

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

DEPARTMENT OF ENFORCEMENT,

Complainant,

v.

JAMES LUKEZIC
(CRD No. 4284800),

Respondent.

Disciplinary Proceeding

No. 2022073425001

Hearing Officer—MPD

**AMENDED HEARING
PANEL DECISION¹**

May 12, 2026

Respondent James Lukezic placed six unauthorized mutual fund exchanges in five customer accounts, in violation of FINRA Rule 2010. Lukezic also provided false or misleading information to FINRA during its investigation into the unauthorized trades, both in response to written Rule 8210 requests and during his on-the-record testimony, in violation of FINRA Rules 8210 and 2010. For this misconduct, Lukezic is barred from associating with any FINRA member firm in any capacity.

Appearances

For the Complainant: Justin W. Arnold, Esq., Ashley Morris, Esq., John R. Baraniak, Jr., Esq.,
Department of Enforcement, Financial Industry Regulatory Authority

For the Respondent: Gary A. Carleton, Esq., Carleton Law PLLC, and Lawrence P. Kolker, Esq.,
Law Office of Lawrence P. Kolker

DECISION

I. Introduction

On December 17, 2024, FINRA’s Department of Enforcement filed a Complaint alleging three causes of action against Respondent James Lukezic. In the first cause of action, Enforcement alleges that Lukezic effected six mutual fund exchanges in five accounts of his customers without first obtaining the customers’ required authorization or consent. By placing these unauthorized trades, the Complaint alleges that Lukezic breached his duty to observe high

¹ The Amended Hearing Panel Decision corrects a pagination error that occurred when the original Decision was converted to a PDF.

standards of commercial honor and just and equitable principles of trade in the conduct of his business and thereby violated FINRA Rule 2010.

The second and third causes of action both allege that Lukezic violated FINRA Rules 8210 and 2010 by providing false or misleading information to FINRA during its investigation into the unauthorized mutual fund exchanges. Cause two alleges that Lukezic provided false or misleading information to FINRA in two responses to written Rule 8210 requests. Cause three alleges that Lukezic provided false or misleading information to FINRA during his on-the-record testimony (“OTR”).

Lukezic filed an Answer disputing the allegations of misconduct, asserting various affirmative defenses, and requesting a hearing.

A hearing was held before a FINRA Hearing Panel over four days on October 6, 2025, December 2–3, 2025, and December 5, 2025. After considering the hearing testimony, the admitted exhibits, and the briefs filed by the parties, the Hearing Panel finds that Lukezic committed each of the violations alleged in the Complaint. For the misconduct alleged in cause one (unauthorized trading), the Hearing Panel bars Lukezic in all capacities from associating with any FINRA member firm. In light of the bar, the Panel finds it unnecessary to impose additional sanctions for the misconduct alleged in causes two and three (providing false or misleading information to FINRA).

II. Findings of Fact

A. Respondent

Lukezic first registered with FINRA in January 2001.² After working at a number of broker-dealers,³ in January 2019, Lukezic acquired FINRA member firm CNA Investor Services, Inc. (“CNA”) and changed its name to Old Slip Capital Management, Inc. (“Old Slip”).⁴ At all relevant times, Lukezic has been Old Slip’s sole owner, managing principal, Chief Executive Officer, and Chief Compliance Officer.⁵ He is currently registered with FINRA as both a General Securities Representative and General Securities Principal through his association with Old Slip and is, therefore, subject to FINRA’s jurisdiction.⁶ During February 2022, when the mutual fund exchanges at issue were placed, Lukezic was Old Slip’s only registered representative.⁷

² Joint Stipulations (“Stip.”) ¶ 1.

³ Joint Exhibit (“JX-”) 1, at 6–10.

⁴ Stip. ¶ 5; Hearing Transcript (“Tr.”) 665 (Lukezic).

⁵ Stip. ¶ 3; JX-3, at 6; JX-4, at 9–10; Tr. 665–67 (Lukezic).

⁶ Stip. ¶ 2; JX-1, at 4; Tr. 666–67 (Lukezic).

⁷ JX-27, at 1–2 (identifying Lukezic and JT, who was not registered, as the only employees of Old Slip during the review period, June 2, 2018, through July 12, 2022); Tr. 667–69 (Lukezic).

B. Origin of the Proceeding

During a routine examination of Old Slip, FINRA staff received information that six unauthorized mutual fund exchanges may have been placed in five accounts of the firm's customers.⁸ FINRA thereafter began to investigate the exchanges.⁹

C. Overview of the Six Mutual Fund Exchanges

The exchanges that are the subject of this proceeding were placed in five customer accounts that Old Slip inherited from CNA.¹⁰ The five affected accounts were (1) a joint account owned by DB and his wife, LB; (2) a trust account for which RP and his wife, VP, were co-trustees; (3) an account owned by EO; (4) an account owned by CR; and (5) an account owned by LS.¹¹ All five of the accounts owned shares of mutual funds that were distributed by FINRA member firm Capital Client Group, Inc. (formerly known as American Funds Distributors, Inc.) and held at its non-member affiliate transfer agent, American Funds Service Company.¹² Old Slip became the dealer of record for the five accounts when Lukezic acquired CNA.¹³

The exchanges in all five accounts were effected on February 7, 2022, within a span of approximately 15 minutes, at approximately 2:30 p.m. (Central Time).¹⁴ There were two exchanges in one of the customer accounts and one exchange in each of the four remaining customer accounts.¹⁵ Each transaction involved the exchange of Class A mutual fund shares in one American Funds mutual fund for Class A mutual fund shares in another mutual fund in the same mutual fund family.¹⁶ The total principal value of the six exchanges was approximately \$1.1 million.¹⁷

All six of the exchanges were processed through American Funds' online trading platform, which is known as DST Vision.¹⁸ Just a few weeks before the exchanges were placed,

⁸ Tr. 504–05 (Quinn).

⁹ Tr. 504–05 (Quinn).

¹⁰ Stip. ¶¶ 6, 8.

¹¹ Stip. ¶ 6; JX-14; JX-15; JX-16; JX-17; JX-18; JX-19.

¹² Stip. ¶ 7; Tr. 272 (RJ). Throughout this proceeding, the parties have used the term “American Funds” to refer to either the Capital Client Group, Inc. or American Funds Service Company. This Decision generally does the same. However, to the extent the distinction between the two entities is relevant, we refer to American Funds Service Company as the “Transfer Agent” and Capital Client Group, Inc as the “Distributor.”

¹³ Tr. 65–66 (RJ).

¹⁴ Stip. ¶ 8; Complainant's Exhibit (“CX-” 2; CX-3; Tr. 97–101 (RJ).

¹⁵ CX-2.

¹⁶ CX-2.

¹⁷ CX-2.

¹⁸ Tr. 67 (RJ).

Lukezic requested access to DST Vision to “trade in [his] house account.”¹⁹ American Funds approved Lukezic’s request for “dealer level” access to DST Vision on January 19, 2022.²⁰ “Dealer level” access allows a financial professional to view and transact in any account associated with his or her dealer firm.²¹

When a financial professional requests access to DST Vision, the system assigns a unique “Vision ID number” to the user.²² The user is then required to select a username and password.²³ All six of the exchanges were processed using the Vision ID number assigned to Lukezic.²⁴ American Funds traced all six of the exchanges to a single “internet protocol,” or IP, address in North Miami Beach, Florida,²⁵ in the general area where Lukezic lived.²⁶

D. American Funds Determines the Exchanges Were Unauthorized and Reverses the Transactions

1. Customer DB Alerts American Funds to an Unauthorized Exchange in His and His Wife’s Account

American Funds first learned of the exchanges from Old Slip customer, DB.²⁷ On the morning of February 9, 2022, DB called American Funds after receiving an email suggesting an exchange had been placed in his and his wife’s account two days earlier.²⁸ During the call, which was recorded by American Funds,²⁹ DB told the American Funds representative he had not authorized any transaction and was concerned his account had been hacked.³⁰

¹⁹ JX-9, at 1; *see also* JX-10, at 2 (“How can I get approved for placing trades in my current account with you. Let me know what paperwork needs to be signed for this.”).

²⁰ Complaint (“Compl.”) ¶ 11; Answer (“Ans.”) ¶ 11; CX-5; Tr. 83–84, 482 (RJ).

²¹ Tr. 69, 84 (RJ); *see also* CX-5 (noting Lukezic was approved for “Dealer” level access).

²² Tr. 84 (RJ).

²³ Tr. 480 (RJ); Tr. 705–06 (Lukezic).

²⁴ CX-3; JX-12, at 3; Tr. 87–91, 98–101 (RJ).

²⁵ CX-3; JX-12, at 3; Tr. 94–96, 98–101 (RJ).

²⁶ JX-32, at 1.

²⁷ Tr. 64–65, 103–04 (RJ).

²⁸ CX-4 (showing recordings of calls between DB and American Funds on February 9, 2022, at 10:17 a.m. Eastern Time and 10:32 a.m. Eastern Time); CX-6; CX-6a; CX-7; CX-7a; CX-26, ¶¶ 3–4; Tr. 116–19, 124–29, 131–35 (RJ).

²⁹ RJ, the Vice President of Compliance for the Transfer Agent, testified that the Transfer Agent records all incoming and outgoing calls. Tr. 104, 107 (RJ).

³⁰ CX-7; CX-7a, at 5 (“I’m very concerned because I’m telling you right now, I have not done anything on this account.”); CX-7a, at 7–8 (“my point is I did not do that transaction”); CX-7a, at 11 (“that was not authorized by me”); CX-26, at ¶ 4.

The American Funds representative confirmed there had been an exchange in DB's account on February 7, 2022.³¹ Class A shares of one American Funds mutual fund, with a principal value of \$35,295.70, had been exchanged for Class A shares in another American Funds mutual fund.³² The American Funds representative advised DB the transaction appeared to have been processed by Old Slip, the dealer firm on the account.³³ DB responded, "I don't know who that is. I [have] never known. I have no clue."³⁴ DB also stated he did not know Lukezic.³⁵ DB asked American Funds to correct the transaction and to remove Old Slip from the account.³⁶

American Funds cancelled the exchange later the same day.³⁷ In the meantime, however, after obtaining his telephone number from the American Funds representative,³⁸ DB spoke with Lukezic.³⁹ During that call, DB asked Lukezic why he had made the exchange.⁴⁰ Lukezic responded that "he had not made the exchange, but someone in his back office must have done it."⁴¹

Later that afternoon, Lukezic spoke on a recorded line with the same American Funds representative who had talked to DB earlier in the day.⁴² During that call, Lukezic said he had talked to "the client"—apparently, referring to DB—about what Lukezic described as "a misplaced trade."⁴³ According to Lukezic, the trade "wasn't too much of a concern," but the client wanted "to switch it back."⁴⁴ By that time, American Funds already had processed DB's request for a correction.⁴⁵

³¹ CX-7; CX-7a, at 4–7.

³² JX-14; CX-2.

³³ CX-7; CX-7a, at 5, 10–11.

³⁴ CX-7; CX-7a, at 5; *see also* CX-7a, at 8 ("I don't even know who they are . . ."); CX-7a, at 11 ("I don't even know these people.").

³⁵ CX-7; CX-7a, at 8–9.

³⁶ CX-7; CX-7a, at 14–19.

³⁷ JX-14; Tr. 146–48 (RJ); Tr. 736–37 (Lukezic).

³⁸ CX-7; CX-7a, at 21–23.

³⁹ CX-26, ¶ 5 ("After talking to American Funds, I spoke with Mr. Lukezic on the telephone.").

⁴⁰ CX-26, ¶ 5.

⁴¹ CX-26, ¶ 5; *see also* CX-8; CX-8a, at 3, 9 (DB reporting to American Funds that Lukezic told him the exchange was a "backroom" error).

⁴² CX-4 (showing call between Lukezic and American Funds at 2:42 p.m. Eastern Time on February 9, 2022); CX-19; CX-19a.

⁴³ CX-19; CX-19a, at 2; Tr. 210 (RJ).

⁴⁴ CX-19; CX-19a, at 2.

⁴⁵ CX-4; CX-8; CX-8a, at 4 (American Funds representative reporting to DB during call at 12:45 p.m. Eastern Time on February 9, 2022, that American Funds had processed his request for a correction); CX-19; CX-19a, at 2

2. American Funds Learns That Similar Exchanges Were Placed in the Accounts of Other Old Slip Customers

At the time that it reversed the exchange in the account of DB and his wife, American Funds did not know that similar exchanges had been placed in the accounts of other Old Slip customers on the same day.⁴⁶ American Funds first learned there were additional affected customers when it received a call a few weeks later, on March 1, 2022, from another Old Slip customer, RP.⁴⁷

a. Customer RP Informs American Funds There Were Two Unauthorized Exchanges in His and His Wife's Trust Account

In a recorded call on March 1, 2022, RP explained to an American Funds representative he had just received confirmation of transactions in his and his wife's trust account that he did not authorize.⁴⁸ On February 7, 2022, two exchanges had been made in the account.⁴⁹ In both instances, Class A shares of one American Funds mutual fund were exchanged for Class A shares of another American Funds mutual fund.⁵⁰ The principal value of one exchange was \$290,502.11, and the principal value of the second exchange was \$529,144.80.⁵¹

The American Funds representative told RP that the transactions appeared to have been initiated by Old Slip, and she asked RP whether he knew the firm or Lukezic.⁵² RP said he did not.⁵³ "I never spoke to a James Lukezic in my whole life," RP told the American Funds representative.⁵⁴ RP said he did not authorize the exchanges in his account, and he asked American Funds to "[p]ut it back the way it was."⁵⁵

(American Funds representative telling Lukezic during call at 2:42 p.m. Eastern Time on February 9, 2022, "we've actually already processed it on our end").

