

FINANCIAL INDUSTRY REGULATORY AUTHORITY

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REGISTRATION & DISCLOSURE

Department of Enforcement,

Complainant,

v.

Richard P. Buss (CRD No. 2178688),

Respondent.

DISCIPLINARY PROCEEDING
No. 20060057328

COMPLAINT

The Department of Enforcement alleges:

SUMMARY

1. Between July 2004 and June 2006, Respondent Richard P. Buss ("Buss") converted approximately \$842,475 from two elderly customers. FINRA Staff sent requests for information pursuant to NASD Procedural Rule 8210 regarding the conversion to Buss' last known home address on November 7, 2006 and January 9, 2007. Buss did not respond to any of the requests for information.

RESPONDENT AND JURISDICTION

2. On October 7, 1991, Buss entered the securities industry as an Insurance Company Products/Variable Contracts Representative of a FINRA member. Between October 7, 1991 and June 30, 2006, Buss was dually registered in the capacity with MetLife Securities Inc., and Metropolitan Life Insurance Company (collectively, "MetLife"). MetLife filed a Form U5

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disclosing Buss' termination on July 21, 2006. Buss is not currently registered with any FINRA members. Pursuant to Article V, Section 4 of the FINRA By-Laws, Buss is subject to the jurisdiction of FINRA until July 21, 2008.

FIRST CAUSE OF ACTION
Conversion
(NASD Conduct Rules 2330 and 2110)

3. The Department realleges and incorporates by reference paragraphs 1-2 above.
4. Between July 16, 2004 and January 6, 2006, Buss instructed a 70-year old recently widowed MetLife customer, EH, to sign 30 blank checks from her money market account to supposedly purchase unspecified investments.
5. EH followed Buss' instructions and signed the blank checks that Buss later used to pay his credit cards and other personal expenses. Buss converted a total of \$271,975 from EH's money market account for his personal use without EH's knowledge or permission.
6. Between July 16, 2004 and June 8, 2006, Buss converted funds from another elderly customer's account. Customer AS was an 85-year old customer who resided in an assisted living facility. Buss convinced AS to convert her account to a trust account and to designate her nephew, LR, as the trustee. LR was already an existing customer of Buss, and was financially unsophisticated.
7. Buss instructed LR to sign 16 checks from AS' account totaling \$163,500. Buss told LR that the checks were for unspecified investments for the benefit of AS. LR followed Buss' instructions. Buss used these checks to pay his credit card bills.

8. Buss also instructed LR to signed other checks from AS' account which were used to pay initial and annual insurance premiums for unrelated customers. Between 2000 and 2004, 20 checks totaling \$407,000 were used to pay the premiums for 10 insurance policies held by nine unrelated customers. Buss received approximately \$47,000 in commissions that resulted from the sales of these insurance policies.

9. The acts, practices and conduct described above constitute separate and distinct violations of NASD Conduct Rules 2330 and 2110 by Buss.

SECOND CAUSE OF ACTION
Failure to Respond
(NASD Procedural Rule 8210 and Conduct Rule 2110)

10. Department realleges and incorporates by reference paragraphs 1-9 above.

11. On or about November 7, 2006, FINRA staff sent to Buss a request that he provide information regarding the conversion of customer funds. That request for information was sent by first class and certified mail to Buss' address of record as contained in the records of the Central Registration Depository ("CRD address"). The first class mailing to the CRD address was not returned to FINRA staff, but the certified mailing receipt to the CRD address was returned signed by Buss.

12. On or about January 9, 2007, FINRA staff sent to Buss a second request that he provide the information initially requested on November 7, 2006, pursuant to and in accordance with the provisions of NASD Procedural Rule 8210. This request for information was sent by first class and certified mail to Buss' CRD address. The first class mailing to the CRD address

was not returned to FINRA staff, but the certified mailing receipt to the CRD address was returned signed by "Julie Buss."

13. Buss has failed to respond to the requests for information described in Paragraphs 11 and 12 above to date, and the dates for responding to the requests have passed.

14. The acts, practices and conduct described above constitute separate and distinct violations of NASD Conduct Rule 2110 and Procedural Rule 8210 by Buss.

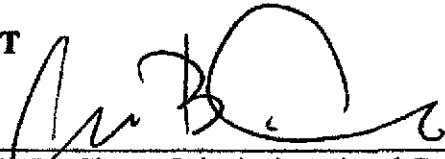
RELIEF REQUESTED

WHEREFORE, the Department respectfully requests that the Panel:

- A. order that one or more of the sanctions provided under NASD Rule 8310(a) be imposed, including that the Respondent be required to disgorge fully any and all ill-gotten gains and/or make full and complete restitution, together with interest.
- B. order that the Respondent bear such costs of proceeding as are deemed fair and appropriate under the circumstances in accordance with NASD Rule 8330.

FINRA DEPARTMENT OF ENFORCEMENT

Date: June 24, 2008



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