

**FINANCIAL INDUSTRY REGULATORY AUTHORITY**  
**OFFICE OF HEARING OFFICERS**

DEPARTMENT OF ENFORCEMENT,

COMPLAINANT,

v.

JOHN CARRIS INVESTMENTS, LLC  
(CRD No. 145767),  
GEORGE CARRIS (CRD No. 3079577),  
JOSEPH PRINCIPE (CRD No. 1537357),  
ANDREY TKATCHENKO (CRD No. 2712245),  
BRIAN SIMMONS (CRD No. 4349344),  
JASON BARTER (CRD No. 2552583), AND  
RANDY HECHLER (CRD No. 2292597),

RESPONDENTS.

DISCIPLINARY PROCEEDING  
NO. 2011028647101

HEARING OFFICER - MAD

**TEMPORARY CEASE AND DESIST ORDER**  
**FOR RESPONDENTS JOHN CARRIS INVESTMENTS, LLC AND GEORGE CARRIS**

Based upon the contents of the notice served upon Respondents and the Office of Hearing Officers pursuant to Rule 9810, as well as the accompanying Declaration of William D. Park, the evidence introduced during the hearing on the Department of Enforcement's request for a Temporary Cease and Desist Order, and as more fully addressed in the Hearing Panel's written decision granting the Department's request, the Hearing Panel finds, by a preponderance of the evidence and solely for the purposes of this Temporary Cease and Desist proceeding, that the alleged violations specified in the notice occurred. The Panel also finds, based on a preponderance of the evidence, and solely for the purposes of this Temporary Cease and Desist proceeding, that the violative conduct or continuation thereof is likely to result in significant harm to investors prior to the completion of the underlying disciplinary proceeding under the

Rule 9200 Series of FINRA's Code of Procedure. Accordingly, the Department's request for a temporary cease and desist order is **GRANTED**.

Specifically, the Panel finds by a preponderance of the evidence, and solely for the purposes of this Temporary Cease and Desist proceeding, that:

1. John Carris Investments (the "Firm") willfully violated Securities Exchange Act of 1934 § 10(b), Rule 10b-5 thereunder, and FINRA Rules 2020 and 2010 by failing to disclose material information to the Firm's customers in connection with their solicited purchases of securities that Firm principals were contemporaneously selling; and
2. George Carris, the Firm's Chief Executive Officer, willfully aided and abetted the Firm's willful violations of Securities Exchange Act of 1934 § 10(b), Rule 10b-5 thereunder, and FINRA Rule 2020, in violation of FINRA Rules 2020 and 2010.

Respondents have violated, and continue or at a minimum are likely to continue to violate, the above-referenced provisions by failing to disclose material conflicts of interest to customers in connection with their solicited purchases of securities that John Carris Investments or its principals are contemporaneously selling.

Accordingly, it is this \_\_\_\_ day of \_\_\_\_\_, 2013, at \_\_\_\_\_ a.m./p.m., hereby

**ORDERED** that Respondents John Carris Investments, LLC ("John Carris Investments"), and George Carris:

- A. **CEASE AND DESIST** from violating Section 10(b) of the Securities Exchange Act of 1934, SEC Rule 10b-5 promulgated thereunder, and FINRA Rules 2020 and 2010;
- B. **CEASE AND DESIST** from soliciting, or causing to be solicited by associated persons of John Carris Investments, any customer purchases of Fibrocell Science, Inc. or

other securities in which John Carris Investments or its principals have functioned as an underwriter or private placement agent and have an economic interest – including holding stock, stock options and stock warrants – unless John Carris Investments fully discloses such interest, including but not limited to any actual recent, ongoing or planned sales activity of such securities;

C. **CEASE AND DESIST** from soliciting, or causing to be solicited by associated persons of John Carris Investments, any customer purchases of other securities in which John Carris Investments or its principals have an economic interest – including holding stock, stock options and stock warrants – unless John Carris Investments fully discloses such interest, substantially in the form of Exhibit A.

Additionally, Respondents are **ORDERED** to take the following actions:

- (1) Within 10 days of this Order, Respondents will certify in writing to the Hearing Officer and the Department of Enforcement that they have (a) completed a review of John Carris Investments' written supervisory procedures and systems concerning detecting and disclosing material conflicts of interest to customers, including sales or purchases of a security by the Firm or its principals that are inconsistent with the Firm's recommendation that customers buy or sell that security; and (b) implemented necessary revisions to such procedures and systems in order to ensure that the procedures and systems are reasonably designed to ensure compliance with this Temporary Cease and Desist Order. The certification shall describe the specific actions taken, including the systems and written procedures developed and implemented. The certification shall be in the form of a sworn affidavit executed by John Carris Investments and George Carris pursuant to FINRA Rule 8210, and under penalty of perjury.
- (2) Within 10 days of this order, Respondents will (a) certify in writing to the Hearing Officer and the Department of Enforcement that they have provided written notification to all customers who were solicited by John Carris Investments to purchase Fibrocell Science, Inc. stock during May 2013 that such solicitations occurred during the same period that principals of John Carris Investments owned Fibrocell Science, Inc. stock and sold Fibrocell

Science, Inc. stock; and (b) provide satisfactory proof to the Department of Enforcement that such notification was provided.

It is further **ORDERED**, pursuant to Rule 9840(c), that this Order shall remain in full force and effect until issuance of a decision in the underlying disciplinary proceeding.

\_\_\_\_\_  
Hearing Officer \_\_\_\_\_  
For the Hearing Panel

## EXHIBIT A

Either John Carris Investments and/or its principals may have a position in (name of issuer).

Either John Carris Investments and/or its principals may sell a long position or create a short position that may be inconsistent with a recommendation to buy or sell that a registered representative of John Carris Investments recommends to you.