

**FINANCIAL INDUSTRY REGULATORY AUTHORITY  
LETTER OF ACCEPTANCE, WAIVER AND CONSENT  
NO. 2017053887501**

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

RE: Kenny Danny Mezher, Respondent  
Former Registered Representative  
CRD No. 6340715

Pursuant to FINRA Rule 9216 of FINRA’s Code of Procedure, I 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**

Kenny Danny Mezher (“Mezher”) became registered with FINRA as a General Securities Representative (Series 7) through his association with Growth Capital Services, Inc. (“GCS” or the “Firm”) on August 22, 2016. He remained associated with the Firm until his association was terminated on April 11, 2017.

Mezher is not currently associated with any FINRA member but remains subject to FINRA’s jurisdiction pursuant to Article V, Section 4(a) of FINRA’s By-Laws.

**RELEVANT DISCIPLINARY HISTORY**

Mezher has no prior disciplinary history.

**OVERVIEW**

Between January 2017 and March 2017 (the “Relevant Period”), Mezher participated in four private securities transactions by selling \$179,500 in limited

partnership interests in the Crescent Ridge Volatility Fund (“CRVF”) to five investors without providing prior written notice to, or receiving approval from, the Firm. As a result of the foregoing, Mezher violated FINRA Rules 3280 and 2010.

### **FACTS AND VIOLATIVE CONDUCT**

FINRA Rule 3280(a) states that “[n]o person associated with a member shall participate in any manner in a private securities transaction except in accordance with the requirements of this Rule.” FINRA Rule 3280(b) states, in relevant part, that “[p]rior to participating in any private securities transaction, an associated person shall provide written notice to the member with which he is associated describing in detail the proposed transaction and the person's proposed role therein and stating whether he has received or may receive selling compensation in connection with the transaction.” A violation of FINRA Rule 3280 is also a violation of FINRA Rule 2010.

During the Relevant Period, Mezher was associated with GCS and employed by a now-defunct hedge fund called Crescent Ridge Capital Partners (“Crescent Ridge”). At the direction and under the supervision of Crescent Ridge’s owner, Mezher raised capital for Crescent Ridge by selling limited partnership interests in Crescent Ridge’s volatility fund, CRVF.<sup>1</sup> Mezher sold four limited partnership interests in CRVF totaling \$179,500 to five investors, all of whom were Mezher’s family members or friends. Mezher did not receive selling compensation for his participation in these four transactions.

Prior to selling these interests in CRVF, Mezher did not provide GCS with written notice of these transactions or seek GCS’ approval to participate in these transactions. By virtue of the foregoing, Mezher violated FINRA Rules 3280 and 2010.

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

- A two-month suspension from association with any FINRA member firm in any capacity; and
- A \$5,000 fine.

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.

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<sup>1</sup> On October 23, 2017, the owner of Crescent Ridge was sentenced to ten years in prison after pleading guilty to wire fraud in connection with the sale of limited partnership interests in the Crescent Ridge funds. See *United States v. Tamer Fouad Moumen*, Case No. 1:17-cr-77 (E.D. Va.).

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 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:

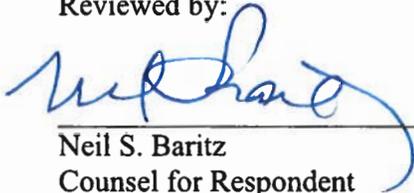
- A. Submission of this AWC is voluntary and will not resolve this matter unless and until it has been reviewed and accepted by the NAC, a Review Subcommittee of the NAC, or the Office of Disciplinary Affairs (“ODA”), pursuant to FINRA Rule 9216;
- B. If this AWC is not accepted, its submission will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

6-10-2018  
Date

  
Kenny Danny Mezher, Respondent

Reviewed by:

  
Neil S. Baritz  
Counsel for Respondent  
Baritz & Coleman LLP  
1075 Broken Sound Parkway NW  
Suite 102  
Boca Raton, Florida 33487  
(561) 864-5100

Accepted by FINRA:

7/27/2018  
Date

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

  
Michelle Curth  
Counsel  
FINRA Department of Enforcement  
15200 Omega Drive, Suite 300  
Rockville, MD 20850  
(301) 258-8512