notice to the member. Such notice shall be in the form required by the member."

FINRA Rule 2010 requires associated persons to "observe high standards of commercial honor and just and equitable principles of trade."

During the period from April 2010 to June 2010, Calder participated in the sale of life settlement contracts offered by Life Partners to Raymond James customers after the firm had expressly denied his request to participate in such activity. Specifically, in July 2007, Calder requested permission from Raymond James to sell Life Partners life settlement investments to customers. The firm expressly denied Calder's request. In 2009, Calder's wife, who was school teacher by profession and had no prior experience in the securities or insurance industries, became licensed by Life Partners to sell its life settlement products. Thereafter in 2010, Calder participated in the sale of life settlement investments to at least four Raymond James customers. Calder recommended life settlement investments to the customers, and when they expressed interest in investing, Calder referred them to his wife to make their investments. Calder further facilitated the customers' investments by answering their questions about life settlement investments and providing them with the necessary paperwork to make the investments. The four customers dealt exclusively with Calder, not his wife, in connection with making their Life Partner life settlement investments. During the relevant time period, Life Partners deposited \$8,925 in commission payments for life settlement sales into the joint bank account of Calder and his wife.

As a result of the foregoing conduct, Calder violated NASD Rule 3030 and FINRA Rule 2010.

B. Respondent also consents to the imposition of the following sanctions:

A six-month suspension from association with any FINRA member firm in any capacity and a fine in the amount of \$15,000.

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.

Respondent specifically and voluntarily waives any right to claim that he is unable to pay, now or at any time hereafter, the monetary sanction imposed in this matter.

Respondent understands that if he is barred or suspended from associating with any FINRA member, he 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 Respondent;
- 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 waives 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 Respondent; 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 Respondent;
  - 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. 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 him to submit it.

1-4-2007  
Date

James Calder  
James Calder, Respondent

Accepted by FINRA:

2/2/2017  
Date

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

A handwritten signature in black ink that reads "Karen E. Whitaker". The signature is written in a cursive style with a long horizontal flourish at the end.

Karen E. Whitaker, Senior Regional Counsel  
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