

**FINANCIAL INDUSTRY REGULATORY AUTHORITY  
LETTER OF ACCEPTANCE, WAIVER, AND CONSENT  
NO. 2019063694301**

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

RE: Timothy Ray Plant (Respondent)  
Former General Securities Representative  
CRD No. 4188055

Pursuant to FINRA Rule 9216, Respondent Timothy Ray Plant submits 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 Respondent alleging violations based on the same factual findings described in this AWC.

**I.**

**ACCEPTANCE AND CONSENT**

- A. Respondent hereby accepts and consents, 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**

From August 2000 until August 2003, Plant was registered as a General Securities Representative (GSR) with FINRA through a member firm. In August 2003, he joined LPL Financial LLC, where he was registered as a GSR until August 22, 2019, when the firm filed a Uniform Termination Notice for Securities Industry Registration (Form U5), terminating him after investigating him for, among other things, the conduct described herein.

Although Plant is no longer associated with a FINRA member firm, FINRA retains jurisdiction over him pursuant to Article V, Section 4 of FINRA's By-Laws.<sup>1</sup>

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<sup>1</sup> For more information about the respondent, visit BrokerCheck® at [www.finra.org/brokercheck](http://www.finra.org/brokercheck).

## **OVERVIEW**

Between October 2017 and January 2019, while associated with LPL, Plant participated in private securities transactions by placing trades in retirement accounts held at another member firm, without providing notice to LPL. Accordingly, Plant violated FINRA Rules 3280 and 2010.

## **FACTS AND VIOLATIVE CONDUCT**

This matter originated from the filing of Plant's August 22, 2019 Form U5.

FINRA Rule 3280 requires an associated person, prior to participating in any private securities transaction, to provide written notice to the member with which they are associated. The notice must include a detailed description of the proposed transaction and the person's proposed role therein, and state whether they have received or may receive selling compensation in connection with the transaction. A private securities transaction is "any securities transaction outside the regular course or scope of an associated person's employment with a member." A violation of FINRA Rule 3280 also constitutes a violation of FINRA Rule 2010.

Plant transacted in outside brokerage retirement accounts on three days between 2017 and 2019. In total, he executed 52 trades worth approximately \$550,000 across 13 accounts. All of the account holders, some of whom were also LPL customers, had authorized Plant in writing to trade in their retirement accounts. Plant used his own, unique log-on credentials provided by the outside firm to execute the trades and consulted with each customer prior to executing each trade. Plant did not receive compensation for the trades, none of the customers complained, and there were no customer losses.

Plant did not provide written notice to LPL prior to participating in these transactions in the outside accounts. In addition, when asked on multiple annual firm disclosure forms whether he had participated in private securities transactions, Plant answered "no."

Therefore, Respondent violated FINRA Rules 3280 and 2010.

B. Respondent also consents to the imposition of the following sanctions:

- a five month suspension from associating with any FINRA member in all capacities; and
- a \$5,000 fine.

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.

Respondent specifically and voluntarily waives any right to claim an inability to pay, now or at any time after the execution of this AWC, the monetary sanction imposed in this matter.

Respondent understands that if he is barred or suspended from associating with any FINRA member, he becomes subject to a statutory disqualification as that term is defined in Article III, Section 4 of FINRA's By-Laws, incorporating Section 3(a)(39) of the Securities Exchange Act of 1934. Accordingly, he may not be associated with any FINRA member in any capacity, including clerical or ministerial functions, during the period of the bar or suspension. See FINRA Rules 8310 and 8311.

The sanctions imposed in this AWC shall be effective on a date set by FINRA.

## II.

### **WAIVER OF PROCEDURAL RIGHTS**

Respondent specifically and voluntarily waives the following rights granted under FINRA's Code of Procedure:

- A. To have a complaint issued specifying the allegations against him;
- 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, Respondent specifically and voluntarily waives 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 its acceptance or rejection.

Respondent further specifically and voluntarily waives 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

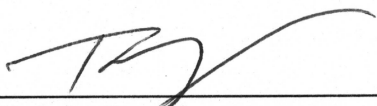
Respondent understands that:

- 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 Respondent; and
- C. If accepted:
  - 1. this AWC will become part of Respondent's permanent disciplinary record and may be considered in any future action brought by FINRA or any other regulator against Respondent;
  - 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 its subject matter in accordance with FINRA Rule 8313; and
  - 4. Respondent 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. Respondent 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 Respondent's testimonial obligations or right to take legal or factual positions in litigation or other legal proceedings in which FINRA is not a party.
- D. Respondent may attach a corrective action statement to this AWC that is a statement of demonstrable corrective steps taken to prevent future misconduct. Respondent understands that he 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.



Respondent certifies that he has read and understands all of the provisions of this AWC and has been given a full opportunity to ask questions about it; Respondent understands and acknowledges that FINRA does not represent or advise him and Respondent cannot rely on FINRA for legal advice. Respondent has agreed to the AWC's provisions voluntarily; and no offer, threat, inducement, or promise of any kind, other than the terms set forth in this AWC and the prospect of avoiding the issuance of a complaint, has been made to induce him to submit this AWC.

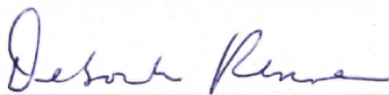
7/14/2021  
Date

  
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Timothy Ray Plant  
Respondent

Accepted by FINRA:

July 21, 2021  
Date

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

  
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Deborah Renner  
Principal Counsel  
FINRA  
Department of Enforcement  
200 Liberty Street, 11th Floor  
New York, NY 10281-1003