

**FINANCIAL INDUSTRY REGULATORY AUTHORITY  
LETTER OF ACCEPTANCE, WAIVER AND CONSENT  
NO. 2015043333001**

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

RE: Mark Solomon, Respondent  
Registered Representative  
CRD No. 1014516

Pursuant to FINRA Rule 9216 of FINRA's Code of Procedure, I submit this Letter of Acceptance, Waiver and Consent ("AWC") for the purpose of proposing a settlement of the alleged rule violations described below. This AWC is submitted on the condition that, if accepted, FINRA will not bring any future actions against me alleging violations based on the same factual findings described herein.

**I.**

**ACCEPTANCE AND CONSENT**

- A. I hereby accept and consent, without admitting or denying the findings, and solely for the purposes of this proceeding and any other proceeding brought by or on behalf of FINRA, or to which FINRA is a party, prior to a hearing and without an adjudication of any issue of law or fact, to the entry of the following findings by FINRA:

**BACKGROUND**

Solomon first registered in the securities industry in March 1982 as a General Securities Representative, and he became registered as an Investment Banking Representative from April 2010 to November 2013. From November 2013 through January 2016 Solomon was registered with M Holdings Securities, Inc. ("M Holdings" or the "firm") as a General Securities Representative; he voluntarily terminated from M Holdings on January 25, 2016. The firm filed a Form U5 reflecting that termination on January 29, 2016.

Solomon is not currently registered with any FINRA member firm but remains subject to FINRA's jurisdiction for purposes of this proceeding, pursuant to Article V, Section 4 of FINRA's By-Laws.

**RELEVANT DISCIPLINARY HISTORY**

Solomon has no relevant disciplinary history.

## OVERVIEW

Between December 16, 2014 and December 29, 2014, while registered with M Holdings, Solomon solicited seven investors to purchase a total of \$1,400,000 in interests in a private placement without providing his firm written notice of that activity or obtaining the firm's written approval prior to doing so. Accordingly, Solomon violated NASD Rule 3040 and, as a result, FINRA Rule 2010.

## FACTS AND VIOLATIVE CONDUCT

NASD Conduct Rule 3040 prohibits an associated person from, "participat[ing] in any manner in a private securities transaction" unless, prior to participating in the transaction, the associated person provides, "written notice to the member with which he is associated describing in detail the proposed transaction and the person's proposed role therein and stating whether he has received or may receive selling compensation in connection with the transaction." A "private securities transaction" is defined in NASD Rule 3040(e)(1) as "any transaction outside the course or scope of an associated person's employment with a member..."

FINRA Rule 2010 provides that "[a] member, in the conduct of his business, shall observe high standards of commercial honor and just and equitable principles of trade."

From December 16, 2014 through December 29, 2014, on behalf of a commercial real estate limited partnership, Solomon solicited and sold limited partnership interests in a private placement offering (the "offering") to seven investors for a total of \$1,400,000.<sup>1</sup> However, before soliciting and selling interests in the offering on behalf of the commercial real estate limited partnership, Solomon did not provide to M Holdings the notice required by Rule 3040. Solomon first provided written notice of his sales activity to M Holdings on August 31, 2015 after responding to inquiries made by FINRA during an examination of the firm.

By virtue of the foregoing, Solomon violated NASD Conduct Rule 3040 and FINRA Rule 2010.

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

A twelve-month suspension from association with any FINRA member in any capacity; and

A deferred fine of \$15,000.

I understand that if I am barred or suspended from associating with any FINRA member, I become subject to a statutory disqualification as that term is defined in

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<sup>1</sup> None of the seven investors was a customer of M Holdings at the time that he/she purchased interest in the offering.

Article III, Section 4 of FINRA's By-Laws, incorporating Section 3(a)(39) of the Securities Exchange Act of 1934. Accordingly, I may not be associated with any FINRA member in any capacity, including clerical or ministerial functions, during the period of the bar or suspension (see FINRA Rules 8310 and 8311).

The fine shall be due and payable either immediately upon reassociation with a member firm, or prior to any application or request for relief from any statutory disqualification resulting from this or any other event or proceeding, whichever is earlier.

I specifically and voluntarily waive any right to claim that I am unable to pay, now or at any time hereafter, the monetary sanctions imposed in this matter.