⁴⁶ Tr. 156 (RJ).

⁴⁷ CX-4; CX-9; CX-9a; Tr. 156–58 (RJ).

⁴⁸ CX-9; CX-9a, at 2–3; JX-15 (noting RP and RP's wife as trustees of trust account); JX-16 (same).

⁴⁹ JX-15; JX-16; CX-2.

⁵⁰ JX-15; JX-16; CX-2.

⁵¹ JX-15; JX-16; CX-2.

⁵² CX-9; CX-9a, at 8.

⁵³ CX-9; CX-9a, at 9–16, 20, 23–24.

⁵⁴ CX-9; CX-9a, at 9; *see also* CX-9a, at 9 ("I've never had any conversation with these people"); CX-9a, at 10–11 ("I don't know who [Old Slip] are. And a guy named Jim Lukezic, but I've never spoken to him."); CX-9a, at 15 ("I don't know [Old Slip]. They don't know me. I never talked to them in all these years."); CX-9a, at 16 ("I've never had a conversation with them. I don't know who they are and they don't know me.").

⁵⁵ CX-9; CX-9a, at 22; *see also* CX-9a, at 8–9 ("And what I'm saying is that this transaction which I received today, I never authorized it . . . So this transaction is—I never authorized it. I don't know who did."); CX-9a, at 14 ("I don't authorize them to make any change. I don't know them."); CX-9a, at 17 ("Now they're making a change in my

In addition to speaking with RP by telephone, American Funds also received a handwritten note from RP and his wife reiterating that the exchanges in their account were unauthorized and requesting that the transactions be reversed.⁵⁶ The note was written on a copy of an account statement that American Funds had mailed to the couple at their address of record.⁵⁷ The note read, “I want the same 3 mutual funds that I owned before . . . it was changed without my authorization and permission.”⁵⁸ The note was signed by RP and his wife.⁵⁹

American Funds cancelled the two exchanges in the account of RP and his wife on March 11, 2022.⁶⁰

b. American Funds Investigates and Discovers Mutual Fund Exchanges Were Placed in the Accounts of EO, LS, and CR

After learning from RP that he had not authorized the exchanges in his and his wife’s account, American Funds referred the matter to its fraud department for investigation.⁶¹ As a result of that investigation, American Funds discovered that mutual fund exchanges were placed in the accounts of three additional Old Slip customers on February 7, 2022—EO, LS, and CR.⁶²

American Funds reached out to all three customers to determine whether they had authorized the exchanges.⁶³ All three customers told American Funds in recorded calls they did not authorize the transactions.⁶⁴ Additionally, for reasons that are explained more fully below, the Hearing Panel treats as established for the purposes of this proceeding that CR did not authorize the mutual fund exchange in his account.

i. Customer EO Tells American Funds She Did Not Authorize the Exchange in Her Account

An American Funds representative spoke with Old Slip customer EO on March 10, 2022, and asked whether she authorized the mutual fund exchange that was placed in her account on

account and I never authorized it. I don’t know the people who you say did. So please straighten it out for me.”); CX-9a, at 20–21 (“I don’t know who they are, and I don’t want them changing anything on me. They have . . . They weren’t authorized to. They weren’t authorized to, and I want you to get them straightened now and straighten me out.”); CX-9a, at 22 (“I never authorized an exchange.”).

⁵⁶ CX-10.

⁵⁷ CX-10; Tr. 173–74, 177 (RJ).

⁵⁸ CX-10; Tr. 173–74, 177 (RJ).

⁵⁹ CX-10; Tr. 177 (RJ).

⁶⁰ JX-15; JX-16; Tr. 167–71 (RJ).

⁶¹ Tr. 171–72 (RJ).

⁶² Tr. 172–73 (RJ).

⁶³ Tr. 173 (RJ).

⁶⁴ CX-4; CX-12; CX-12a; CX-14; CX-14a; CX-15; CX-15a; CX-16; CX-16a.

February 7, 2022.⁶⁵ The exchange in EO's account involved the exchange of Class A shares of one American Funds mutual fund, with a principal value of \$42,960.29, for Class A shares in another American Funds mutual fund.⁶⁶

EO told the American Funds representative she had not authorized the exchange.⁶⁷ EO also stated she did not know and had never spoken with Lukezic.⁶⁸

American Funds cancelled the exchange in EO's account on March 11, 2022.⁶⁹

ii. Customer LS Tells American Funds He Did Not Authorize the Exchange in His Account

On April 12, 2022, American Funds likewise cancelled the exchange that took place in LS's account on February 7, 2022.⁷⁰ Just as with the other customers, the exchange in LS's account involved the exchange of Class A shares of one American Funds mutual fund for Class A shares in another American Funds mutual fund.⁷¹ The principal value of the exchange was \$91,764.24.⁷²

During two calls he had with American Funds on April 19, 2022, LS stated he did not authorize the exchange in his account.⁷³

⁶⁵ CX-4; CX-12; CX-12a.

⁶⁶ CX-2; JX-17.

⁶⁷ CX-12; CX-12a, at 2, 6, 8–9.

⁶⁸ CX-12; CX-12a, at 4, 7.

⁶⁹ JX-17; Tr. 183–84 (RJ).

⁷⁰ JX-19; Tr. 200–01 (RJ).

⁷¹ CX-2; JX-19.

⁷² CX-2; JX-19.

⁷³ CX-4; CX-15; CX-15a, at 3–4; CX-16; CX-16a, at 3–5, 7. It is not clear from the record whether American Funds spoke with LS before cancelling the exchange in his account. In an August 24, 2022, response to a request for information from FINRA, American Funds wrote, "On 04/12/2022, [American Funds] made contact with [LS], was informed that the transaction was not authorized and cancelled the transaction." JX-12, at 3; *accord* Respondent's Exhibits ("RX-") 13, at 1. However, there is no evidence that American Funds ever provided FINRA with the recording of an April 12, 2022, telephone call with LS. *see* CX-4 (listing recorded telephone calls that American Funds produced to FINRA); Tr. 116, 349–50 (RJ), and no such recording was offered into evidence at the hearing. Additionally, in a recorded call that took place one week later, on April 19, 2022, an American Funds representative told LS that American Funds had been "trying to reach out to" him "regarding an exchange" to see if he had authorized the transaction. CX-15; CX-15a, at 3–4. In any event, the Panel finds it unnecessary to resolve whether there was a call between American Funds and LS on April 12, 2022, because, as discussed above, LS told American Funds on April 19, 2022, he did not authorize the exchange in his account.

i. Customer CR Did Not Authorize the Exchange in His Account

Out of all of the affected customers, CR was the only one who was scheduled to testify at the hearing.⁷⁴ CR was originally scheduled to testify by videoconference on October 8, 2025.⁷⁵ However, on October 7, 2025, the remaining hearing dates were unexpectedly adjourned at the request of Lukezic’s counsel because of a medical issue.⁷⁶ As a result, CR did not testify as originally planned on October 8, 2025.

Just two days after adjourning the remaining hearing dates, on the morning of October 9, 2025, CR received an email from KK, an individual who identified himself as an “attorney for James Lukezic.”⁷⁷ The attorney’s email to CR bore the subject line, “[CR], re: FINRA.”⁷⁸ In the body of the email, the attorney wrote:

Good morning . . . I am attorney for James Lukezic; if you are represented by an attorney please send me their contact information. I am writing to inform of a state action vs. you that will commence, re: defamation. You will need to be served papers in order to respond. Please confirm the best address to deliver, thank you.⁷⁹

Lukezic admits he directed his attorney, KK, to send the email to CR.⁸⁰ Lukezic also admits that, after Enforcement asked him to withdraw the email, he refused to do so.⁸¹

On October 15, 2025, Enforcement moved for sanctions, pursuant to FINRA Rule 9280, arguing that the email constituted a threat by Lukezic to bring a defamation action against CR based on his anticipated testimony at the hearing.⁸² By having KK send the email, Enforcement claimed that Lukezic tampered with a witness and thereby engaged in contemptuous conduct.⁸³ Even if CR was still willing to testify at the hearing, Enforcement maintained he should not be put in the position of potentially having to defend against a defamation suit for having testified before the Hearing Panel.⁸⁴ As a result, to remedy Lukezic’s misconduct, Enforcement requested

⁷⁴ See Enforcement’s Witness List (Sept. 2, 2025).

⁷⁵ Tr. 218–19 (Enforcement counsel stating they planned to call CR on the next scheduled hearing date); *see also* Tr. 781 (Lukezic) (testifying he was aware Enforcement intended to call CR as a witness at the hearing).

⁷⁶ Oct. 7, 2025, Order Adjourning Hearing Dates and Scheduling Status Conference.

⁷⁷ CX-30, at 1.

⁷⁸ CX-30, at 1.

⁷⁹ CX-30, at 1.

⁸⁰ Tr. 784 (Lukezic).

⁸¹ Tr. 784 (Lukezic).

⁸² Enforcement’s Motion for Relief Under Rule 9280 for Respondent’s Contemptuous Conduct (Oct. 15, 2025) (“Motion for Sanctions”).

⁸³ *Id.*

⁸⁴ *Id.* at 7–8.

an order providing that, in lieu of it offering CR's testimony, certain facts it anticipated the witness would testify to at the hearing should be deemed established for the purposes of this proceeding.⁸⁵

The Hearing Officer found that Lukezic engaged in contemptuous conduct by tampering with CR's testimony and granted Enforcement's Motion for Sanctions on November 4, 2025.⁸⁶ Accordingly, we treat as established for the purposes of this proceeding that CR did not authorize the exchange in his account.⁸⁷ We also treat as established that CR did not know and had never spoken to Lukezic.⁸⁸

The principal value of the shares exchanged in CR's account on February 7, 2022, was \$105,767.25.⁸⁹ After speaking with CR by telephone,⁹⁰ American Funds cancelled the exchange in his account on March 11, 2022.⁹¹

3. American Funds Absorbs the Cost of Reversing the Exchanges

To reverse the exchanges, American Funds had to repurchase the shares of the mutual funds that the customers originally held in their accounts.⁹² Because the price of those shares had gone up since the date of the exchanges, reversing the exchanges cost American Funds approximately \$44,500.⁹³ American Funds bore the amount of that loss.⁹⁴ There were no losses incurred by the customers.⁹⁵

E. Lukezic Denies Responsibility for the Exchanges and Refuses to Cooperate with American Funds' Investigation

In addition to confirming that the customers had not authorized the mutual fund exchanges in their accounts, American Funds also sought as part of its investigation to determine how the exchanges were made. Because all six of the mutual fund exchanges were processed on

⁸⁵ *Id.* at 6–7.

⁸⁶ Nov. 4, 2025, Order Granting Enforcement's (1) Motion for Relief Under FINRA Rule 9280 and (2) Second Motion for Leave to Amend its Exhibit List.

⁸⁷ *Id.* at 7–8.

⁸⁸ *Id.*

⁸⁹ CX-2; JX-18.

⁹⁰ CX-4; CX-14; CX-14a.

⁹¹ JX-18; Tr. 191–92 (RJ).

⁹² Tr. 253 (RJ).

⁹³ Tr. 253–54, 462 (RJ); JX-13.

⁹⁴ Tr. 253–54 (RJ); JX-12, at 4; JX-13.

⁹⁵ JX-12, at 4; Tr. 455 (RJ).

American Funds' trading platform using Lukezic's login credentials,⁹⁶ American Funds tried on multiple occasions to discuss the exchanges with Lukezic and determine whether the exchanges were the result of fraudulent activity.⁹⁷ Not once during these conversations did Lukezic suggest that anyone else at Old Slip could have placed the trades. Nor did he do any investigation into whether the transactions were the result of any security breach at his firm.⁹⁸ Instead, Lukezic denied responsibility for the transactions, he tried to shift the blame to American Funds, and he threatened American Funds with legal action.

