

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2017054623301**

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

RE: Masood Husain Azad, Respondent
General Securities Representative
CRD No. 4798445

Pursuant to FINRA Rule 9216 of FINRA’s Code of Procedure, I, Masood Husain Azad (“Azad”), 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

Azad entered the securities industry in May 2004, and has been associated with several FINRA regulated broker-dealers. In August 2004, he became registered as a Series 6 Investment Company and Variable Contracts Products Limited Representative (“IR”), and in March 2012 he became registered as a Series 7 General Securities Representative (“GSR”).

In January 2015, Azad became associated with First Allied Securities, Inc. (the “Firm”) as an IR and a GSR. In a Uniform Termination Notice for Securities Industry Registration (“Form U5”) dated June 15, 2017, the Firm reported that it had terminated Azad’s association with it effective May 19, 2017 because, among other things, he engaged in a private securities transaction and outside business activities that were not approved by the Firm.

Azad is not currently associated with a FINRA regulated broker-dealer. However, pursuant to Article V, Section 4 of the FINRA By-Laws, Azad remains subject to FINRA’s jurisdiction.

RELEVANT DISCIPLINARY HISTORY

Azad has no relevant disciplinary history in the securities industry.

OVERVIEW

In September 2017, Azad violated FINRA Rules 8210 and 2010 by failing to comply with a FINRA Rule 8210 request for documents and information. The FINRA Rule 8210 request was issued in connection with an investigation by FINRA's Department of Enforcement ("Enforcement") into allegations against Azad, including that he engaged in a private securities transaction and outside business activities that were not approved by the Firm.

FACTS AND VIOLATIVE CONDUCT

FINRA Rule 8210(a)(1) states, in relevant part, that FINRA staff have the right to "require a member, person associated with a member, or any other person subject to FINRA's jurisdiction to provide information orally, in writing, or electronically ... with respect to any matter involved in the investigation." FINRA Rule 8210(c) states that "[n]o member or person shall fail to provide information" pursuant to this Rule.

A violation of FINRA Rule 8210 is also a violation of FINRA Rule 2010, which requires persons associated with a FINRA regulated broker-dealer to observe high standards of commercial honor and just and equitable principles of trade.

In August 2017, Enforcement began investigating allegations of misconduct by Azad while associated with the Firm. These allegations included that Azad participated in an unapproved private securities transaction by soliciting investments and/or directly investing in an electronic data security company and engaged in outside business activities involving the company without obtaining authorization from the Firm.

In connection with its investigation, on August 18, 2017, Enforcement sent a letter to Azad pursuant to FINRA Rule 8210 requesting that he provide, among other things, documents and information concerning his potential involvement in soliciting investments and/or directly investing in an electronic data security company and related outside business activities, by no later than September 1, 2017. Enforcement's Rule 8210 letter stated that Azad's failure to comply with the request could subject him to sanctions, including a bar from the securities industry. Enforcement's Rule 8210 letter was sent to Azad's address in the Central Registration Depository by U.S. certified mail, return receipt requested, and first-class mail, and was received by Azad.

On August 31, 2017, Azad's counsel advised Enforcement that he had been retained to represent Azad in connection with Enforcement's investigation. On

that date, Enforcement granted Azad's counsel's request for an extension until September 22, 2017 to respond to Enforcement's August 18, 2017 Rule 8210 request.

During a telephone call with Enforcement on September 20, 2017, Azad's counsel informed Enforcement that Azad would not provide the documents and information requested by Enforcement at any time, and would not cooperate further with Enforcement's investigation of this matter. To date, Azad has not provided the documents and information requested by Enforcement's August 18, 2017 Rule 8210 letter.

By failing to provide documents and information as requested pursuant to FINRA Rule 8210, Azad violated FINRA Rules 8210 and 2010.

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

A bar from association with any FINRA member in any capacity.

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. A bar or expulsion shall become effective upon approval or acceptance of this AWC.

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.

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.

10-16-2017
Date (mm/dd/yyyy)

M. H. Azad
Masood Husain Azad, Respondent

Reviewed by: [Signature]

Robert L. Herskovits, Esq.
Counsel for Respondent
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Accepted by FINRA:

11/1/2017
Date

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

[Signature]
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