

FINANCIAL INDUSTRY REGULATORY AUTHORITY

In the Matter of the
Continued Membership
of

The Huntington Investment Company,
(CRD No. 16986),

Huntington Securities, Inc.,
(CRD No. 2261),

and

Capstone Capital Markets LLC,
(CRD No. 132185).

Notice Pursuant to
Rule 19h-1
Securities Exchange Act
of 1934

SD-2391
SD-2389
SD-2390

July 3, 2024

I. Introduction

On March 14, 2024, The Huntington Investment Company (“HIC”), Huntington Securities, Inc. (“HSI”) and Capstone Capital Markets LLC (“Capstone”)¹ (individually “Firm,” and collectively “Firms”) each submitted Membership Continuance Applications (“MC-400As” or “Applications”) to FINRA’s Credentialing, Registration, Education, and Disclosure (“CRED”) Department.² The Applications seek to permit the Firms, which are FINRA members, to continue their respective memberships with FINRA notwithstanding their respective statutory disqualifications. A hearing was not held in these matters; rather, pursuant to FINRA Rule 9523(b), FINRA’s Department of Member Supervision (“FINRA,” “Member Supervision,” or “Department”) approves the Applications and is filing this Notice pursuant to Rule 19h-1 of the Securities Exchange Act of 1934 (“Exchange Act” or “SEA”).³

¹ Capstone Capital Markets LLC conducts business under the name Capstone Partners.

² See HIC MC-400A and related attachments compiled by CRED, with a cover memorandum dated March 18, 2024, collectively attached as Exhibit 1. See also HSI MC-400A and related attachments compiled by CRED, with a cover memorandum dated March 19, 2024, collectively attached as Exhibit 2 and Capstone MC-400A and related attachments compiled by CRED, with a cover memorandum dated March 18, 2024, collectively attached as Exhibit 3.

³ In a May 20, 2024, communication to FINRA, the Firms, which are affiliates of each other, consented to being listed on the same SEA Rule 19h-1 Notice.

II. The Statutorily Disqualifying Event

The Firms are subject to statutory disqualification, as that term is defined in Section 3(a)(39)(F) of the Exchange Act, incorporating by reference Sections 15(b)(4)(D) and (E), as a result of a February 9, 2024 order issued by the Securities and Exchange Commission (“SEC” or “Commission”) finding that HIC, HSI, and Capstone each willfully violated Section 17(a) of the Exchange Act and Rule 17a-4(b)(4) and each failed reasonably to supervise their employees with a view to preventing or detecting certain of their employees’ aiding and abetting violations of Section 17(a) of the Exchange Act and Rule 17a-4(b)(4) thereunder (“SEC Order”).⁴ The SEC Order also found that HIC willfully violated Section 204 of the Investment Advisers Act of 1940 (“Advisers Act”) and Rule 204-2(a)(7), and failed reasonably to supervise its employees with a view to preventing or detecting certain of its employees’ aiding and abetting violations of Section 204 of the Advisers Act and Rule 204-2(a)(7) thereunder.⁵

According to the SEC Order, from at least January 2019, HIC, HSI, and Capstone employees sent and received off-channel communications that related to each Firm’s business, and a majority of these written communications were not maintained or preserved by the Firms.⁶ Further, supervisors who were responsible for preventing this misconduct among junior employees routinely communicated off-channel using their personal devices, and, in so doing, failed to comply with each Firm’s policies by communicating using non-Firm approved methods on their personal devices about the Firms’ broker-dealer business and HIC’s investment adviser business.⁷

The Firms were censured and ordered to cease and desist from committing or causing any future violations, to pay a civil money penalty jointly and severally in the amount of \$1,250,000, and to comply with certain undertakings.⁸ The Firms jointly paid the fine on February 21, 2024⁹ and represented that they are currently compliant with the undertakings.¹⁰

⁴ See SEC Order, *In re The Huntington Investment Company; Huntington Securities, Inc., and Capstone Capital Markets LLC*, Exchange Act Release No. 99504 (Feb. 9, 2024), attached as Exhibit 4.

