

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

Department of Enforcement,
Complainant,

v.

John T. Baxter
(CRD No. 3100259),

Respondent.

Disciplinary Proceeding
No. 20090183288

Hearing Officer: MC

**ORDER ACCEPTING OFFER OF
SETTLEMENT**

Date: July 8, 2010

INTRODUCTION

Disciplinary Proceeding No. 20090183288 was filed on February 4, 2010, by the Department of Enforcement of the Financial Industry Regulatory Authority (FINRA) (Complainant). On June 14, 2010, Respondent John T. Baxter ("Baxter") submitted an Offer of Settlement (Offer) to the Amended Complainant dated June 11, 2010. 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, 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

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findings and violations consistent with the allegations of the Complaint, and to the imposition of the sanctions set forth below, 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

Between February 2008 and May 2009, Baxter was an associated person with J.P. Turner & Company, LLC ("Member"), a member of FINRA. Baxter also executed a Uniform Application for Securities Industry Registration or Transfer (Form U4) on or about February 8, 2008, pursuant to which he submitted himself to the jurisdiction of FINRA. Baxter therefore is subject to the jurisdiction of FINRA, pursuant to Article V, Section 4 of the FINRA's By-Laws. Baxter has no disciplinary history.

FINDINGS AND CONCLUSIONS

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

1. Between February 2008 and May 2009, Baxter was an associated person with J.P. Turner & Company, LLC ("Member"), a member of FINRA. Baxter also executed a Uniform Application for Securities Industry Registration or Transfer (Form U4) on or about February 8, 2008, pursuant to which he submitted himself to the jurisdiction of FINRA. Baxter therefore is subject to the jurisdiction of FINRA, pursuant to Article V, Section 4 of the FINRA's By-Laws.
2. On or about July 29, 2009, FINRA staff, pursuant to FINRA Rule 8210, sent Baxter a letter requesting, among other things, all documents in his possession related to the CMO purchased by M.N., and for a description of any business dealings with M.N. This letter was sent by certified mail to Baxter's two CRD addresses, to wit: [REDACTED]

██████████ (the "NY address"), and to ██████████
██████████ (the "CA address"). The receipt for the mailing to the New York address was returned signed, but the signature was illegible. The mailing to the California address was returned, signed by John Baxter. A response was required on or about August 12, 2009.

3. Baxter did not respond to the July 29, 2009 letter, and therefore, on or about August 19, 2009, FINRA staff sent Baxter a second request for the same information, pursuant to FINRA Rule 8210. This request was sent by certified mail to Baxter's NY and CA addresses. The NY mailing was returned, stamped "Returned to Sender, Unclaimed." The receipt for the mailing to the CA address was returned, signed by "Marsleete Pelz." A response was required on or about September 3, 2009.

4. On or about September 20, 2009, a Saturday, Baxter left a voicemail message for the staff, during which Baxter acknowledged receipt of the staff's two 8210 letters and stated that he would be sending the staff a written response. Baxter did not leave a telephone number at which he could be reached. Baxter further stated that the staffs' letters were sent to his parents' home, but he did not leave another address where he could be sent mail.

5. On or about October 19, 2009, FINRA staff sent Baxter a third request for the same information, pursuant to FINRA Rule 8210. This request was sent by certified mail to Baxter's NY and CA addresses. The New York mailing was returned, stamped "Returned to Sender, Unclaimed." A receipt for the mailing to the California address was returned, signed by Carlos Pelz. A response was required on or before October 30, 2009.

6. On or about February 4, 2010, FINRA's Department of Enforcement filed a Complaint in this disciplinary action, in part alleging that Baxter failed to respond to the requests

for information specified in Paragraphs 4, 5 and 7 above, and by doing so, had violated FINRA Rules 2010 and 8210.

7. On or about March 3, 2010, Baxter filed an Answer to the Complaint, in which he acknowledged receiving one of the requests for information specified in Paragraphs 4, 5 and 7, above, without identifying which one. He further acknowledged that "...the others were picked up by family members who live more than 45 miles from home address." Baxter added, "In all honesty, before your complaint I never gave it much thought for possible formal charges to be brought against me."

8. On or about March 5, 2010, FINRA staff sent Baxter a fourth request for the same information, pursuant to FINRA Rule 8210. This request was sent by certified mail to Baxter's NY and CA addresses.

9. On or about March 22, 2010, FINRA received a response to the requests for information set forth in Paragraphs 4, 5, 7 and 10 above, which was over seven months after the due date of the initial request, mailed on or about July 29, 2009.

Based on the foregoing, Respondent Baxter violated FINRA Rules 2010 and 8210.

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 Respondent be suspended from association with any FINRA member in any capacity for one year and fined \$5,000. The fine shall be due and payable either immediately upon reassociation with a member firm following the one year suspension noted above, 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.

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

SO ORDERED.

FINRA

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



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