1. March 2, 2022, Call

On March 2, 2022—the day after RP called American Funds about the two unauthorized exchanges in his and his wife's trust account—an American Funds representative called Lukezic on a recorded line.⁹⁹ The American Funds representative explained to Lukezic that RP was concerned an exchange was made without his authorization and wanted to know how it happened.¹⁰⁰ During the call, Lukezic logged into the DST Vision trading platform, so that he could look up RP's account information.¹⁰¹

Lukezic told the American Funds representative he thought the trade in RP's account "was just an error."¹⁰² In an apparent reference to the exchange in DB's account, which Lukezic had discussed with American Funds on February 9, 2022, Lukezic stated, "This happened with another account. And again, I don't know how it happened."¹⁰³

Since Lukezic claimed the exchange in RP's account was an error, the American Funds representative asked Lukezic whether he would sign a letter of indemnity providing that Old Slip would take responsibility for any cost involved in correcting the error.¹⁰⁴ Lukezic refused.¹⁰⁵ He

⁹⁶ CX-3; JX-12, at 3; Tr. 87–91, 98–101 (RJ).

⁹⁷ CX-4; CX-20; CX-20a; CX-21; CX-21a; CX-22; CX-22a; CX-23; CX-23a.

⁹⁸ Tr. 890–98 (Lukezic).

⁹⁹ CX-4; CX-20; CX-20a.

¹⁰⁰ CX-20; CX-20a, at 2–3, 10.

¹⁰¹ CX-3, at 5–6; CX-20; CX-20a, at 4 ("Hold on. I'm just logging in here."); CX-20a, at 5 ("I'm there [on DST Vision] right now.").

¹⁰² CX-20; CX-20a, at 11–12.

¹⁰³ CX-20; CX-20a, at 11–12.

¹⁰⁴ CX-20; CX-20a, at 12–13. RJ testified that, normally, if transactions are processed by a dealer firm and the firm claims there is an error or mistake, American Funds asks for a letter of indemnity and bills the firm for any loss. Tr. 254 (RJ).

¹⁰⁵ CX-20; CX-20a, at 13.

denied that his firm placed the trade,¹⁰⁶ and he blamed the issue on American Funds' trading platform.¹⁰⁷ "You guys have an issue with DST. Resolve it," Lukezic said.¹⁰⁸

Lukezic also complained he had been trying unsuccessfully for some time to switch RP's account and the other accounts he inherited from CNA to advisory fee accounts, so that he could "get paid" on the accounts.¹⁰⁹ Lukezic said, "We don't want anything to do with these accounts, quite frankly. Like, we inherited these accounts from another broker-dealer and we can't get word back from American Funds to even get paid on these accounts."¹¹⁰ Lukezic asked the American Funds representative, "I mean, why would we place a trade when we—you know, we don't get paid on these accounts?"¹¹¹

2. March 3, 2022, Call

The American Funds representative followed up with Lukezic the next day, March 3, 2022.¹¹² During this follow-up conversation, the representative said that, since the exchanges in RP's account were processed using Lukezic's login information, American Funds needed to "determine if someone else in [Lukezic's] firm may have access to it."¹¹³ Lukezic continued to deny that he or anyone else at Old Slip placed the trades: "[W]e're not trading the accounts because we don't get paid on these accounts You see we've never been paid. So, you know, we're in the for-profit business. So we don't place trades unless we get paid."¹¹⁴ He also again tried to shift the blame to American Funds, claiming the customers were American Funds' customers, not his: "[T]echnically, if you don't get paid on an account, technically that's not your client. So this is your client These are your clients. So I'm not sure how, you know, we're being blamed for something that is your client. Like, we're not getting paid on these accounts."¹¹⁵

The American Funds representative again pointed out that the exchanges in RP's account "came from the DST Vision profile associated with" Lukezic.¹¹⁶ Lukezic challenged the

¹⁰⁶ CX-20; CX-20a, at 13, 15.

¹⁰⁷ CX-20; CX-20a, at 14.

¹⁰⁸ CX-20; CX-20a, at 14.

¹⁰⁹ CX-20; CX-20a, at 13, 15–17.

¹¹⁰ CX-20; CX-20a, at 13.

¹¹¹ CX-20; CX-20a, at 13.

¹¹² CX-4; CX-21; CX-21a.

¹¹³ CX-21; CX-21a, at 2.

¹¹⁴ CX-21; CX-21a, at 3.

¹¹⁵ CX-21; CX-21a, at 4.

¹¹⁶ CX-21; CX-21a, at 3; *see also* CX-21a, at 7 ("Well, the trade came from the—from your login account").

representative to produce “evidence of that.”¹¹⁷ Lukezic also threatened to sue American Funds: “Right now you can tell your compliance department I’m not taking responsibility for anything. All right? So you can—you can tell them this is going to become a legal matter if they start trying to blame me for anything. We don’t get paid on these accounts. So, you know, you could get rid of these accounts, as far as we’re concerned. We don’t want them.”¹¹⁸

3. March 7, 2022, Calls

A different representative, from American Funds’ compliance department, called Lukezic twice on March 7, 2022, to discuss the exchanges in RP’s account.¹¹⁹ During the first call, Lukezic told the representative he “just spoke to the gentleman this morning, a very nice guy. Uh, it doesn’t seem like there are any major issues here. He just wants to be—wants to have his, uh, funds returned to the original fund.”¹²⁰

The American Funds representative explained that, based on her investigation, it appeared that Lukezic’s login credentials for the DST Vision platform had been used to place trades, not only in the account of RP, but also in the accounts of other Old Slip customers.¹²¹ As a result, the representative asked Lukezic, “Are you the only one that has access to that Vision ID?”¹²²

Lukezic responded that he had “never used” DST Vision.¹²³ “[W]e don’t get paid on any of these accounts . . . So there’s no reason for us to use it.”¹²⁴ Lukezic said he was “unclear” how or why anyone would place the exchanges in the customers’ accounts.¹²⁵ “But we certainly didn’t do it because we don’t get paid. We don’t place trades for stuff we don’t get paid on.”¹²⁶

Even if Lukezic did not place the trades, the American Funds representative told him the trades were placed by “somebody” using his login credentials.¹²⁷ She asked him if he had

¹¹⁷ CX-21; CX-21a, at 3; *see also* CX-21a, at 7 (“We’d love to see evidence of that.”).

¹¹⁸ CX-21; CX-21a, at 10.

¹¹⁹ CX-4; CX-22; CX-22a; CX-23; CX-23a.

¹²⁰ CX-22; CX-22a, at 2–3.

¹²¹ CX-22; CX-22a, at 3.

¹²² CX-22, at 1.34; CX-22a, at 3.

¹²³ CX-22; CX-22a, at 4.

¹²⁴ CX-22; CX-22a, at 4.

¹²⁵ CX-22; CX-22a, at 4.

¹²⁶ CX-22; CX-22a, at 4.

¹²⁷ CX-22; CX-22a, at 4.

“checked with the other financial advisors” at his firm.¹²⁸ Lukezic replied, “I’m saying it didn’t happen. We don’t want these accounts. We never did. We never traded in these accounts”¹²⁹

Lukezic also accused American Funds of handling the situation “in a controversial way,” and he again threatened to take legal action.¹³⁰ “We’ll get our attorney involved,” he told the American Funds representative. “We have an attorney on staff.”¹³¹ Lukezic ended the call by telling the American Funds representative, “Talk to your lawyers, all right, and have them get back to me if you have an issue with this.”¹³²

The American Funds representative called Lukezic back later the same day and explained that she wanted “to make sure . . . that nothing fraudulent is occurring under that Vision ID that you have, uh, that’s been set up for your firm . . . because you are telling us that that is not something that you guys would have done, uh, although based on our research and what we can see, it was done. So I’m trying to determine that nothing fraudulent is occurring also.”¹³³ She asked Lukezic whether his firm “had any type of fraudulent activity at all.”¹³⁴

“Never,” Lukezic responded.¹³⁵ “This is—see, the problem with your calls and insinuations is you’re directing them towards us. We have never had any issues with our systems or our service. This is—this is your problem. All right . . . You get together with your people at DST and work this out for the client, which is your client. It’s not ours. We don’t get paid for this client. It’s not ours. We don’t get paid for this client. You get paid for this client. So fix it. Take us off of this, these accounts and voila, problem solved. But you’re not going to get anywhere by calling us and blaming our firm.”¹³⁶ Lukezic told the representative that, if she needed anything further from him, American Funds should communicate with him through his “legal department.”¹³⁷

¹²⁸ CX-22; CX-22a, at 5.

¹²⁹ CX-22; CX-22a, at 4.

¹³⁰ CX-22; CX-22a, at 6.

¹³¹ CX-22; CX-22a, at 6.

¹³² CX-22; CX-22a, at 7.

¹³³ CX-4; CX-23; CX-23a, at 3–4.

¹³⁴ CX-23; CX-23a, at 4.

¹³⁵ CX-23; CX-23a, at 4.

¹³⁶ CX-23; CX-23a, at 4–5.

¹³⁷ CX-23; CX-23a, at 5–6.

F. American Funds Cancels Its Selling Agreement with Old Slip Based on Lukezic’s Lack of Cooperation

When a broker-dealer has accounts held directly with the Transfer Agent, American Funds requires the broker-dealer to enter into a selling agreement.¹³⁸ The purpose of the selling agreement is to give the broker-dealer authorization to sell mutual funds distributed by the Distributor.¹³⁹ The selling agreement also lays out the compensation that American Funds agrees to pay to the broker-dealer.¹⁴⁰ Old Slip entered into a selling agreement with American Funds on May 10, 2019.¹⁴¹

However, in March 2022, at the conclusion of its investigation into the six mutual fund exchanges, American Funds decided to cancel its selling agreement with Old Slip.¹⁴² On March 25, 2022, American Funds sent a letter to Lukezic, informing him that it was terminating the selling group agreement due to Lukezic’s “refusing to assist us with our efforts to investigate the transactions processed on 02/07/2022 under [Old Slip’s] Vision ID VSF1381.”¹⁴³ As American Funds explained, “Our ability to protect our mutual clients from identity theft fraud depends in part on good faith cooperation from dealer firms with which we have a Selling Group Agreement in investigating instances of potentially fraudulent activity.”¹⁴⁴ In addition to terminating the selling group agreement, the letter also stated that American Funds was removing Old Slip as the dealer of record for all accounts held at the Transfer Agent.¹⁴⁵

On April 4, 2022, Lukezic responded by email to the letter terminating his selling agreement with American Funds.¹⁴⁶ In the email, Lukezic wrote, “*These are my clients, not yours*. Any mix-up is a result of your operations and client service. During these issues, it was I that spoke to my clients to resolve the issues, not your staff.”¹⁴⁷ Lukezic also again threatened to take legal action: “Our attorney will be drafting a formal notice and complaint if you don’t immediately rescind your termination of our selling agreement. I will not be blamed for your firms [sic] incompetence.”¹⁴⁸

¹³⁸ Tr. 59–61 (RJ).

¹³⁹ Tr. 59 (RJ).

¹⁴⁰ Tr. 63–64 (RJ).

¹⁴¹ JX-6; Tr. 58–59 (RJ).

¹⁴² Tr. 254–55 (RJ).

¹⁴³ JX-21, at 2.

¹⁴⁴ JX-21, at 2.

¹⁴⁵ JX-21, at 2.

¹⁴⁶ JX-22.

¹⁴⁷ JX-22 (emphasis in original).

¹⁴⁸ JX-22.

American Funds did not rescind its termination of the selling agreement.¹⁴⁹

G. American Funds Discovers the Recording of a February 8, 2022, Call in Which Lukezic Ostensibly Admits to Placing the Exchanges

During its internal investigation of the February 7, 2022, exchanges, American Funds initially believed the exchanges likely were the result of an error by Old Slip.¹⁵⁰ However, that view changed after American Funds terminated the selling agreement and FINRA started to investigate.¹⁵¹ While responding to requests for information from FINRA, American Funds discovered the recording of a telephone call Lukezic made to American Funds on February 8, 2022, the day after the exchanges.¹⁵² Because we rely heavily on that call in finding Lukezic liable, we discuss it, and the parties' differing interpretations of the call, in detail below.

1. Summary of the February 8, 2022, Call

At the outset of the February 8, 2022, call, Lukezic told an American Funds representative, "We made some exchanges on the DST platform yesterday."¹⁵³ Lukezic described the exchanges as "A-share for A-share exchanges."¹⁵⁴ Then, Lukezic asked, "[W]e're just wondering, how do we get paid on that."¹⁵⁵

The American Funds representative told Lukezic that, for commissionable transactions, commissions payouts are made to firms on the Monday following the transaction.¹⁵⁶ Lukezic responded, "I understand that. I'm asking if these are commissionable."¹⁵⁷ The representative explained that commissions normally are not generated on exchanges of shares between mutual funds.¹⁵⁸ Lukezic stated, "You just said that the way I did it, I'm not going to get paid commission. That shouldn't be the case. I was instructed by your staff to exchange the funds, and then I would get paid the commission."¹⁵⁹ The representative said he could confirm the

¹⁴⁹ JX-23, at 2.

¹⁵⁰ RX-14; RX-16, at 1.

¹⁵¹ Tr. 487-88 (RJ).

¹⁵² Tr. 487 (RJ); CX-4; CX-17; CX-17a.