The SEC Order also triggered disqualification under Rules 262(a)(4), 506(d)(1)(iv), and 602(c)(3) of the Securities Act of 1933 and Rule 503(a)(4)(ii) of Regulation Crowdfunding. On February 9, 2024, the SEC granted a waiver from the application of the disqualification provisions of these Rules. See *In re Certain Broker-Dealer Practices*, Securities Act Release No. 11270 (Feb. 9, 2024), attached as Exhibit 5.

⁵ See Exhibit 4 at pp. 6-7.

⁶ *Id.* at p. 2, para. 3.

⁷ *Id.* at p. 2, para. 4.

⁸ *Id.* at pp. 11-12.

⁹ See Exhibit 1 at FINRA00114, Response 4. See also Screenshot of the wire transfer from the Firms to the SEC, attached as Exhibit 6 (highlighting added by Firms) (redacted).

¹⁰ See Correspondence from the Firms to FINRA dated May 28, 2024 (with attachment), attached as Exhibit

III. Remedial Measures

According to the SEC Order, after identifying off channel communications, the Firms conducted investigations and self-reported to the SEC.¹¹ Prior to approaching the SEC, since at least January 2019, the Firms had begun programs of remediation, which included strengthening their policies and procedures by making investments in new technologies to improve surveillance and retention efforts; increasing the number of trainings and sending firm-wide reminders that emphasized the importance of complying with recordkeeping obligations; and making an on-channel texting platform available.¹² The Firms also took proactive steps to collect and preserve off-channel communications.¹³ According to the SEC Order, the Commission considered the Firms' remedial efforts and cooperation when determining to accept the Offer of Settlement.¹⁴

IV. Firms' Background

HIC, HSI, and Capstone have been FINRA members since January 2, 1986,¹⁵ April 9, 1957,¹⁶ and January 13, 2005,¹⁷ respectively. HIC is headquartered in Columbus, Ohio and has 786 branches, 16 of which are Offices of Supervisory Jurisdiction ("OSJs").¹⁸ HIC employs approximately 941 registered representatives (including 142 principals), one operations professional, and 136 non-registered fingerprint individuals.¹⁹ It does not employ any statutorily disqualified individuals.²⁰ HSI is also headquartered in Columbus, Ohio and has 14 branches, six of which are OSJs.²¹ It employs approximately 156 registered representatives (including 40 principals), one operations professional, and 27

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¹¹ See Exhibit 4 at p. 7 paras. 33-34. See also Exhibit 1 at FINRA00129.

¹² See Exhibit 4 at p. 7 para 33.

¹³ *Id.*

¹⁴ *Id.*

¹⁵ See HIC Central Registration Depository ("CRD") Excerpt – Organization Registration Status, attached as Exhibit 8.

¹⁶ See HSI CRD Excerpt – Organization Registration Status, attached as Exhibit 9.

¹⁷ See Capstone CRD Excerpt – Organization Registration Status, attached as Exhibit 10.

¹⁸ FINRA confirmed this through analysis of the Firm's information contained in CRD, last performed on June 10, 2024.

¹⁹ *Id.*

²⁰ *Id.*

²¹ *Id.*

non-registered fingerprint individuals.²² HSI does not employ any statutorily disqualified individuals.²³ Capstone is headquartered in Boston, Massachusetts and has five branches, two of which are OSJs.²⁴ It employs approximately 142 registered representatives (including 23 principals) and 81 non-registered fingerprint individuals.²⁵ Capstone does not employ any statutorily disqualified individuals.²⁶

