

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 20180572586-02**

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

RE: Charles Gonzalez, Respondent
General Securities Representative
CRD No. 4330269

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

Gonzalez first registered with FINRA as a General Securities Representative (GS) in January 2001. From January 2001 to January 2017, Gonzalez was registered as a GS with various FINRA member firms. In January 2017, Gonzalez became registered as a GS with Spartan Capital Securities, LLC (BD No. 146251) (“Spartan” or the “Firm”). By Uniform Termination Notice for Securities Industry Registration (Form U5) dated January 30, 2018, the Firm notified FINRA that it had terminated Gonzalez’s registration with the Firm for “[f]ailure to follow firm policy and procedures.”

Although Gonzalez is not currently registered with FINRA or associated with a FINRA member firm, FINRA retains jurisdiction over him under Article V, Section 4(a) of the FINRA By-Laws.

RELEVANT DISCIPLINARY HISTORY

Gonzalez does not have any disciplinary history with the Securities and Exchange

Commission, any state securities regulators, FINRA or any other self-regulatory organization.

OVERVIEW

Between June 2017 and January 2018, while associated with Spartan, Gonzalez took significant steps to create a broker dealer without notifying the Firm. By engaging in an outside business activity without first notifying the Firm in writing, Gonzalez violated FINRA Rules 3270 and 2010. Pursuant to FINRA Rule 8210, FINRA requested documents and information from Gonzalez and required him to appear and provide testimony. Gonzalez produced falsified documents and provided false testimony to FINRA. By doing so, Gonzalez violated FINRA Rules 8210 and 2010.

FACTS AND VIOLATIVE CONDUCT

Outside Business Activity

FINRA Rule 3270 prohibits registered individuals from engaging in business activity outside the scope of the relationship with his or her member firm, unless he or she has provided prior written notice to the member firm in the form specified by the firm's procedures. FINRA Rule 3270 prohibits a registered individual from acting as an officer, director or partner of another person or entity and from being compensated, or having the reasonable expectation of compensation, from any other person or entity as a result of any outside business, without providing prior written notice. A violation of FINRA Rule 3270 is also a violation of FINRA Rule 2010, which requires associated persons to observe high standards of commercial honor and just and equitable principles of trade in the conduct of their business.

Between June 2017 and January 2018, without first notifying Spartan in writing, Gonzalez engaged in an outside business activity involving the formation of a new broker dealer. Gonzalez did not disclose to Spartan that he formed a new business entity, retained and paid for services of a consultant, bought office equipment, rented and paid for his new company's office space, and that he solicited and raised capital from a customer at Spartan to fund his new business.

By virtue of the foregoing, Gonzalez violated FINRA Rules 3270 and 2010.

False Testimony and Falsified Documents

FINRA Rule 8210 requires member firms and associated persons to provide information to FINRA in the course of an investigation. FINRA Rule 8210 imposes an unqualified obligation to fully and promptly cooperate with requests made by FINRA. An associated person who provides false or misleading information to FINRA in the course of an investigation violates FINRA Rules

8210 and 2010.

In response to FINRA's request pursuant to FINRA Rule 8210 for documents and information related to his outside business activity, Gonzalez falsified four expense receipts and produced them to FINRA. Subsequently, Gonzalez appeared for testimony pursuant to FINRA Rule 8210 and provided false testimony about the expense receipts.

By virtue of the foregoing, Gonzalez 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:

- To have a Complaint issued specifying the allegations against me;
- To be notified of the Complaint and have the opportunity to answer the allegations in writing;
- 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
- 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 understand and acknowledge that FINRA does not represent or advise me and I cannot rely on FINRA or FINRA staff members for legal advice; 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.

12/4/2018
Date (mm/dd/yyyy)

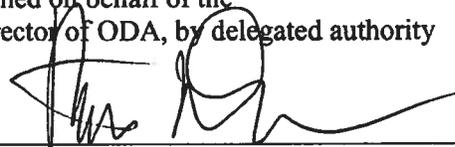


Charles Gonzalez, Respondent

Accepted by FINRA:

01/09/2019
Date

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



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