The sanctions imposed herein shall be effective on a date set by FINRA staff.

## II.

### WAIVER OF PROCEDURAL RIGHTS

I specifically and voluntarily waive the following rights granted under FINRA's Code of Procedure:

- A. To have a Complaint issued specifying the allegations against me;
- B. To be notified of the Complaint and have the opportunity to answer the allegations in writing;
- C. To defend against the allegations in a disciplinary hearing before a hearing panel, to have a written record of the hearing made and to have a written decision issued; and
- D. To appeal any such decision to the National Adjudicatory Council ("NAC") and then to the U.S. Securities and Exchange Commission and a U.S. Court of Appeals.

Further, I specifically and voluntarily waive any right to claim bias or prejudgment of the Chief Legal Officer, the NAC, or any member of the NAC, in connection with such person's or body's participation in discussions regarding the terms and conditions of this AWC, or other consideration of this AWC, including acceptance or rejection of this AWC.

I further specifically and voluntarily waive any right to claim that a person violated the ex parte prohibitions of FINRA Rule 9143 or the separation of functions prohibitions of FINRA Rule 9144, in connection with such person's or body's participation in discussions regarding the terms and conditions of this AWC, or other consideration of this AWC, including its acceptance or rejection.

### III.

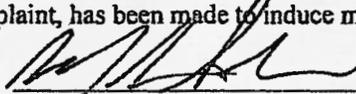
#### OTHER MATTERS

I understand that:

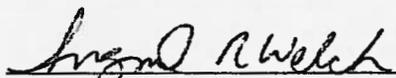
- A. Submission of this AWC is voluntary and will not resolve this matter unless and until it has been reviewed and accepted by the NAC, a Review Subcommittee of the NAC, or the Office of Disciplinary Affairs ("ODA"), pursuant to FINRA Rule 9216;
- B. If this AWC is not accepted, its submission will not be used as evidence to prove any of the allegations against me; and
- C. If accepted:
  - 1. this AWC will become part of my permanent disciplinary record and may be considered in any future actions brought by FINRA or any other regulator against me;
  - 2. this AWC will be made available through FINRA's public disclosure program in accordance with FINRA Rule 8313;
  - 3. FINRA may make a public announcement concerning this agreement and the subject matter thereof in accordance with FINRA Rule 8313; and
  - 4. I may not take any action or make or permit to be made any public statement, including in regulatory filings or otherwise, denying, directly or indirectly, any finding in this AWC or create the impression that the AWC is without factual basis. I may not take any position in any proceeding brought by or on behalf of FINRA, or to which FINRA is a party, that is inconsistent with any part of this AWC. Nothing in this provision affects my: (i) testimonial obligations; or (ii) right to take legal or factual positions in litigation or other legal proceedings in which FINRA is not a party.
- D. I may attach a Corrective Action Statement to this AWC that is a statement of demonstrable corrective steps taken to prevent future misconduct. I understand that I may not deny the charges or make any statement that is inconsistent with the AWC in this Statement. This Statement does not constitute factual or legal findings by FINRA, nor does it reflect the views of FINRA or its staff.

I certify that I have read and understand all of the provisions of this AWC and have been given a full opportunity to ask questions about it; that I have agreed to its provisions voluntarily; and that no offer, threat, inducement, or promise of any kind, other than the terms set forth herein and the prospect of avoiding the issuance of a Complaint, has been made to induce me to submit it.

1/2/2018  
Date (mm/dd/yyyy)

  
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Mark I. Solomon

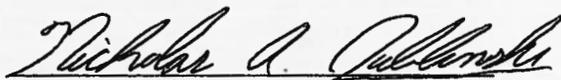
Reviewed by:

  
Ingrid R. Welch, Esq.  
Counsel for Respondent  
Cozen O'Connor  
One Liberty Place  
1650 Market Street, Suite 2800  
Philadelphia, PA 19103

Accepted by FINRA:

1/18/18  
Date

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

  
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Nicholas A. Jablonski  
Principal Regional Counsel  
FINRA Department of Enforcement  
55 West Monroe Street, Suite 2700  
Chicago, Illinois 60603-5052  
(312) 230-5097 (Phone)  
(312) 606-0742 (Fax)