HIC is approved to engage in the following lines of business: broker or dealer retailing corporate equity securities over-the-counter; broker or dealer selling corporate debt securities; underwriter or selling group participant (corporate securities other than mutual funds); mutual fund underwriter or sponsor; mutual fund retailer; U.S. government securities dealer; U.S. government securities broker; municipal securities dealer; municipal securities broker; broker or dealer selling variable life insurance or annuities; solicitor of time deposits in a financial institution; put and call broker or dealer or option writer; broker or dealer selling securities of non-profit organizations; investment advisory services; non-exchange member arranging for transactions in listed securities by exchange member; trading securities for own account; private placements of securities; broker or dealer involved in a networking, kiosk, or similar arrangement with a bank, savings bank or association, or credit union; engages in other non-securities business (HIC is also licensed as an insurance agency and those persons affiliated with the HIC who conduct annuity, life, and long term care sales are licensed agents of HIC. The Principal Executive Officer and other employees of HIC, in their individual capacities, are agents for various insurance companies).²⁷

HSI is approved to engage in the following lines of business: broker or dealer selling corporate debt securities; underwriter or selling group participant (corporate securities other than mutual funds); mutual fund retailer; U.S. government securities dealer; U.S. government securities broker; municipal securities dealer; municipal securities broker; broker or dealer selling tax shelters or limited partnerships in primary distributions; broker or dealer selling tax shelters or limited partnerships in the secondary market; non-exchange member arranging for transactions in listed securities by exchange member; trading securities for own account; private placements of securities; broker or dealer selling interests in mortgages or other receivables; engages in other securities business (municipal advisor); engages in other non-securities business (may act as agent in connection with municipal lease transactions and arrange loans to government or other borrowers).²⁸

²² *Id.*

²³ *Id.*

²⁴ *Id.*

²⁵ *Id.*

²⁶ *Id.*

²⁷ See HIC's CRD Excerpts - Types of Business and Other Business Descriptions, collectively attached as Exhibit 11.

²⁸ See HSI's CRD Excerpts - Types of Business and Other Business Descriptions, collectively attached as

Capstone is approved to engage in the following lines of business: private placements of securities and other securities business (mergers and acquisitions advisory).²⁹

HSI and HIC are both members of the Municipal Securities Rulemaking Board (“MSRB”).³⁰ Capstone is not a member of any other self-regulatory organizations.³¹

Recent Examinations

In the past two years, FINRA completed one routine examination of HIC which resulted in a Cautionary Action Letter (“CAL”), and one non-routine examination that resulted in a CAL. Additionally, in the past two years, there were no completed FINRA examinations of HSI that resulted in a CAL. Finally, in the past two years, FINRA completed one routine examination of Capstone, which resulted in a CAL, and zero non-routine examinations that resulted in a CAL.

A. FINRA Routine Examinations

In July 2023, FINRA issued a CAL to HIC based on two exceptions pertaining to the Firm’s failure to timely deliver its current Form CRS to four retail customers during the review period and because the Form CRS submitted by the Firm contained a wrong date and did not appear to contain all required information.³² In response, HIC amended its policies and procedures to address the failure to timely deliver the Form CRS.³³ HIC also responded that it changed its Form CRS to comply with FINRA’s recommendations.³⁴

In September 2022, FINRA issued a CAL to Capstone for two exceptions and took no further action with regards to one exception.³⁵ The two exceptions that were the subject of

Exhibit 12.

²⁹ See Capstone’s CRD Excerpts - Types of Business and Other Business Descriptions, collectively attached as Exhibit 13.

³⁰ FINRA staff confirmed this through a search of public member directories, last performed on June 10, 2024.

³¹ *Id.*

³² See HIC Disposition Letter for Examination No. 20230770377 dated July 28, 2023, Examination Report dated July 5, 2023, and HIC Response dated July 19, 2023, collectively attached as Exhibit 14, at FINRA pp. 1, 5-6.

³³ *Id.* at FINRA p. 7.

³⁴ *Id.* at FINRA pp. 7-8.

