

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

DEPARTMENT OF ENFORCEMENT,

Complainant,

V.

COURTLANDT GERDES MILLER
(CRD NO. 1645887)

Respondent.

DISCIPLINARY PROCEEDING
NO. 2008013183601

Hearing Officer - MAD

**ORDER ACCEPTING OFFER OF
SETTLEMENT**

INTRODUCTION

Disciplinary Proceeding No. 2008013183601 was filed on September 9, 2010, by the Department of Enforcement of the Financial Industry Regulatory Authority ("FINRA") ("Complainant"). Respondent Courtlandt Gerdes Miller (CRD No. 1645887) submitted an Offer of Settlement (Offer) to Complainant dated January 13, 2011. Pursuant to FINRA Rule 9270(e), the Complainant and the National Adjudicatory Council ("NAC"), a Review Subcommittee of the NAC, or the Office of Disciplinary Affairs ("ODA") have accepted the uncontested Offer. Accordingly, this Order now is issued pursuant to FINRA Rule 9270(e)(3). The findings, conclusions and sanctions set forth in this Order are those stated in the Offer as accepted by the Complainant and approved by the NAC.

Under the terms of the Offer, Respondent has consented, without admitting or denying the allegations of the Complaint as amended by the findings in this Order, 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, to the entry of findings and violations consistent with the allegations of the Complaint as amended by this Order, and to the imposition of the sanctions set forth below,

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and fully understands that this Order will become part of Respondent's permanent disciplinary record and may be considered in any future actions brought by FINRA.

BACKGROUND

Miller first became registered as a Private Placement Offerings Limited Representative ("PR") through an association with a former member firm on December 3, 2003. Miller later became registered as a General Securities Representative ("GSR") and General Securities Principal ("GSP"). Miller's registrations through that firm terminated as of August 25, 2004.

Beginning May 25, 2004, Miller became registered as a PR, GSR and GSP through former member firm Oceana Partners LLC (BD No. 220305) ("Oceana"). Beginning October 29, 2004, Miller became registered as a Research Analyst ("RS") through Oceana. Beginning December 9, 2005, Miller became registered as an Equity Trader ("ET") through Oceana. Miller's registrations through Oceana terminated September 25, 2007.

Miller was the founder, co-owner and President of Oceana. Oceana was engaged in private placement, investment banking and research businesses.

In late 2007, Miller decided to terminate Oceana's registration with FINRA. On November 6, 2007, Oceana filed a Form BDW.

After terminating the Oceana registration, Miller joined DEG in January 2008. From January 4, 2008 through April 18, 2008, Miller was registered through member firm Delaney Equity Group (BD No. 1422885) ("DEG") as an ET, GP, GS, RS and as a Research Principal ("RP").

Since April 30, 2008, Miller has been registered with a different member firm as a Limited Representative – Investment Banking. Since July 1, 2008, Miller has also been registered through that firm as a GSR.

Miller is subject to FINRA jurisdiction because he was registered through a member firm at the time the Complaint was filed.

FINDINGS AND CONCLUSIONS

It has been determined that the Offer be accepted and that findings be made as follows:

FIRST CAUSE OF ACTION Failure to Obtain Approval for Advertising (Violation of Rules 2210(b)(1) and 2110)

1. Pursuant to NASD Conduct Rule 2210(b)(1), a “registered principal of [a member firm] must approve by signature or initial and date each advertisement, item of sales literature and independently prepared reprint before the earlier of its use or filing with NASD’s Advertising Regulation Department.”
2. Under Rule 2210(a), “advertisement” includes “any Web site,” “sales literature” and “press releases concerning a member’s products or services.”
3. On April 1, 2008, Miller caused the B Research Report to be published on a website that Miller had previously operated when Oceana was a FINRA member firm: www.oceanapartners.com.
4. On or about April 1, 2008, Miller also caused a press release announcing the B Research Report to be issued by a public relations firm. The release was distributed to financial wire services. Miller did not inform or obtain approval from DEG regarding either the intention to: (i) publish the B Research Report on

the www.oceanapartners.com website, or (ii) cause a press release to be issued announcing the B Research Report.

5. Neither the www.oceanapartners.com website, nor the press release were approved by signature or initial and dated by a principal of DEG.

By reason of the foregoing, Miller violated NASD Conduct Rules 2210(b)(1) and 2110.

**SECOND CAUSE OF ACTION
Causing a Firm to Engage in Unapproved Material Changes In Business Operations
(Violation of NASD Rules 1017 and 2110)**

6. NASD Membership and Registration Rule 1017 requires that member firms “shall file an application for approval of . . . changes to its ownership, control, or business operations,” including “a material change in business operations as defined in Rule 1011(k).”
7. After Miller joined DEG, on March 11, 2008, DEG filed an application with FINRA pursuant to NASD Rule 1017 seeking approval for the firm to produce and distribute research reports (the “Rule 1017 Application”).
8. Miller was aware that the Rule 1017 Application had been filed.
9. At the time that the B Research Report was published and press release issued, the Rule 1017 Application was still pending and had not yet been approved by FINRA.
10. Even though Miller knew that DEG had filed the Rule 1017 application, he took no steps to ascertain whether or not the application had been approved.
11. The B Research Report stated that it “was prepared by” Oceana and that Oceana “is affiliated with” DEG.

12. Miller caused DEG to engage in the production and distribution of a research report at a time when it was not approved to do so.

By reason of the foregoing, Miller violated NASD Membership and Registration Rule 1017 and Conduct Rule 2110.

**THIRD CAUSE OF ACTION
False and Misleading Communication with the Public
(Violation of Rules 2210(d)(1)(B) and 2110)**

13. The B Research report stated that “Oceana is a FINRA member firm which provides independent research services with respect to the securities of its clients.”

14. The press release similarly stated that “Oceana is a FINRA member firm.”

15. However, the above statements were false because at the time the B Research Report was issued, Oceana had withdrawn its FINRA membership (approximately 5 months earlier) and was no longer a FINRA member firm.

By reason of the foregoing, Miller violated NASD Conduct Rules 2210(d)(1)(B) and 2110.

Based on these considerations, the sanctions hereby imposed by the acceptance of the Offer are in the public interest, are sufficiently remedial to deter Respondent from any future misconduct, and represent a proper discharge by FINRA, of its regulatory responsibility under the Securities Exchange Act of 1934.

SANCTIONS

It is ordered that Miller be:

- suspended in all capacities for a period of 10 business days; and

- fined in the amount of \$7,500.

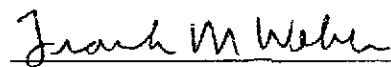
The sanctions imposed herein shall be effective on a date set by FINRA staff. Pursuant to FINRA Rule 8313(e), a bar or expulsion shall become effective upon approval or acceptance of this Order.

SO ORDERED.

Dated: February 24, 2011

FINRA

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



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