¹⁵³ CX-17; CX-17a, at 2.

¹⁵⁴ CX-17; CX-17a, at 2.

¹⁵⁵ CX-17; CX-17a, at 2.

¹⁵⁶ CX-17; CX-17a, at 4-5.

¹⁵⁷ CX-17; CX-17a, at 5.

¹⁵⁸ CX-17; CX-17a, at 2-3, 5.

¹⁵⁹ CX-17; CX-17a, at 4.

information and get back to Lukezic, but he repeated that he did not believe the exchanges were “considered commissionable transactions.”¹⁶⁰

Lukezic then gave the representative the name and account number for RP’s account.¹⁶¹ After looking at the exchanges in RP’s account, the American Funds representative confirmed that “no commission was generated on that transaction.”¹⁶² Lukezic responded, “Okay. How do we generate commission on transactions?”¹⁶³ The American Funds representative explained that a “direct buy” using “new assets” would generate a commission.¹⁶⁴ But “[i]f it’s existing money within the account that had already paid a commission, if you exchange those existing assets into another fund, no new commission is generated.”¹⁶⁵

Lukezic replied, “Okay. So, what I’m trying to ask you again, for the third time, how do we get paid because these commissions were done by a predecessor firm 10 years ago. So, there haven’t been trades in these accounts, some of them for over 10 years. So . . . how do we get paid on these accounts? Do we change the format of the accounts? What do we do, change them to fee only? There’s got to be a way that we can get paid on these accounts . . . Like we prefer not to move the assets away from DST, but you know, if you’re not going to give me an option to get paid, then I’ll have to move the assets.”¹⁶⁶

The American Funds representative pointed out that “there are quarterly fees for the total assets under the account that are paid to Old Slip Capital Management . . . [b]ased on the assets just being in the account.”¹⁶⁷ But Lukezic stated that those fees “are insufficient. Right. Our fee is one percent . . . across the board. So, what you’re sending is the wrong fee. So, either we need to adjust the fee, or we need to move into an account that allows . . . a one percent management fee.”¹⁶⁸

If Lukezic wanted to charge a fee, the American Funds representative explained that he could “go into a fee-based fund, which is a Class F, if Old Slip Capital has a sales group agreement for Class F shares, and then your firm can assess a fee based on that business, based on how they want to generate those commissions. But currently, Class A does not do that.”¹⁶⁹

¹⁶⁰ CX-17; CX-17a, at 5.

¹⁶¹ CX-17; CX-17a, at 5–6.

¹⁶² CX-17; CX-17a, at 6.

¹⁶³ CX-17; CX-17a, at 6.

¹⁶⁴ CX-17; CX-17a, at 7.

¹⁶⁵ CX-17; CX-17a, at 7.

¹⁶⁶ CX-17; CX-17a, at 7–8.

¹⁶⁷ CX-17; CX-17a, at 8; *see also* JX-6, at 3–4 (describing quarterly service fee to be paid to Old Slip based on Class A shares held in account).

¹⁶⁸ CX-17; CX-17a, at 8.

¹⁶⁹ CX-17; CX-17a, at 8–9.

Lukezic responded, “Okay. So, that’s what I’m trying to get at. So, Class F would allow me to state my own commission; is that correct?”¹⁷⁰ “That is correct,” the American Funds representative stated.¹⁷¹ “That would be an agreement with the account owner that the fee-based F-share platform would be the new funds that would be established on the account, and if the account owner is agreeable to that setup, then they can do a share-class conversion from Class A to a Class F . . . And once that is confirmed, then we can receive a letter of instruction from either the client or your firm requesting a share-class move from those existing A shares into whichever F share you choose.”¹⁷²

Lukezic asked how to “get the process started.”¹⁷³ The American Funds representative explained that Lukezic would first “have to verify the intent with the client that we’re moving from an A-share fee—an A-share platform to a fee-based.”¹⁷⁴ After that, the American Funds representative said that Lukezic would have to send a letter of instruction “instructing us to move the existing Class A assets that are in the funds here into the selected F share.”¹⁷⁵ The American Funds representative told Lukezic he could email the letter of instruction to TX.HOST@CapitalGroup.com,¹⁷⁶ which is the email address for the American Funds “home office service team.”¹⁷⁷

While he was on the call, Lukezic told the American Funds representative that he “just emailed [his wholesaler, SM,] and your TXHOST again.”¹⁷⁸ In the email, Lukezic wrote, “We need to change all Old Slip Capital Management Inc. account [sic] from A to F share. Please let me know how we can complete this.”¹⁷⁹

2. Enforcement’s Arguments Regarding the February 8, 2022, Call

Enforcement urges us to interpret the February 8, 2022, call as an admission by Lukezic that he placed the six exchanges at issue.¹⁸⁰ Enforcement focuses, in particular, on Lukezic’s statement, “We made some exchanges on the DST platform yesterday.”¹⁸¹ Although Lukezic

¹⁷⁰ CX-17; CX-17a, at 9.

¹⁷¹ CX-17; CX-17a, at 9.

¹⁷² CX-17; CX-17a, at 9.

¹⁷³ CX-17; CX-17a, at 9.

¹⁷⁴ CX-17; CX-17a, at 10.

¹⁷⁵ CX-17; CX-17a, at 10.

¹⁷⁶ CX-17; CX-17a, at 10.

¹⁷⁷ Tr. 74, 205 (RJ).

¹⁷⁸ CX-17; CX-17a, at 12.

¹⁷⁹ JX-20.

¹⁸⁰ Enforcement’s Post-Hearing Brief (Jan. 20, 2026), at 8, 20–21; Tr. 922–25 (Enforcement’s closing argument).

¹⁸¹ CX-17; CX-17a, at 2.

uses the pronoun “we,” Enforcement asserts that, as the only registered person at Old Slip, he could only have been referring to himself.¹⁸² According to Enforcement, this interpretation is also consistent with Lukezic’s subsequent statement during the call, “You just said that the way I did it, I’m not going to get paid commission.”¹⁸³

In further support of its interpretation of the February 8, 2022, call, Enforcement notes that Lukezic demonstrated familiarity with the exchanges, accurately describing them to the American Funds representative as “A-share for A-share exchanges.”¹⁸⁴ Lukezic also was able to give the American Funds representative RP’s account number, and he knew the particular mutual funds in which shares were exchanged in RPs account.¹⁸⁵

According to Enforcement, it is also significant that, when the American Funds representative told Lukezic he would have to convert his customers’ Class A shares to Class F shares in order to charge them an advisory fee, Lukezic immediately sent an email to American Funds requesting that “all Old Slip Capital Management Inc. account [sic]” be changed “from A to F share.”¹⁸⁶ Enforcement contends that, by sending this email, Lukezic proved that he meant what he said during the call when he told the American Funds representative he was looking for a way to get paid on the accounts in which the exchanges were placed.¹⁸⁷ Once he learned the exchanges would not generate commissions, Lukezic took steps during the call to convert the accounts, so that he could start charging the customers an advisory fee.

3. Lukezic’s Testimony Regarding the February 8, 2022, Call

For the first time at the hearing, Lukezic offered an alternative explanation for the February 8, 2022, call.¹⁸⁸ Lukezic testified that he placed the call to American Funds after RP called Lukezic to tell him two unauthorized trades had been placed in his account.¹⁸⁹ Lukezic claimed he told RP he did not know anything about the trades but that he would reach out to American Funds to find out what happened.¹⁹⁰ According to Lukezic, he told the American Funds representative “[w]e made some exchanges,” because he “knew it was on us because [RP] said my name was on the statement.”¹⁹¹ “I acknowledged the trade happened because I spoke to [RP]. And my name was on his statement and my number was on his statement,” Lukezic

¹⁸² Tr. 925 (Enforcement’s closing argument).

¹⁸³ Tr. 925 (Enforcement’s closing argument); CX-17; CX-17a, at 4 (emphasis added).

¹⁸⁴ Tr. 925–26 (Enforcement’s closing argument); CX-17; CX-17a, at 2.

¹⁸⁵ CX-17; CX-17a, at 6.

¹⁸⁶ Tr. 926 (Enforcement’s closing argument); CX-17; CX-17a, at 8–12; JX-20.

¹⁸⁷ Tr. 926, 931–32 (Enforcement’s closing argument).

¹⁸⁸ Tr. 762–68 (Lukezic).

¹⁸⁹ Tr. 762 (Lukezic).

¹⁹⁰ Tr. 762 (Lukezic).

¹⁹¹ Tr. 765 (Lukezic).

testified.¹⁹² When asked about his apparent awareness during the call of certain details regarding the February 7, 2022, exchanges, including that they were A share for A share exchanges, Lukezic testified he learned that information from RP.¹⁹³

At the hearing, Lukezic denied that the purpose of the call was to find out whether he would earn a commission on the exchanges.¹⁹⁴ Rather, Lukezic testified that, by the time of the February 8, 2022, call, he was “very frustrated” with the service he had received from American Funds over the years and with American Funds’ alleged lack of responsiveness.¹⁹⁵ As a result, Lukezic claimed he placed, and allegedly recorded, the call to collect “evidence to go to somebody with and try to either take legal action or what have you.”¹⁹⁶ According to Lukezic, his questions about commissions and fees were “rhetorical question[s] to get answers out of these people.”¹⁹⁷ He similarly testified that the purpose of his email, in which he requested that his customers’ shares be converted from A shares to F shares, was to “gather[] evidence” against American Funds.¹⁹⁸

4. Lukezic’s Explanation of the February 8, 2022, Call Is Not Credible

The Panel finds the most logical and reasonable way to interpret the February 8, 2022, call is to give Lukezic’s statements on that call their plain meaning. Lukezic told the American Funds representative, “We made some exchanges on the DST platform yesterday,” he gave the American Funds representative details of the exchanges, and then he asked how he could get paid for those transactions. Giving Lukezic’s words their plain meaning, the Panel interprets the February 8, 2022, call as an admission by Lukezic that he placed the six exchanges on February 7, 2022.

Lukezic, by contrast, asks us to ignore the plain meaning of his words. Despite being recorded asking the American Funds representative—over and over again—how he could earn a commission or otherwise collect a fee for the customer accounts in which the exchanges were placed,¹⁹⁹ Lukezic insists he had no interest in collecting a commission.²⁰⁰ Thus, according to

¹⁹² Tr. 765–66 (Lukezic).

¹⁹³ Tr. 763 (Lukezic).

¹⁹⁴ Tr. 762, 768 (Lukezic).

¹⁹⁵ Tr. 762 (Lukezic).

¹⁹⁶ Tr. 763 (Lukezic).

¹⁹⁷ Tr. 766 (Lukezic).

¹⁹⁸ Tr. 767–68 (Lukezic).

¹⁹⁹ CX-17; CX-17a, at 2 (“how do we get paid on that?”); CX-17a, at 5 (“I’m asking if these are commissionable.”); CX-17a, at 6 (“How do we generate commission on transactions?”); CX-17a, at 7 (“So, what I’m trying to ask you again, for the third time, how do we get paid . . .”); CX-7a, at 7 (“So . . . how do we get paid on these accounts?”); CX-17a, at 7 (“There’s got to be a way that we can get paid on these accounts.”).

²⁰⁰ Tr. 744–45, 762, 768 (Lukezic).

Lukezic’s testimony, his questions about commissions were merely “rhetorical” questions designed to elicit “evidence” for a potential legal action against American Funds.²⁰¹

This explanation is not only inconsistent with the plain meaning of Lukezic’s statements during the February 8, 2022, call. It also defies common sense. We fail to see what kind of “evidence” Lukezic could have been hoping to gather through his questions to the American Funds representative about commissions and fees. Further, even assuming, as Lukezic claims, he placed the call to American Funds after learning from RP that there had been two unauthorized trades in his account, we find it inconceivable that any reasonable registered representative and principal would respond to such a serious accusation from a customer in the way that Lukezic claims that he did. Upon learning of potentially unauthorized trading in a customer account, we would expect a reasonable registered representative and principal to, at a minimum, tell American Funds there were unauthorized trades, ask American Funds to explain what happened, and take other steps to investigate. The Panel does not credit Lukezic’s claim that he, instead, sought to entrap American Funds with “rhetorical” questions about commissions because he was frustrated over the company’s allegedly poor service.

In any event, the entire premise of Lukezic’s story—that he called American Funds on February 8, 2022, only after learning of the exchanges from his customer, RP—is belied by other credible evidence. In a recorded call with American Funds on March 1, 2022—approximately three weeks *after* Lukezic claims he learned of the exchanges from RP—RP told American Funds half a dozen times he did not know Old Slip or Lukezic and had never spoken to him.²⁰² We find RP’s statements during his March 1, 2022, call with American Funds to be reliable.²⁰³ American Funds recorded the call with RP contemporaneously, in the ordinary course of its business. And RP, unlike Lukezic, had no reason to lie. For these reasons, we credit RP’s recorded statements that he never spoke to Lukezic prior to March 1, 2022, over Lukezic’s inconsistent and self-serving testimony at the hearing.