³⁵ See Capstone Disposition Letter for Examination No. 20220732758 dated September 27, 2022, Examination Report dated May 10, 2022, and Capstone’s Response dated May 11, 2022, collectively attached as Exhibit 15, at FINRA p. 1.

the CAL pertained to Capstone's books and record-keeping in relation to net capital computations and the Firm's failure to record certain information pertinent to the analysis of outside business activities ("OBAs") of its registered representatives.³⁶ Capstone responded that it would adjust language used in contracts with registered representatives to mirror guidance provided by the SEC, which would result in correct net capital computations, and that it would ask its third party vendor to add information fields so it could record information pertinent to OBA analysis or consider changing vendors.³⁷

B. FINRA Non-Routine Examinations

In June 2024, FINRA issued HIC a CAL pertaining to the Firm's failure to provide certain customers who opened IRA accounts with required information concerning Securities Investors Protection Corporation ("SIPC"), pre-dispute arbitrations, and the Firm's policies relating to payment for order flow and order routing.³⁸ The Firm represented that it took corrective action by furnishing those customers with the missing information.³⁹

Regulatory Actions

In the past two years, the Firms have not been the subject of any disciplinary actions, aside from the SEC Order that led to the Applications.

V. **Prior SEA Rule 19h-1 Notices**

FINRA previously filed one Rule 19h-1 Notice approving the continued membership of an HSI predecessor notwithstanding the existence of its statutory disqualification. On August 10, 2015, FINRA filed a Rule 19h-1 Notice approving Hutchinson, Shockey, Erley & Co.'s⁴⁰ continued membership notwithstanding the existence of its statutory disqualification stemming from a June 18, 2015 SEC order.⁴¹ The Commission acknowledged FINRA's Notice on August 20, 2015.⁴² HIC and Capstone have not been the subject of any prior SEA Rule 19h-1 or 19d-1 Notices.

³⁶ *Id.* at FINRA pp. 5-6.

³⁷ *Id.* at FINRA pp. 7-8.

³⁸ See HIC CAL for Examination No. 20210725409 dated June 17, 2024, attached as Exhibit 16.

³⁹ *Id.*

⁴⁰ On February 26, 2020, Hutchinson, Shockey, Erley & Co. filed a BD Amendment indicating that its name was being changed to Huntington Securities, Inc. See Form BD Amendment dated February 26, 2020, attached as Exhibit 17 at p. 1.

⁴¹ See *In re the Continued Membership of Hutchinson, Shockey, Erley & Co. et al.*, SD-MCDC-018, SD-MCDC-019, SD-MCDC-011, SD-MCDC-002, SD-MCDC-024 (FINRA Aug. 10, 2015) and SEC's Letter of Acknowledgment dated August 20, 2015, collectively attached as Exhibit 18.

⁴² *Id.* at FINRA p. 7.

VI. The Firms' Proposed Continued Membership with FINRA and Plan of Heightened Supervision

Each Firm seeks to continue its membership with FINRA notwithstanding its status as a disqualified member. The Firms have agreed to the following Plan of Heightened Supervision ("Supervision Plan" or "Plan") as a condition of their continued memberships with FINRA:⁴³

The Huntington Investment Company ("HIC"), Huntington Securities, Inc. ("HSI") and Capstone Capital Markets LLC ("Capstone") (collectively the "Firms") are subject to statutory disqualification pursuant to Section 3(a)(39)(F) of the Securities Exchange Act of 1934, which incorporates by reference Sections 15(b)(4)(D) & (E), as a result of an order issued by the U.S. Securities and Exchange Commission ("SEC" or "Commission") dated February 9, 2024, which found that the Firms willfully violated Section 17(a) of the Securities Exchange Act of 1934 and Rule 17a-4(b)(4) thereunder ("SEC Order"). The SEC Order also found that the Firms failed reasonably to supervise their employees within the meaning of Section 15(b)(4)(E). In addition, the SEC Order found that HIC willfully violated Section 204 of the Investment Advisers Act of 1940 ("Advisers Act") and Rule 204-2(a)(7) thereunder, and failed reasonably to supervise its employees within the meaning of Section 203(e)(6) of the Advisers Act.

