

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER, AND CONSENT
NO. 2023077678601**

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

RE: Bananafina LLC (Respondent)
Former Funding Portal Member
CRD No. 309121

Pursuant to FINRA Rule 9216, Respondent Bananafina LLC 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 accepts and consents to the following findings by FINRA without admitting or denying them:

BACKGROUND

Bananafina LLC is a former funding portal member that acted as an intermediary for crowdfunding offerings conducted in reliance on Section 4(a)(6) of the Securities Act of 1933. Bananafina became a FINRA-registered funding portal in January 2021. It withdrew from FINRA funding portal membership in January 2024.

OVERVIEW

Beginning in August 2023, Bananafina LLC violated FINRA Funding Portal Rules 800(a) and 200(a) and FINRA Rule 8210 by failing to respond to requests for documents and information.

FACTS AND VIOLATIVE CONDUCT

This matter originated from a cause exam.

FINRA Funding Portal Rule 800(a) provides, with exceptions not relevant here, that funding portal members are subject to the FINRA Rule 8000 series. FINRA Rule 8210(a)(1) requires FINRA members “to provide information . . . in writing, or electronically . . . with respect to any matter involved in the investigation.” FINRA Rule 8210(a)(2) further provides that FINRA may “inspect and copy the books, records, and accounts of such member . . . with respect to any matter involved in the investigation.”

FINRA Rule 8210(c) states that “[n]o member . . . shall fail to provide information . . . pursuant to this Rule.” A violation of FINRA Funding Portal Rule 800(a) and FINRA Rule 8210 is also a violation of FINRA Funding Portal Rule 200(a), which requires a funding portal member, in the conduct of its business, to “observe high standards of commercial honor and just and equitable principles of trade.”

In January 2023, FINRA began investigating one of Bananafina’s offerings. Bananafina initially cooperated with FINRA’s investigation but ceased doing so in August 2023. On July 17, 2023, FINRA sent a request for documents and information related to its investigation to Bananafina pursuant to FINRA Funding Portal Rule 800(a) and FINRA Rule 8210. A response was due by July 31, 2023. In August 2023, Bananafina provided a partial but substantially incomplete response. On August 16, 2023, FINRA sent a second request for the outstanding documents and information to Bananafina pursuant to FINRA Funding Portal Rule 800(a) and FINRA Rule 8210. Bananafina failed to comply or otherwise respond by the due date of August 30, 2023. As stated in writing on October 5, 2023, reiterated orally on August 1, 2024, and by this agreement, Bananafina acknowledges that it received FINRA’s requests and will not produce the documents and information requested at any time.

Therefore, Respondent violated FINRA Funding Portal Rules 800(a) and 200(a) and FINRA Rule 8210.

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

- an expulsion from FINRA funding portal membership.

Respondent understands that if it is expelled from FINRA funding portal membership, it 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.

The sanctions imposed in this AWC shall be effective on a date set by FINRA. A bar or expulsion shall become effective upon approval or acceptance of this AWC.

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 it;
- 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 right to take legal or factual positions in litigation or other legal proceedings in which FINRA is not a party. Nothing in this provision affects Respondent's testimonial obligations in any litigation or other legal proceedings.

The undersigned, on behalf of Respondent, certifies that a person duly authorized to act on Respondent's behalf has read and understands all of the provisions of this AWC and has been given a full opportunity to ask questions about it; that Respondent has agreed to the AWC's provisions voluntarily; and that 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 Respondent to submit this AWC.

08/26/2024

Date



Bananafina LLC
Respondent

Print Name: Jonathan Farchi-Segal


Title: CEO

Accepted by FINRA:

8/26/2024

Date

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



John-Michael Q. Seibler
Principal Counsel
FINRA
Department of Enforcement
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