Finally, because Lukezic referred explicitly only to RP and his account number during the February 8, 2022, call, Lukezic suggests we should interpret the call, at most, as an

²⁰¹ Tr. 763, 766 (Lukezic).

²⁰² CX-9; CX-9a, at 9–11, 15–16.

²⁰³ Lukezic objected at the hearing to the admissibility of the recordings of the telephone calls with his customers, claiming it was unfair to admit the recordings when he had no opportunity to cross-examine the customers about their out-of-court statements. However, “[i]t is well-established that hearsay evidence is admissible in administrative proceedings and can provide the basis for findings of violation, regardless of whether the declarants testify.” *Scott Epstein*, Exchange Act Release No. 59328, 2009 SEC LEXIS 217, at *36 (Jan. 30, 2009), *aff’d*, 416 F. App’x 142 (3d Cir. 2010). “In determining whether to rely upon hearsay evidence, it is necessary to evaluate its probative value and reliability, and the fairness of its use.” *Id.* As noted above, the Panel found the recordings of the telephone calls with Lukezic’s customers to be highly probative and reliable.

admission that he placed the exchanges in RP’s account, but not in the accounts of the remaining customers.²⁰⁴ We reject this overly narrow reading of the call.

As an initial matter, we note that all six of the exchanges were placed within 15 minutes of one another, using Lukezic’s login credentials, from the same IP address. All six of the exchanges also were of the same character, exchanging Class A shares in one American Funds mutual fund for Class A shares in another American Funds mutual fund. Thus, if Lukezic placed the exchanges in RP’s account, it is reasonable to infer he also placed the exchanges in the accounts of the remaining customers.

In any event, Lukezic makes other statements during the February 8, 2022, call that make clear he was discussing *all* of the customer accounts when he told the American Funds representative, “We made some exchanges on the DST platform yesterday.” For example, Lukezic asked the American Funds representative, “[H]ow do we get paid on *these accounts*? . . . There’s got to be a way that we can get paid on *these accounts*.”²⁰⁵ Lukezic explained that “there haven’t been trades in *these accounts*, *some of them* for over 10 years.”²⁰⁶ And after the American Funds representative told Lukezic he could charge the customers a fee by converting their Class A shares to Class F shares, Lukezic sent an email to American Funds asking “to change *all* Old Slip Capital Management Inc. account”—not just RP’s account—“from A to F share.”²⁰⁷

H. The Panel Finds Lukezic’s Other Defenses Not Credible

In addition to trying to explain away his admissions on the February 8, 2022, call, Lukezic also argues that Enforcement failed to prove by a preponderance of the evidence that he placed the six exchanges because (1) he allegedly was in Orlando at the time of the exchanges and not in Miami, where the exchanges appeared to have originated; (2) he allegedly was never able to successfully log into American Funds’ trading platform; and (3) the exchanges allegedly could have been placed by his former employee JT. The Panel finds Lukezic’s testimony on all of these issues not credible.

1. Lukezic’s Claim That He Was in Orlando at the Time of the Exchanges

As noted above, during its investigation, American Funds traced the six exchanges to an IP address in North Miami Beach, Florida.²⁰⁸ As a result, as part of their subsequent investigation, FINRA staff tried to determine Lukezic’s location at the time of the exchanges. In response to a Rule 8210 request that FINRA staff sent to Lukezic on March 28, 2024, Lukezic

²⁰⁴ Respondent’s Post-Hearing Br. (Jan. 20, 2026), at 5.

²⁰⁵ CX-17; CX-17a, at 7 (emphasis added).

²⁰⁶ CX-17; CX-17a, at 7 (emphasis added).

²⁰⁷ JX-20 (emphasis added).

²⁰⁸ CX-3, at 2-4; JX-12, at 3; Tr. 94–101 (RJ).

stated he could not confirm whether the IP address matched the IP address for his computer.²⁰⁹ However, Lukezic wrote that he was in Miami at his residence on February 7, 2022, the date when the six exchanges were placed.²¹⁰

Lukezic changed his story at the hearing. Contrary to his prior Rule 8210 response, Lukezic testified at the hearing that he was in Orlando with two friends, PM and DM, at the time the exchanges were placed on February 7, 2022.²¹¹ Lukezic testified that, on the morning of February 7, 2002, he and DM drove from the Miami area to Orlando.²¹² According to Lukezic, he and DM then spent about two to three hours in Orlando, having lunch with their mutual friend PM and looking at real estate.²¹³ Lukezic testified that he and DM drove back to the Miami area in the evening.²¹⁴

DM also testified at the hearing. Although DM's testimony did not align precisely with Lukezic's on all points, DM similarly testified that he and Lukezic drove to Orlando for the day on February 7, 2022, met up with PM, and then returned to the Miami area in the evening.²¹⁵

Lukezic offered no credible explanation for why he failed at any time prior to the hearing to tell FINRA he was not in the Miami area at the time of the exchanges on February 7, 2022. Rather, Lukezic claimed it was FINRA's fault he did not raise his purported alibi earlier. Lukezic initially testified he did not mention his alleged trip to Orlando during FINRA's investigation because he "didn't have access to [his] calendar when [he] was asked the question and [he] was not allowed to have access to [his] calendar."²¹⁶ Even after Enforcement pointed out that Lukezic had said he was at home in Miami in a *written* Rule 8210 response, not at an OTR, Lukezic continued to blame FINRA. After conceding he would have been able to look at his calendar when preparing the written response, Lukezic testified he did not mention the trip to Orlando because he "had very limited information . . . I don't think we had any discovery whatsoever. So if I knew you wanted to drill down on the exact date, maybe the answer would have been different."²¹⁷

²⁰⁹ JX-31, at 2; JX-32, at 1.

²¹⁰ JX-31, at 2; JX-32, at 1.

²¹¹ Tr. 810–15 (Lukezic).

²¹² Tr. 810–11 (Lukezic).

²¹³ Tr. 811–12 (Lukezic).

²¹⁴ Tr. 812 (Lukezic).

²¹⁵ Tr. 856–61 (DM).

²¹⁶ Tr. 751 (Lukezic).

²¹⁷ Tr. 756 (Lukezic).

But FINRA’s Rule 8210 request specifically asked Lukezic for proof of his whereabouts on February 7, 2022.²¹⁸ And FINRA staff issued the Rule 8210 request as part of an investigation that was plainly focused on February 7, 2022, and on the six mutual fund exchanges that were placed on that date.²¹⁹ We also note that, at the time of FINRA’s Rule 8210 request in March 2024, Lukezic had long had a copy of the March 25, 2022, letter from American Funds cancelling its selling agreement with Old Slip.²²⁰ American Funds specifically stated in that letter that it had determined the exchanges were placed on its trading platform, using Lukezic’s login credentials, in a trading session that began on February 7, 2022, at 2:06 p.m. (Central Time).²²¹ The letter also stated that American Funds had traced the mutual fund exchanges at issue to an IP address in Miami, Florida.²²² We, therefore, find it incredible that Lukezic could have been operating under any misunderstanding regarding the nature of the information being sought by FINRA, or the importance of being accurate, when he told the staff he was at home in Miami on February 7, 2022, in his Rule 8210 response.

The credibility of Lukezic’s claim that he was in Orlando on February 7, 2022, is further undermined by his failure to present any credible, corroborating evidence at the hearing. Lukezic failed to offer a single receipt, credit card statement, calendar entry, or any other documentary evidence showing he was in Orlando on February 7, 2022.

We recognize that DM did testify on Lukezic’s behalf at the hearing that he was with Lukezic in Orlando on February 7, 2022. However, the Panel does not credit DM’s testimony for a number of reasons. First, we find that DM’s longstanding personal and professional relationship with Lukezic creates a bias that undermines the overall credibility of his testimony. DM and Lukezic have been good friends for approximately seven years, they are members of the same Masonic lodge, they worked together in the past flipping houses, and DM testified he hopes to work with Lukezic in this same capacity again.²²³ Second, DM purported to remember that he was with Lukezic in Orlando on February 7, 2022, while expressing uncertainty about other important details, including, most critically, whether he travelled from New York (where he lives) to Florida to visit Lukezic on February 5th or February 6th.²²⁴ In sum, although we believe it is possible that Lukezic and DM may have traveled together to Orlando on some date, the Panel finds it overly convenient, and therefore implausible, for them to have remembered just

²¹⁸ JX-31, at 2.

²¹⁹ See, e.g., JX-29 (May 5, 2023, Rule 8210 request, which asked Lukezic about the “mutual fund switches executed in five customer accounts on or about February 7, 2022”).

²²⁰ JX-21.

²²¹ JX-21, at 1.

²²² JX-21, at 1.

²²³ Tr. 861–63 (DM).

²²⁴ Tr. 863 (DM).

in time for the hearing that they were in Orlando on February 7, 2022, at the precise time the exchanges were placed.

2. Lukezic’s Claim That He Was Never Able to Log into DST Vision

In a further attempt to prove he could not have placed the mutual fund exchanges, Lukezic has consistently claimed, both during FINRA’s investigation and at the hearing, that he was never able to log into American Funds’ trading platform.²²⁵

However, the credible evidence in the record shows that Lukezic was able to log into the DST Vision platform without any apparent difficulty during his March 2, 2022, call with American Funds. According to the recording of that call, Lukezic told the representative, “Hold on. I’m just logging in here.”²²⁶ A few moments later, when the representative was explaining to Lukezic how to print a list of his clients from DST Vision, Lukezic responded, “I’m there right now.”²²⁷ The activity log associated with Lukezic’s Vision ID number confirms that Lukezic’s credentials were used to access the DST Vision platform at the same time that Lukezic was on the phone with the American Funds representative.²²⁸

This evidence proves that Lukezic was, in fact, able to access the American Funds trading platform. We find that Lukezic’s contrary testimony was false.

3. Lukezic’s Speculation That JT May Have Placed the Exchanges

We also reject Lukezic’s suggestion, made for the first time at the hearing, that his former employee, JT, may be to blame for the trades. Although Lukezic gave JT the title of chief information officer, Lukezic admitted that title was “embellished.”²²⁹ “In reality,” Lukezic testified, JT was the “technical manager of our email and website.”²³⁰ JT was never a registered representative.²³¹ Thus, as Lukezic acknowledged, under FINRA rules, JT was not permitted to

²²⁵ JX-30, at 1 (writing in response to a Rule 8210 request that he “never gained access” to the DST Vision platform); Tr. 712 (Lukezic) (admitting he testified at his OTR that he never had access to client accounts through the DST Vision platform); Tr. 711 (Lukezic) (“I never gained access”); Tr. 712 (Lukezic) (“I was given credentials that didn’t work . . .”); Tr. 712 (Lukezic) (“I never had access to the client accounts.”); Tr. 758 (Lukezic) (“I never logged in . . .”).

²²⁶ CX-20; CX-20a, at 4.

²²⁷ CX-20; CX-20a, at 5.

²²⁸ CX-4 (identifying March 2, 2022, call as beginning at 10:07 a.m. (Eastern Time)); CX-3, at 5 (showing that Lukezic’s Vision ID was used to access the system on March 2, 2022, at 9:09:57 a.m. (Central Time)); Tr. 84–85 (RJ) (noting Lukezic’s Vision ID); Tr. 759 (Lukezic) (same).

²²⁹ Tr. 673–74 (Lukezic).

²³⁰ Tr. 674 (Lukezic); *see also* JX-27, at 1 (describing JT as a “technical advisory [sic], security advisor and website manager”).

²³¹ Tr. 672-73 (Lukezic); Tr. 523 (Quinn); JX-2, at 5–6.

place trades in customer accounts.²³² JT was “a part time employee” of Old Slip “participating in non FINRA activities.”²³³

During the hearing, Lukezic avoided outright accusing JT of placing the exchanges, and he testified he has “no idea” how the transactions occurred.²³⁴ Lukezic nonetheless claimed it was “possible” that JT was responsible because, according to Lukezic, JT had access to Lukezic’s password for the American Funds trading platform.²³⁵ Because of an alleged “grievance” that JT had over Lukezic’s refusal to cosign a lease for JT’s apartment, Lukezic theorized that JT “may have” executed the trades “to get Lukezic in trouble.”²³⁶ Lukezic also accused JT of engaging other misconduct, unrelated to the exchanges, which he argued bore generally on JT’s character and veracity.²³⁷

As we explain more fully below, even if it were theoretically “possible” that JT could have placed the mutual fund exchanges, that would not affect our finding that Enforcement satisfied its burden to prove by a preponderance of the evidence that Lukezic effected the exchanges in his customers’ accounts. In any event, we find it was *not* possible that JT placed the mutual fund exchanges because we do not believe Lukezic’s testimony that JT knew the password to access the DST Vision trading platform.