For the purpose of this Supervision Plan, the term "Digital Communication Channels" means all written electronic methods of communication used to conduct the respective Firms' business, including but not limited to, text messaging platforms, whether via SMS messaging, iMessage, or other messaging services such as WhatsApp; direct messaging platforms including X f/k/a "Twitter," Instagram, LinkedIn, Slack, or Bloomberg Messaging; non-firm domain email accounts; and any other written electronic business-related correspondence. "Digital Communication Channels" encompass platforms used to exchange messages with internal or external stakeholders using either a personal or Firm-provided device.

For the purpose of this Supervision Plan, the term "Off-Channel Communications" means all business-related written electronic messages required to be maintained under Rule 17a-4 sent on Digital Communication Channels that are not captured by the Firms' respective surveillance and record-keeping systems.

In consenting to this Supervision Plan, the Firms agree to the following:

1. The Firms shall comply with all of the undertakings outlined in the SEC Order.
2. The Firms shall maintain copies of all correspondence between the respective Firms and Commission staff relating to the SEC Order, including documenting when

⁴³ See Executed Consent to Plan of Heightened Supervision dated June 27, 2024 and July 2, 2024, attached as Exhibit 19.

Commission staff grants extensions to the deadlines set forth in the SEC Order. The Firms shall maintain copies of all such correspondence in a readily accessible place for ease of review by FINRA staff.

3. The Firms shall provide FINRA's Statutory Disqualification Group with copies of all certifications submitted to the SEC upon completion of the undertakings as specified in the SEC Order. The Firms shall maintain copies of all certifications in a readily accessible place for ease of review by FINRA staff.
4. The Firms shall maintain copies of all reports and supporting documentation submitted to SEC staff in accordance with the SEC Order, as well as any other documentation needed to evidence the status and completion of each of the undertakings outlined in the SEC Order. The Firms shall maintain copies of such documentation in a readily accessible place for ease of review by FINRA staff.
5. Within six months of the SEC's Letter of Acknowledgement ("LOA") in this matter, to the extent that they have not already done so within the past six months, and on at least an annual basis thereafter, for a term of six years from the date of the LOA, the Firms shall conduct training for all associated persons regarding the Digital Communication Channels that the Firms have approved for business communication, along with the respective Firm's current policies regarding retention of business-related electronic communications. The Firms shall maintain a record of individual completion of said training and a copy of said training materials in a readily accessible place for ease of review by FINRA staff.
6. The Firms shall conduct the training described in Paragraph 5 above for all new hires, within 65 days from the date of commencement of new hire training, for a term of six years from the date of the LOA. The Firms shall retain a record of all new hire training, including a copy of all written training materials, and keep said record(s) in a readily accessible place for ease of review by FINRA staff.
7. Within 90 days of the LOA, the Firms shall, to the extent that they have not already done so, establish and maintain a written list(s) of all Digital Communication Channels that their associated persons are permitted to use to communicate about Firm business. The list(s) shall be circulated to all of the respective Firm's associated persons at least on a semi-annual basis, for a term of six years from the date of the LOA. The Firms shall require that all associated persons obtain written approval for use of any Digital Communication Channels to communicate about Firm business that are not already on the approved list(s) maintained by the Firms. The Firms shall maintain a record of all requests and approvals or rejections of each request, including the date of the requests and the respective Firm's decision. The Firms shall maintain copies of such requests and decisions in a readily accessible place for ease of review by FINRA staff.
8. The Firms shall require all associated persons to disclose on at least a semi-annual basis, for a term of six years from the date of the LOA, any unapproved Digital

Communication Channels he/she is using to communicate about the Firms' business. The Firms shall maintain records of such disclosures in a readily accessible place for ease of review by FINRA staff.

9. Subject to Paragraph 7 above, the Firms shall prohibit associated persons from using Off-Channel Communications.
10. Within 90 days of the LOA, the Firms shall, to the extent that they have not already done so, develop a process whereby, in the event that an associated person sends or receives an Off-Channel Communication, the Off-Channel Communication is submitted to the Firms and retained in compliance with relevant securities laws and regulations. For a term of six years from the date of the LOA, the Firms shall maintain a record of all such Off-Channel Communications, including a record of the respective Firm's receipt of the communication, in a readily accessible place for ease of review by FINRA staff.
11. Within 90 days of the LOA, the Firms shall, to the extent that they have not already done so, develop and maintain written policies and procedures detailing the respective Firm's processes for disciplining associated persons who use Off-Channel Communications to communicate about the Firms' business. When the Firms use the disciplinary processes, the Firms shall document each instance. The Firms shall retain records of such written policies and procedures and records of the disciplinary processes and each outcome. The Firms' written policies and procedures will be owned by the Firms' respective Compliance Departments.
12. All requested documents and certifications under this Supervision Plan shall be sent directly to FINRA's Statutory Disqualification Group at SDMailbox@FINRA.org.
13. The Firms shall obtain written approval from FINRA's Statutory Disqualification Group prior to changing any provision of the Supervision Plan.
14. The Firms shall submit any proposed changes or other requested information under this Supervision Plan to FINRA's Statutory Disqualification Group at SDMailbox@FINRA.org.

VII. Discussion

After carefully reviewing the entire record in these matters, FINRA approves each Firm's request to continue its memberships with FINRA, subject to the terms and conditions set forth herein. In evaluating HIC's, HSI's and Capstone's Applications, FINRA assessed whether the Firms have demonstrated that their continued memberships are consistent with the public interest and do not create an unreasonable risk of harm to investors or the markets. *See* FINRA By-Laws, Art. III, Sec. 3(d); *cf. Frank Kufrovich*, 55 S.E.C. 616, 624 (2002) (holding that FINRA "may deny an application by a firm for association with a statutorily-disqualified individual if it determines that employment under the proposed plan would not be consistent with the public interest and the protection of investors"). Typically,

factors that bear on FINRA's assessment include, among other things, the nature and gravity of the statutorily disqualifying misconduct, the time elapsed since its occurrence, the restrictions imposed, each Firm's regulatory history, and whether there has been any intervening misconduct.

As of the date of this Notice, FINRA has determined that each Firm's continued membership is consistent with the public interest and does not create an unreasonable risk of harm to investors or the markets. While the SEC Order identified serious violations of securities laws, the Firms were not expelled or suspended, nor were any limitations placed on their securities activities. Although the SEC Order triggered certain disqualifications from exemptions from registration available under the Securities Act of 1933 ("Securities Act"), specifically Regulations A, D and E of the Securities Act and Regulation Crowdfunding, the SEC granted the Firms a waiver from the application of the disqualification provisions of Rules 262(a)(4)(ii), 506(d)(1)(iv)(B), and 602(c)(3) of the Securities Act and Rule 503(a)(4)(ii) of Regulation Crowdfunding.⁴⁴ Moreover, the full amount of the civil monetary penalty was promptly paid, and the Firms represented that they are currently compliant with the ordered undertakings.⁴⁵ Specifically, the Firms have hired an independent consultant who is in the process of drafting an initial report and recommendations.⁴⁶

Member Supervision also acknowledges that within the SEC Order the Commission considered each Firm's prompt remedial actions and cooperation with the Commission when determining to accept the Offer of Settlement. The Firms self-reported their off-channel communications issues to the Commission staff and took remedial measures such as strengthening their policies and procedures, investing in new technologies to improve surveillance and retention efforts, increasing trainings, and making an on-channel texting platform available. The Firms also took proactive steps to collect and preserve off-channel communications.⁴⁷

In its evaluation of the respective Firm's Applications, FINRA notes that the Firms have no recent regulatory actions filed against them or recent additional disqualifying events. With respect to recent examination exceptions, HIC and Capstone both took steps to resolve the issues: HIC amended its policies and procedures and updated its Form CRS, while Capstone adjusted language used in contracts with registered representatives to mirror SEC guidance to correct net capital computations and made requests of its third-party vendor so that it could better collect information for OBA analysis.