As noted above, a Vision ID number, username, and password are needed to access the DST Vision trading platform.²³⁸ The Hearing Panel finds it reasonable to infer that JT would have known Lukezic’s Vision ID number and username because JT signed the form that Lukezic submitted when he requested access to DST Vision, and those credentials both appeared on that form.²³⁹ But the sole evidence that JT knew Lukezic’s password was Lukezic’s testimony at the hearing that JT “had access because he had access to all of my e-mails, as the, you know, technical expert. He was the admin for all of the e-mails, really for all of the files outside of my client list and trading platform. So he did have significant access”²⁴⁰

Lukezic never mentioned at any time prior to the filing of the Complaint in this matter that JT may have had access to his DST Vision password. At his OTR in August 2023, Lukezic testified he was the only person at Old Slip with access to the American Funds trading

²³² Tr. 677 (Lukezic).

²³³ JX-27, at 2.

²³⁴ Tr. 819–20 (Lukezic).

²³⁵ Tr. 822-24 (Lukezic).

²³⁶ Respondent’s Post-Hearing Brief, at 3; *see also* Tr. 821–25 (Lukezic).

²³⁷ Tr. 822–23, 826–29, 831–37 (Lukezic).

²³⁸ Tr. 84, 480 (RJ); Tr. 705–06 (Lukezic).

²³⁹ JX-10, at 7.

²⁴⁰ Tr. 706–07 (Lukezic).

platform.²⁴¹ Even when he was explicitly asked, by both American Funds and FINRA, whether there was anyone else who may have used his login credentials for DST Vision,²⁴² Lukezic never mentioned JT or claimed that JT could have placed the mutual fund exchanges.

By the time of the hearing, JT was no longer subject to FINRA’s jurisdiction and could not be compelled to testify.²⁴³ FINRA nonetheless spoke with JT twice by telephone shortly before the hearing, in August and September 2025.²⁴⁴ During the first conversation, JT told FINRA he did not have his own login credentials for the DST Vision platform, and he said he never logged in using anyone else’s credentials.²⁴⁵ JT also stated he had never executed any trades and had no idea how to do so.²⁴⁶ Although JT answered some of FINRA’s questions during the interview, he expressed concern to the staff that Lukezic would file a frivolous lawsuit against him if he became associated with any matter relating to Lukezic or Old Slip.²⁴⁷ Ultimately, when FINRA tried to interview JT a second time, JT told FINRA he did not wish to receive any more phone calls and stated he did not want to testify at the hearing.²⁴⁸

Lukezic objected at the hearing to the admissibility of FINRA’s memoranda of interview memorializing its conversations with JT on the grounds, among others, that they are hearsay and allegedly unreliable. We disagree that the memoranda are unreliable. However, even without considering those documents and the related testimony of FINRA’s investigator, we find ample reason to reject Lukezic’s eleventh-hour claim that JT had access to his DST Vision password.

Just as he tried to blame FINRA for his delay in claiming that he was in Orlando during the time of the exchanges, Lukezic similarly testified it was FINRA’s fault he waited so long to reveal JT allegedly had access to his DST Vision password and could have been involved with the trades. More specifically, Lukezic testified he did not mention JT—even when asked in a May 5, 2023, Rule 8210 request for the production of any documents evidencing that the mutual

²⁴¹ Tr. 708 (Lukezic).

²⁴² CX-21; CX-21a, at 2–3 (American Funds representative telling Lukezic, during March 3, 2022, call, that it was trying to determine whether “someone else in [Lukezic’s] firm may have access to” his DST Vision login credentials); CX-22; CX-22a, at 3 (American Funds representative asking Lukezic on March 7, 2022, “Are you the only one that has access to that Vision ID?”); CX-23; CX-23a, at 3–4 (American Funds representative asking Lukezic on March 7, 2022, whether he had experienced “any type of fraudulent activity” in connection with his DST Vision ID); JX-29, at 1 (May 5, 2023, FINRA Rule 8210 request asking Lukezic to provide all documents evidencing that the exchanges “were the result of a security breach or similar unauthorized event”); JX-30 (Lukezic’s response to May 5, 2023, Rule 8210 request).

²⁴³ Tr. 587–88 (Quinn). Lukezic terminated JT’s association with Old Slip in September 2022. RX-7; Tr. 825–26 (Lukezic). JT remained subject to FINRA’s jurisdiction for two years thereafter. FINRA’s By-Laws, Sec. 4(a)(iii).

²⁴⁴ CX-24; CX-24a; Tr. 524–25, 529–31 (Quinn).

²⁴⁵ CX-24, at 1–2; Tr. 530 (Quinn).

²⁴⁶ CX-24, at 2; Tr. 530 (Quinn).

²⁴⁷ Tr. 529–30, 655–56 (Quinn); CX-24.

²⁴⁸ CX-24a.

fund exchanges were the result “of a security breach or similar unauthorized event”²⁴⁹—because FINRA “didn’t give us any discovery or any details, really nothing. Just had some very accusatory things to say. Provided us with no evidence. So at the time we had nothing to give them. We didn’t know anything.”²⁵⁰

Lukezic’s explanation defies credibility. Lukezic’s May 22, 2023, response to FINRA’s Rule 8210 request shows he was well aware at that time of the nature of FINRA’s investigation.²⁵¹ As a result, if it really were true that JT had access to Lukezic’s password, we cannot believe that Lukezic would not have shared that information with FINRA, either in response to the Rule 8210 request or at any other time during FINRA’s investigation, given the severity of the conduct at issue.

Finally, although Lukezic now points the finger at JT, we note that this is only the latest explanation Lukezic has offered for the mutual fund exchanges. When his customer DB confronted him on February 9, 2022, about the exchange in his account, Lukezic told DB it must have been a back office error.²⁵² Later, when American Funds asked Lukezic to indemnify the company for any losses associated with reversing the exchanges, Lukezic blamed the trades on American Funds’ trading platform.²⁵³ And at his OTR, when he was confronted for the first time with the recording of his February 8, 2022, call with American Funds, Lukezic suggested he may have been involved in placing the exchanges in RP’s account, but only after speaking with RP.²⁵⁴

Lukezic’s ever-shifting explanations for the mutual fund exchanges undermine his credibility with respect to his testimony regarding JT and also more generally. For all of these reasons, we do not credit Lukezic’s testimony that JT had access to his password for the American Funds’ trading platform.

III. Conclusions of Law

A. Unauthorized Trading

In the first cause of action, Enforcement alleges that Lukezic violated FINRA Rule 2010 by engaging in unauthorized trading. FINRA Rule 2010 requires associated persons to “observe high standards of commercial honor and just and equitable principles of trade” in the conduct of

²⁴⁹ JX-29, at 1.

²⁵⁰ Tr. 713–14 (Lukezic).

²⁵¹ JX-30.

²⁵² CX-26, at ¶ 5; CX-8; CX-8a, at 3, 9.

²⁵³ CX-20; CX-20a, at 14 (“You guys are incompetent.”), 14 (“You guys have an issue with DST. Resolve it.”).

²⁵⁴ Tr. 773–74 (Lukezic).

their business.²⁵⁵ It is well established that unauthorized trading violates FINRA Rule 2010.²⁵⁶ “[O]btaining [a] customer’s consent prior to [trading] a security in the customer’s account” is a fundamental responsibility of a broker.²⁵⁷ For that reason, “[e]xecuting or facilitating transactions for a customer without authorization constitutes ‘a serious breach of the duty to observe high standards of commercial honor and just and equitable principles of trade,’ going to ‘the heart of the trustworthiness of a securities professional.’”²⁵⁸

To prove that Lukezic engaged in unauthorized trading, Enforcement bears the burden to establish by a preponderance of the evidence both that (1) Lukezic placed the six mutual fund exchanges in the customers’ accounts on February 7, 2022; and (2) the customers did not authorize those transactions.²⁵⁹ The Panel finds that Enforcement satisfied its burden on both issues.

1. Enforcement Proved Lukezic Placed the Mutual Fund Exchanges

As discussed above, the Panel finds that Lukezic admitted to placing the six exchanges when he told an American Funds representative in a recorded call on February 8, 2022, the day after the exchanges were placed, “We made some exchanges on the DST platform yesterday.”²⁶⁰ That admission was corroborated by the other credible evidence at the hearing. The exchanges were placed just a few weeks after Lukezic requested and obtained access to the DST Vision platform so that he could, in his own words, “trade in [his] house account.”²⁶¹ All six of the exchanges were effected on American Funds’ trading platform, within a span of 15 minutes, using Lukezic’s login credentials.²⁶² The exchanges also were placed from the Miami area—

²⁵⁵ Although FINRA Rule 2010 refers on its face only to the obligations of members, that rule applies to Lukezic by virtue of FINRA Rule 0140, which provides that “[p]ersons associated with a member shall have the same duties and obligations as a member under the Rules.”

²⁵⁶ See, e.g., *Wanda P. Sears*, Exchange Act Release No. 58075, 2008 SEC LEXIS 1521, at *6 (July 1, 2008); *Dep’t of Enforcement v. Pelletier*, No. 2021071094401, 2025 FINRA Discip. LEXIS 19, at *30–31 (NAC Oct. 1, 2025).

²⁵⁷ *Pelletier*, 2025 FINRA Discip. LEXIS 19, at *30 (quoting *Sears*, 2008 SEC LEXIS 1521, at *6).

²⁵⁸ *Dep’t of Enforcement v. Burford*, No. 2019064656601, 2024 FINRA Discip. LEXIS 5, at *9 (NAC Mar. 14, 2024) (quoting *Sears*, 2008 SEC LEXIS 1521, at *6), *aff’d*, Exchange Act Release No. 103180, 2025 SEC LEXIS 1577 (SEC June 4, 2025), *petition for review denied*, No. 25-60401, 2026 U.S. App. LEXIS 3969 (5th Cir. Feb. 9, 2026); see also *Sears*, 2008 SEC LEXIS 1521, at *6 (unauthorized trading “‘is a fundamental betrayal of the duty owed by a sales[person] to his [or her] customers’”) (citation omitted).

²⁵⁹ *Pelletier*, 2025 FINRA Discip. LEXIS 19, at *31 (Enforcement must show that the respondent engaged in unauthorized trading by a preponderance of the evidence).

²⁶⁰ See *supra* at 20–22; see also CX-17; CX-17a, at 2.

²⁶¹ JX-9, at 1; see also JX-10, at 2 (“How can I get approved for placing trades in my current account with you. Let me know what paperwork needs to be signed for this.”).

²⁶² Stip. ¶ 8; CX-2; CX-3, at 2–4; JX-12, at 3; Tr. 87–91, 97–101 (RJ).

where Lukezic lives and where, according to his Rule 8210 response, he was at the time of the exchanges.²⁶³

Further bolstering our conclusion that Lukezic effected the mutual fund exchanges, we find that Lukezic had a financial motive for placing the trades because he, as the sole owner of Old Slip and its only registered representative, stood to benefit from any commissions earned on the exchanges.²⁶⁴ Although Lukezic ultimately was mistaken in believing the exchanges would generate commissions—indeed, he testified that he usually does not deal with Class A shares in his business²⁶⁵—his statements during the February 8, 2022, call with American Funds show he wanted to “get paid” for the transactions.²⁶⁶ As explained above, we give Lukezic’s words on that call their plain meaning.²⁶⁷ Even if, as Lukezic testified at the hearing, any commissions he could have earned on the mutual fund exchanges would have been small compared to the fees generated on his other accounts, we reject Lukezic’s after-the-fact attempt to suggest he did not actually mean what he said on the February 8, 2022, call.

Finally, our finding that Lukezic placed the mutual fund exchanges is also supported by his acknowledgment at the hearing that he never investigated the transactions or how they occurred.²⁶⁸ Lukezic has argued in this proceeding that it is not his burden to prove how the mutual fund exchanges were effected.²⁶⁹ That is certainly correct. However, upon learning that there may have been unauthorized exchanges in a customer account, we would expect any reasonable representative and principal to immediately investigate to try to determine how the transactions occurred, assess the scope of the issue and determine how many customers were affected, and take reasonable steps to correct any problems and prevent a recurrence. There is no evidence Lukezic did any of these things.

Lukezic testified at the hearing that there was nothing for him to investigate because he allegedly did not have access to the DST Vision trading platform and, thus, could not determine who the customers were.²⁷⁰ As discussed above, however, Lukezic’s claim that he could not access the DST Vision trading platform is demonstrably false.²⁷¹ We find the most reasonable

²⁶³ CX-3, at 2–4; JX-12, at 3; JX-31, at 2; JX-32, at 1; Tr. 94–96, 98–101 (RJ).

²⁶⁴ Tr. 675–76 (Lukezic).

²⁶⁵ Tr. 805 (Lukezic).

²⁶⁶ CX-17; CX-17a, at 2; *see also* CX-17a, at 4 (“You just said that the way I did it, I’m not going to get paid commission. That shouldn’t be the case. I was instructed by your staff to exchange the funds, and then I would get paid the commission.”); CX-17a, at 4 (“They say you’re responsible for paying us a commission on those trades.”).

²⁶⁷ *See supra* at 20–22.

²⁶⁸ Tr. 890–96 (Lukezic).