FINRA is further reassured by the controls set in place by the Firms' Supervision Plan which bolster the undertakings outlined in the SEC Order and will continue to provide oversight of the Firms and current compliance with the remaining undertakings. In

⁴⁴ See Exhibit 5.

⁴⁵ See Exhibits 6 and 7.

⁴⁶ See Exhibit 7.

⁴⁷ See Exhibit 4, at p. 7, para. 33.

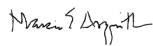
accordance with the Plan, the Firms agreed to conduct annual training for all associated persons, including new hires, regarding each Firm's approved digital communication methods and record retention policies for electronic communications. Further, the Plan calls for the Firms to maintain a list of approved digital communication methods that associated persons are permitted to use for Firm business and to circulate that list to their associated persons semi-annually. The Plan requires each Firm's associated persons to obtain written approval to use digital communication channels not already approved. The Plan prohibits the use of off-channel communications and requires associated persons to semi-annually disclose any unapproved digital communication methods they are using for Firm business; they must also forward any off-channel communications that may have taken place to their Firm for retention purposes. These provisions will help to ensure that each Firm is aware of the communication methods being used by associated persons so that they can appropriately monitor, capture, and retain those communications. Additionally, the Plan mandates that each Firm develop policies and procedures for disciplining associated persons who use unapproved communication methods for Firm business and segregate all certifications, reports, and supporting documentation submitted to the SEC regarding compliance with the undertakings, for ease of review by FINRA staff to ensure ongoing compliance.

Following the approval of each Firm's continued memberships in FINRA, FINRA intends to utilize its examination and surveillance processes to monitor each Firm's continued compliance with the standards prescribed by Exchange Act Rule 19h-1 and FINRA Rule 9523.

Thus, FINRA is satisfied, based on the foregoing and on each Firm's representations made pursuant to the Supervision Plan, that each Firm's continued memberships with FINRA is consistent with the public interest and does not create an unreasonable risk of harm to the market or investors. Accordingly, FINRA approves HIC's, HSI's and Capstone's Applications to continue their memberships with FINRA.

In conformity with the provisions of Rule 19h-1 of the Exchange Act, the continued membership of each of the Firms will become effective within 30 days of the receipt of this notice by the Commission, unless otherwise notified by the SEC.

On Behalf of FINRA,



Marcia E. Asquith
Executive Vice President & Corporate Secretary

EXHIBITS

SD-2391, SD-2389 and SD-2390

1. HIC MC-400A and related attachments compiled by CRED, with a cover memorandum dated March 18, 2024.
2. HSI MC-400A and related attachments compiled by CRED, with a cover memorandum dated March 19, 2024.
3. Capstone MC-400A and related attachments compiled by CRED, with a cover memorandum dated March 18, 2024.
4. SEC Order, *In re The Huntington Investment Company; Huntington Securities, Inc.; and Capstone Capital Markets LLC*, Exchange Act Release No. 99504 (Feb. 9, 2024).
5. *In re Certain Broker-Dealer Practices*, Securities Act Release No. 11270 (Feb. 9, 2024).
6. Screenshot of the wire transfer from the Firms to the SEC.
7. Correspondence from the Firms to FINRA dated May 28, 2024 (with attachment).
8. HIC CRD Excerpt – Organization Registration Status.
9. HSI CRD Excerpt – Organization Registration Status.
10. Capstone CRD Excerpt – Organization Registration Status.
11. HIC’s CRD Excerpts - Types of Business and Other Business Descriptions.
12. HSI’s CRD Excerpts - Types of Business and Other Business Descriptions.
13. Capstone’s CRD Excerpts - Types of Business and Other Business Descriptions.
14. HIC Disposition Letter for Examination No. 20230770377 dated July 28, 2023, Examination Report dated July 5, 2023, and HIC Response dated July 19, 2023.
15. Capstone Disposition Letter for Examination No. 20220732758 dated September 27, 2022, Examination Report dated May 10, 2022, and Capstone’s Response dated May 11, 2022.
16. HIC CAL for Examination No. 20210725409 dated June 17, 2024.
17. Form BD Amendment dated February 26, 2020.
18. *In re the Continued Membership of Hutchinson, Shockey, Erley & Co. et al.*, SD-MCDC-018, SD-MCDC-019, SD-MCDC-011, SD-MCDC-002, SD-MCDC-024 (FINRA Aug. 10, 2015) and SEC’s Letter of Acknowledgment dated August 20, 2015.
19. Executed Consent to Plan of Heightened Supervision dated June 27, 2024 and July 2, 2024.

Exhibit A

Plan of Heightened Supervision

The Huntington Investment Company (“HIC”), Huntington Securities, Inc. (“HSI”), and Capstone Capital Markets LLC (“Capstone”) (individually “Firm,” collectively the “Firms”) are subject to statutory disqualification pursuant to Section 3(a)(39)(F) of the Securities Exchange Act of 1934, which incorporates by reference Sections 15(b)(4)(D) & (E), as a result of an order issued by the U.S. Securities and Exchange Commission (“SEC” or “Commission”) dated February 9, 2024, which found that the Firms willfully violated Section 17(a) of the Securities Exchange Act of 1934 and Rule 17a-4(b)(4) thereunder (“SEC Order”). The SEC Order also found that the Firms failed reasonably to supervise their employees within the meaning of Section 15(b)(4)(E). In addition, the SEC Order found that HIC willfully violated Section 204 of the Investment Advisers Act of 1940 (“Advisers Act”) and Rule 204-2(a)(7) thereunder and failed reasonably to supervise its employees within the meaning of Section 203(e)(6) of the Advisers Act.

In consenting to this Supervision Plan¹ (“Supervision Plan”), the Firms agree to the following:

1. The Firms shall comply with all the undertakings outlined in the SEC Order.
2. The Firms shall maintain copies of all correspondence between the Firms and Commission staff relating to the SEC Order, including documenting when Commission staff grants extensions to the deadlines set forth in the SEC Order. The Firms shall maintain copies of all such correspondence in a readily accessible place for ease of review by FINRA staff.
3. The Firms shall maintain copies of all reports and supporting documentation submitted to SEC staff in accordance with the SEC Order, as well as any other documentation needed to evidence the status and completion of each of the undertakings outlined in the SEC Order. The Firms shall maintain copies of such documentation in a readily accessible place for ease of review by FINRA staff.
4. The Firms shall provide FINRA’s Statutory Disqualification Group with copies of all certifications submitted to the SEC upon completion of the undertakings as specified under paragraph 41 of the SEC Order.
5. This Supervision Plan shall take effect on the date the respective Firm executes its consent to this Supervision Plan. The Supervision Plan shall be in effect for each respective Firm until FINRA’s receipt of the respective Firm’s final certifications required by the SEC Order, after which time the Supervision Plan and its provisions thereto will expire as to that respective Firm.

¹ This Supervision Plan supersedes the Firms’ previous Supervision Plan executed on June 27, 2024, and July 2, 2024.

6. All requested documents and certifications under this Supervision Plan shall be sent directly to FINRA's Statutory Disqualification Group at SDMailbox@FINRA.org.
7. The Firms shall obtain written approval from FINRA's Statutory Disqualification Group prior to changing any provision of the Supervision Plan.
8. The Firms shall submit any proposed changes or other requested information under this Supervision Plan to FINRA's Statutory Disqualification Group at SDMailbox@FINRA.org.