²⁶⁹ *See, e.g.*, Respondent’s Post-Hearing Brief at 2.

²⁷⁰ Tr. 890–91 (Lukezic).

²⁷¹ *See supra* at 25.

explanation for Lukezic's total failure to investigate the mutual fund exchanges is that there was no need to investigate because Lukezic knew he placed the trades.

Notwithstanding all of this evidence, Lukezic argues that Enforcement failed to satisfy its burden to prove by a preponderance of the evidence that he is the person who effected the six mutual fund exchanges. As discussed above, we reject Lukezic's claims that he could not have placed the exchanges because he allegedly was in Orlando at the time of the exchanges and was never able to log into American Funds' trading platform.²⁷²

We also reject Lukezic's claim that his inexperience with the DST Vision trading platform at the time of the exchanges makes it implausible that he would have been able to place the six exchanges within a period of only 15 minutes.²⁷³ Lukezic bases this argument on the undisputed evidence that he never logged into the DST Vision trading platform prior to February 7, 2022.²⁷⁴ However, the evidence shows that, during the trading session in which the exchanges were placed, Lukezic was "cobrowsing" with a DST Vision associate who would have been helping him to navigate the platform.²⁷⁵ Along with the DST Vision associate, Lukezic spent approximately 15 minutes on the DST Vision platform before effecting the first exchange.²⁷⁶ Further, as discussed above, just a few weeks after the exchanges were placed, Lukezic demonstrated no apparent difficulty in accessing or navigating the DST Vision platform while he was on the telephone with an American Funds representative.²⁷⁷ Based on this evidence, as well as Lukezic's more than two decades of experience in the securities industry, we find it reasonable to infer Lukezic would have been able to place the six mutual fund exchanges.

Finally, Lukezic criticizes FINRA's investigation and claims it should have pursued other possible explanations for the mutual fund exchanges. For example, Lukezic argues FINRA should have taken JT's OTR when he still was subject to its jurisdiction.²⁷⁸ He contends FINRA should have analyzed his computer to determine whether it could be linked to the IP address from which the exchanges were placed.²⁷⁹ And he claims FINRA should have tried to determine the identity of the DST Vision associate who was "cobrowsing" during the trading session on

²⁷² See *supra* at 22–25.

²⁷³ Respondent's Post-Hearing Brief at 14–15.

²⁷⁴ Tr. 441 (RJ).

²⁷⁵ Tr. 95–96 (RJ); CX-3.

²⁷⁶ CX-3, at 1–2 (showing the trading session began at 2:06 p.m. (Central Time) and the first exchange occurred at 2:24 p.m. (Central Time)); Tr. 98–101 (RJ).

²⁷⁷ CX-3, at 5–6; CX-20; CX-20a, at 4–5.

²⁷⁸ Respondent's Post-Hearing Brief, at 20–21.

²⁷⁹ Respondent's Post-Hearing Brief, at 22–23.

February 7, 2022, because he or she presumably would be able to testify definitively whether it was, in fact, Lukezic who placed the exchanges.²⁸⁰

Even if we agree that some or all of these investigative steps may have been helpful, it is not our role to tell Enforcement how to investigate. Our role is to determine whether the evidence presented establishes the allegations in the Complaint by a preponderance of the evidence. The preponderance standard requires only that Enforcement prove it is “more likely than not” that the allegations are true.²⁸¹ The preponderance standard does not require certainty or “the absence of any reasonable doubt.”²⁸² “Essentially, the balance of the evidence must tip at least slightly in favor of the complainant.”²⁸³

Applying that standard, and taking into consideration all of the credible evidence at the hearing, we find it is more likely than not that Lukezic placed the six mutual fund exchanges. Lukezic’s mere speculation that there may be other possible explanations for the exchanges is insufficient to tip the balance of the evidence in his favor.

2. Enforcement Proved That the Customers Did Not Authorize the Exchanges

As discussed above, it is deemed established for the purposes of this proceeding that CR did not authorize the mutual fund exchange in his account.²⁸⁴ As to all of the remaining customers, we find that Enforcement proved by a preponderance of the evidence that the mutual fund exchanges in their accounts also were unauthorized.

Because Old Slip does not permit discretionary accounts,²⁸⁵ Lukezic conceded at the hearing that authorization is required from a firm customer prior to placing a securities transaction in his or her account.²⁸⁶ Lukezic also admitted that, prior to the mutual fund exchanges, he did not speak with any of the customers in whose accounts those trades were placed.²⁸⁷ Given our finding that Lukezic placed all of the mutual fund exchanges at issue, his

²⁸⁰ Respondent’s Post-Hearing Brief, at 17.

²⁸¹ *Dep’t of Enforcement v. Spiro*, No. 2016052347901, 2019 FINRA Discip. LEXIS 19, at *33 (NAC May 15, 2019) (quoting *Uthman v. Obama*, 637 F.3d 400, 403 (D.C. Cir. 2011)).

²⁸² *Lindsay v. Nat’l Transp. Safety Bd.*, 47 F.3d 1209, 1213 (D.C. Cir. 1995).

²⁸³ *Dep’t of Enforcement v. Centeno*, No. 2020066079903, 2024 FINRA Discip. LEXIS 16, at *31 (OHO Aug. 28, 2024), *modified on other grounds*, 2025 FINRA Discip. LEXIS 20 (NAC Sept. 30, 2025), *appeal docketed*, No. 3-22557 (SEC Oct. 30, 2025).

²⁸⁴ *See supra* at 9–10. Even if it were not deemed established, we would find that Enforcement proved by a preponderance of the evidence that CR did not authorize the exchange in his account for all the same reasons that we find Enforcement satisfied its burden as to the remaining customers.

²⁸⁵ JX-5.

²⁸⁶ Tr. 690–92 (Lukezic).

²⁸⁷ Stip. ¶ 9; Tr. 684, 728, 780 (Lukezic).

admission that he did not speak to any of the customers in advance of those trades conclusively establishes the trades were not authorized.

American Funds also received confirmation, either by telephone or in writing, from all but one of the customers that they did not authorize the exchanges in their accounts.²⁸⁸ Even without this evidence, however—which, as noted above, Lukezic argued was inadmissible—we find that Lukezic’s admission that he did not speak with any of the customers is sufficient by itself to establish by a preponderance of the evidence that the mutual fund exchanges were unauthorized.

Lukezic nonetheless claims Enforcement failed to satisfy its burden of proof because it did not introduce the account opening documents, which, according to Lukezic, are necessary to establish all of the individuals who were authorized to make trading decisions in the affected accounts. However, RJ—who we found to be a credible witness—testified that the only individuals who were authorized to make trading decisions in the affected accounts were the registered owners or their financial professionals.²⁸⁹ According to RJ, all of the registered owners are identified on the account statements,²⁹⁰ copies of which were admitted into evidence at the hearing.²⁹¹ As a result, there is no evidence in the record to support Lukezic’s claim that some third party may have authorized the exchanges.

For all of these reasons, we find that Enforcement proved by a preponderance of the evidence that Lukezic placed the six mutual fund exchanges in five accounts of his customers without first obtaining the required authorization or consent. By effecting these unauthorized transactions, Lukezic violated FINRA Rule 2010.

B. The Rule 8210 Charges

In the second and third causes of action, Enforcement alleges that Lukezic violated FINRA Rules 8210 and 2010 by providing false or misleading information to FINRA during its investigation into the unauthorized mutual fund exchanges. Cause two charges Lukezic with

²⁸⁸ CX-7; CX-7a; CX-9; CX-9a; CX-10; CX-12; CX-12a; CX-14; CX-14a; CX-15; CX-15a; CX-16; CX-16a. It is undisputed that neither American Funds nor FINRA spoke with DB’s wife, LB, to confirm that she did not authorize the exchange in the couple’s account. Because a woman’s voice can be heard during one of DB’s telephone calls with American Funds, CX-7; CX-7a, at 7, 9–10, 14, Enforcement asks us to infer that the woman’s voice belonged to LB. Enforcement’s Post-Hearing Brief, at 12. However, we need not reach the question of whether this evidence suffices to establish that LB did not authorize the exchange in her and her husband’s account given Lukezic’s concession that he did not speak with any of the customers prior to the exchanges on February 7, 2022.

²⁸⁹ Tr. 295 (RJ).

²⁹⁰ Tr. 289 (RJ).

²⁹¹ JX-14; JX-15; JX-16; JX-17; JX-18; JX-19.

making false or misleading statements in written responses to two Rule 8210 requests. Cause three charges Lukezic with making false or misleading statements during his OTR.

FINRA Rule 8210(a)(1) provides that FINRA staff may require that a person associated with a member “provide information orally, in writing, or electronically . . . and to testify at a location specified by FINRA staff, under oath or affirmation administered by a court reporter or a notary public if requested, with respect to any matter involved in” an investigation. It is well settled that providing false or misleading information to FINRA in response to a FINRA Rule 8210 request constitutes a violation of FINRA Rule 8210.²⁹² Providing false information to FINRA “can conceal wrongdoing” and thereby subverts FINRA’s “ability to perform its regulatory function and protect the public interest.”²⁹³ “Thus, associated persons have an unequivocal and unqualified duty to comply with FINRA Rule 8210 requests, and to do so completely and accurately.”²⁹⁴ A violation of FINRA Rule 8210 also constitutes a violation of FINRA Rule 2010.²⁹⁵

Enforcement alleges in the Complaint that the following statements by Lukezic, made in response to written Rule 8210 requests or at his OTR, were false or misleading:

- In his May 22, 2023, response to FINRA’s May 5, 2023, Rule 8210 request, Lukezic stated that Old Slip did not “have the ability to trade on the antiquated, degenerate DST system—ever.”²⁹⁶
- In that same response, Lukezic wrote that “no mutual funds were placed by our firm and no mutual fund trade was ever discussed, only the transition of entire accounts to [another broker-dealer]”²⁹⁷
- In his May 17, 2024, response to FINRA’s May 9, 2024, Rule 8210 request regarding the mutual fund exchanges, Lukezic stated, “I was not involved in placing any trades”²⁹⁸
- At his August 25, 2023, OTR, Lukezic testified that he “had involvement” with the exchanges in RP’s account, but with “[t]he other ones I had no

²⁹² *Geoffrey Ortiz*, Exchange Act Release No. 58416, 2008 SEC LEXIS 2401, at *23–24 (Aug. 22, 2008).

²⁹³ *Ortiz*, 2008 SEC LEXIS 2401, at *32 (citation omitted).

²⁹⁴ *Dep’t of Enforcement v. Capellini*, No. 2020066627202, 2024 FINRA Discip. LEXIS 19, at *50 (NAC Oct. 3, 2024), *appeal docketed*, No. 3-22284 (SEC Oct. 30, 2024).

²⁹⁵ *CMG Inst. Trading, LLC*, Exchange Act Release No. 59325, 2009 SEC LEXIS 215, at *30 n.36 (Jan. 30, 2009).

²⁹⁶ JX-30, at 1.

²⁹⁷ JX-30, at 2.

²⁹⁸ JX-34, at 1.

involvement.”²⁹⁹ Lukezic similarly testified at his OTR that the mutual fund exchanges he “did not place are the four outside of the [RP] trades.”³⁰⁰

Based on our findings above that Lukezic was able to access American Funds’ trading platform and our findings that he placed the six mutual fund exchanges at issue, we find that all of the above statements by Lukezic were false. By providing these false or misleading statements to FINRA, in response to Rule 8210 requests and during his OTR, Lukezic violated FINRA Rules 8210 and 2010.

C. Lukezic’s Claim That He Was Entitled to a Jury Trial

Lukezic asserts as his seventh affirmative defense in his Answer that this proceeding violates his right under the Seventh Amendment of the U.S. Constitution to a jury trial in an Article III court.

Constitutional rights are protected from infringement by government entities and those who, in certain circumstances, may be deemed state actors because of their close connection to government entities.³⁰¹ That means that the threshold issue before Respondent’s constitutional argument can even be considered is whether FINRA is a state actor.³⁰² As the Second Circuit Court of Appeals has explained, “Because the United States Constitution regulates only the Government, not private parties, *a litigant claiming that his constitutional rights have been violated must first establish that the challenged conduct constitutes state action.*”³⁰³

²⁹⁹ Tr. 774 (Lukezic). We note that Enforcement did not offer into evidence the transcript from Lukezic’s OTR or any excerpts from the transcript. As a result, we rely in this Decision only on those portions of the OTR transcript that were read into the record at the hearing.

³⁰⁰ Tr. 773 (Lukezic).

³⁰¹ *Lugar v. Edmondson Oil Co.*, 457 U.S. 922, 936 (1982) (most rights secured by the Constitution are protected only against infringement by governments).

³⁰² *D.L. Cromwell Invs., Inc. v. NASD Reg., Inc.*, 279 F.3d 155, 161 (2d Cir. 2002) (stating that “the Fifth Amendment restricts only governmental conduct and will constrain a private entity only insofar as its actions are found to be ‘fairly attributable’ to the government”); *Desiderio v. NASD*, 191 F.3d 198, 206 (2d Cir. 1999) (“A threshold requirement of plaintiff’s constitutional claims is a demonstration that in denying plaintiff’s constitutional rights, the defendant’s conduct constituted state action.”).

³⁰³ *Ciambriello v. Cnty. of Nassau*, 292 F.3d 307, 323 (2d Cir. 2002) (internal quotation marks omitted) (quoting *United States v. Int’l Bhd. of Teamsters, Chauffeurs, Warehousemen & Helpers of Am.*, 941 F.2d 1292, 1295–96 (2d Cir. 1991)) (emphasis added).

Lukezic has the burden of producing evidence to support his affirmative defenses.³⁰⁴ Because Lukezic did not address this issue either at the hearing or in his pre- or post-hearing briefs, we deem this defense to be abandoned.³⁰⁵

IV. Sanctions

In determining the appropriate sanctions, the Hearing Panel considered FINRA’s Sanction Guidelines (“Guidelines”), which include the General Principles Applicable to All Sanction Determinations (“General Principles”), Principal Considerations in Determining Sanctions (“Principal Considerations”), and violation-specific principal considerations.³⁰⁶ The Hearing Panel also considered all relevant facts and circumstances, including the nature of the underlying misconduct and any potential aggravating and mitigating factors.

The General Principles state that “[d]isciplinary sanctions should be designed to protect the investing public by deterring misconduct and upholding high standards of business conduct.”³⁰⁷ The Guidelines also provide that sanctions should be “a meaningful deterrent and reflect the seriousness of the misconduct at issue” and “significant enough to prevent and discourage future misconduct by a respondent and deter others from engaging in similar misconduct.”³⁰⁸ To that end, adjudicators should “tailor sanctions to respond to the misconduct at issue.”³⁰⁹

A. Unauthorized Trading

For unauthorized transactions, the Guidelines recommend that adjudicators impose a suspension for a period of one month to two years and a fine of from \$5,000 to \$30,000.³¹⁰ Where aggravating factors predominate, the Guidelines recommend that adjudicators strongly consider imposing a bar.³¹¹

³⁰⁴ *Kirlin Secs., Inc.*, Exchange Act Release No. 61135, 2009 SEC LEXIS 4168, at *38 n.87 (Dec. 10, 2009) (“the applicant bears the burden of producing evidence to support his claimed defenses”).

³⁰⁵ Lukezic additionally asserted as his sixth affirmative defense that the Complaint fails to state a claim upon which relief may be granted. We consider this assertion to be a general denial of liability, which we address throughout the Decision. With respect to the remaining 13 affirmative defenses asserted in Lukezic’s Answer, Lukezic did not mention those defenses at the hearing or in any pre-hearing or post-hearing briefing. We, therefore, consider these affirmative defenses to be abandoned.

³⁰⁶ FINRA Sanction Guidelines (2024), <https://www.finra.org/rules-guidance/oversight-enforcement/sanction-guidelines>.

³⁰⁷ Guidelines at 2 (General Principles, No. 1).

³⁰⁸ *Id.* (General Principles, No. 1).

³⁰⁹ *Id.* at 3 (General Principles, No. 3).

³¹⁰ *Id.* at 122.

³¹¹ *Id.*

There are five principal considerations specific to unauthorized trading: (1) whether the respondent reasonably misunderstood his authority; (2) the number of customers affected and the magnitude of the customers' losses; (3) the number and dollar value of the unauthorized transactions; (4) whether the respondent attempted to conceal the trading or to evade regulatory investigative efforts; and (5) whether the unauthorized transactions were made in furtherance of or in connection with another violation.³¹²

Based on these principal considerations as well as the Principal Considerations applicable to all violations, we find that aggravating factors predominate and, therefore, impose a bar.

Although all of the trades were placed in a single day, Lukezic effected six unauthorized mutual fund exchanges, with a principal value of approximately \$1.1 million, in five customer accounts. At least two of the affected customers were seniors and retired.³¹³ Lukezic did not speak to any of the customers prior to placing the trades and, thus, could not have misunderstood his authority.

Lukezic points out that the customers suffered no losses, and he disputes Enforcement's proof of the losses allegedly incurred by American Funds when it reversed the transactions.³¹⁴ However, these arguments miss the point. Even in the absence of realized losses, Lukezic's unauthorized trading created, at a minimum, the risk of potential harm to his customers and American Funds, which we find to be aggravating for the purposes of determining sanctions.

We also find it aggravating that Lukezic placed the unauthorized trades intentionally and for his own monetary gain.³¹⁵ Although, as discussed above, Lukezic did not profit financially from the trades, the evidence shows he placed the trades with the belief—albeit mistaken—that they would generate commissions for him and his firm.

Lukezic also has failed to accept responsibility or express any remorse for his misconduct.³¹⁶ We recognize that Lukezic is “entitled to present a vigorous defense.”³¹⁷ However, at the hearing, instead of acknowledging his wrongdoing, Lukezic repeatedly offered explanations for his conduct that were incredible and inconsistent with his own recorded statements on telephone calls. For example, by claiming, contrary to the recorded evidence, that

³¹² *Id.*

³¹³ *Id.* at 8 (Principal Considerations, No. 20); CX-26, ¶ 1 (DB stating that he is 73 years of age and retired); CX-9; CX-9a, at 10 (RP stating he is “close to 90” and retired).

³¹⁴ Respondent's Post-Hearing Brief at 24–25.

³¹⁵ Guidelines at 8 (Principal Considerations, No. 13).

³¹⁶ *Id.* at 7 (Principal Considerations, No. 2).

³¹⁷ *Dep't of Enforcement v. Mantei*, No. 2015045257501, 2023 FINRA Discip. LEXIS 10, at *56 (NAC May 30, 2003) (citing *N. Woodward Fin. Corp.*, Exchange Act Release No. 74913, 2015 SEC LEXIS 1867, at *44 (May 8, 2015), *aff'd sub nom.*, *Trozak v. SEC*, 2016 U.S. App. LEXIS 24259 (6th Cir. June 29, 2016)), *appeal docketed*, No. 3-21516 (SEC June 27, 2023).

he called American Funds on February 8, 2022, after speaking with RP and for the purpose of gathering “evidence” to use in a potential legal action, we find that Lukezic gave false testimony at the hearing.³¹⁸ Lukezic also sought to evade responsibility for his misconduct by incredibly changing his testimony at the hearing and claiming contrary to his written responses to Rule 8210 requests that he was not in Miami at the time of the trades.³¹⁹

Finally, Lukezic took multiple steps to conceal his misconduct. When American Funds tried to determine how the trades were placed and ensure the affected customers were not at risk of fraudulent activity, Lukezic refused to cooperate, blamed American Funds, and threatened American Funds with legal action.³²⁰ Once FINRA became involved, Lukezic continued to try to evade detection by providing FINRA with false information during its investigation.

The Panel is especially troubled by Lukezic’s efforts to conceal his misconduct by tampering with the testimony of the only customer witness who was scheduled to testify at the hearing. Lukezic’s threat to bring a defamation action against the customer—and his refusal to rescind the threat even when given the opportunity—raise serious concerns that Lukezic does not understand his fundamental duties as a registered representative. It also indicates a propensity for future wrongdoing that weighs heavily in favor of imposing a bar.³²¹

As the Commission has emphasized, “[u]nauthorized trading is very serious misconduct.”³²² Given the seriousness of the misconduct, Lukezic’s troubling efforts to conceal it, and his refusal to acknowledge his wrongdoing even in the face of incontrovertible recorded evidence, we conclude that a bar is the only appropriately remedial sanction for Lukezic’s unauthorized trading.

B. Rule 8210 Violations

Because both of the Rule 8210 violations stem from a single source of misconduct—Lukezic’s provision of false or misleading information to FINRA during its investigation into his

³¹⁸ See *Dep’t of Enforcement v. White*, No. 2015045254501, 2019 FINRA Discip. LEXIS 30, at *53 (NAC July 26, 2019) (respondent’s “untruthfulness and lack of candor at the hearing appreciably aggravates his misconduct”).

³¹⁹ See *Dep’t of Enforcement v. Venturino*, No. 2021070337501, 2026 FINRA Discip. LEXIS 4, at *45–46 (NAC Apr. 7, 2026) (treating as aggravating that the respondent incredibly changed his testimony at the hearing).

³²⁰ Cf. *Pelletier*, 2025 FINRA Discip. LEXIS 19, at *56 (treating as aggravating that the respondent gave false explanation when questioned by his firm about unauthorized trades).

³²¹ See *Joseph J. Barbato*, Exchange Act Release No. 41034, 1999 SEC LEXIS 276, at *38–39 (Feb. 10, 1999) (considering evidence of witness tampering as aggravating for the purposes of sanctions because it indicates that the respondent “may engage in additional violative conduct in the future . . .”).

³²² *Sears*, 2008 SEC LEXIS 1521, at *21 (citation omitted).

unauthorized trading—we find it appropriate to impose a unitary sanction for the violations alleged in the second and third causes of action.³²³

It is well established that the “failure to respond truthfully to a FINRA Rule 8210 request is as serious and harmful as a complete failure to respond, and comparable sanctions are appropriate.”³²⁴ Thus, the National Adjudicatory Council (“NAC”) has stated that, absent mitigating circumstances, a bar should be the standard sanction for failing to respond truthfully to a FINRA rule 8210 request.³²⁵ The only principal consideration specific to a failure to respond truthfully to Rule 8210 request is the “importance of the information requested as viewed from FINRA’s perspective.”³²⁶

Here, Lukezic intentionally made false statements denying his involvement in the mutual fund exchanges. This information went to the heart of FINRA’s investigation and, therefore, was important. Although Enforcement ultimately was able to satisfy its burden of proof even without Lukezic’s cooperation, it was able to do so only by relying on the investigation of American Funds.

Thus, although Lukezic’s attempt to conceal his misconduct ultimately was unsuccessful, we cannot condone his deliberate decision to provide false or misleading information and testimony to FINRA. “The public interest demands honesty from associated persons of [FINRA] members; anything less is unacceptable.”³²⁷ Because truthful responses to FINRA Rule 8210 requests are critical to FINRA’s ability to carry out its regulatory functions, we conclude that Lukezic’s untruthful responses to FINRA’s Rule 8210 requests and his false testimony at his OTR would support the imposition of a bar. However, in light of the bar imposed for Lukezic’s unauthorized trading, we find it unnecessary to impose further sanctions on Lukezic for his violations of FINRA Rules 8210 and 2010.

³²³ *Dep’t of Enforcement v. Fox & Co. Invs., Inc.*, No. C3A030017, 2005 NASD Discip. LEXIS 5, at *37 (NAC Feb. 24, 2005) (“where multiple, related violations arise as a result of a single underlying problem, a single set of sanctions may be more appropriate to achieve [FINRA’s] remedial goals”); *see also Dep’t of Enforcement v. Evansen*, No. 2010023724601, 2014 FINRA Discip. LEXIS 10, at *56 (NAC June 3, 2014) (imposing unitary sanction for both the respondent’s untimely response to Rule 8210 requests and his failure to appear for testimony), *aff’d*, Exchange Act Release No. 75531, 2015 SEC LEXIS 3080 (July 27, 2015).

³²⁴ *Dep’t of Enforcement v. Taboada*, No. 2012034719701, 2017 FINRA Discip. LEXIS 29, at *51 (NAC July 24, 2017) (quoting *Dep’t of Enforcement v. Harari*, No. 2011025899601, 2015 FINRA Discip. LEXIS 2, at *31 (NAC Mar. 9, 2015)).

³²⁵ *Dep’t of Enforcement v. Fretz*, No. 2010024889501, 2015 FINRA Discip. LEXIS 54, at *80 (NAC Dec. 17, 2015).

³²⁶ Guidelines at 93.

³²⁷ *Ortiz*, 2008 SEC LEXIS 2401, at *29.

V. Order

Respondent James Lukezic violated FINRA Rule 2010 by placing six mutual fund exchanges in five customer accounts without the customers' authorization or consent. For this misconduct, Lukezic is barred from associating with any member firm in any capacity.

Lukezic also provided false or misleading information to FINRA in response to two written Rule 8210 requests and at his OTR, in violation of FINRA Rules 8210 and 2010. In light of the bar imposed for Lukezic's unauthorized trading, the Panel does not impose further sanctions for Lukezic's violations of FINRA Rules 8210 and 2010.³²⁸

If this decision becomes FINRA's final disciplinary action, the bar shall become effective immediately.

Respondent is ordered to pay costs in the amount of \$8,710.98, which includes a \$750 administrative fee and \$7,960.98 for the cost of the transcript. The costs shall be due on a date set by FINRA, but not sooner than 30 days after this decision becomes FINRA's final action.


Megan P. Davis
Hearing Officer
For the Hearing Panel

Copies to:

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³²⁸ The Hearing Panel has considered and rejects without discussion all other arguments of the parties.