

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2009018517201**

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

RE: Anthony Mediate, III, Respondent
General Securities Representative
CRD No. 2449614

Pursuant to FINRA Rule 9216 of FINRA's Code of Procedure, I, Anthony Mediate, III ("Mediate" or "Respondent") submit 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 me alleging violations based on the same factual findings described herein.

I.

ACCEPTANCE AND CONSENT

- A. I accept and consent, 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

Mediate first became registered with FINRA as a General Securities Representative ("GSR") through an association with a former member firm on October 5, 1994. During the period from October 5, 1994 and January 4, 2007, Mediate was registered as a GSR through nine different FINRA member and former member firms.

From January 8, 2007 to November 21, 2007, Mediate was registered as a GSR through former member firm Carlton Capital Group, Inc. (BD No. 42533) ("Carlton").¹

From October 23, 2007 to January 14, 2011, Mediate was registered as a GSR through member firm J.P. Turner & Company, L.L.C. (BD No. 43177) ("J.P. Turner").

¹ Carlton was known as Clayton Dunning & Company Inc. until June 22, 2007 when it changed its name to Carlton.

Thereafter, from January 19, 2011 to December 19, 2011, Mediate was registered as a GSR through National Securities Corporation (BD No. 7569) ("National"). Then from December 21, 2011 to November 20, 2012, he was registered through a different FINRA member firm. Since November 21, 2012, he has been again registered through National.

Mediate is subject to FINRA jurisdiction because he is registered through a member firm.

RELEVANT DISCIPLINARY HISTORY

Mediate has no prior disciplinary with the SEC, any self-regulatory organization or any state securities regulator.

OVERVIEW

Mediate engaged in excessive trading and exercised discretion without written authorization in his handling of a customer account. Mediate also failed to timely amend his Form U4 to report an outstanding civil judgment.

FACTS AND VIOLATIVE CONDUCT

1. During the period from January 2007 to April 2008, Mediate engaged in excessive trading in an individual retirement account of customer KR, who maintained accounts with Mediate first at Carlton (from January 2007 to April 2008) and then at J.P. Turner (from November 2007 to April 2008). At the time the account was opened, KR was a 47 year-old woman who was separated from her husband and living with her three children. KR was retired from her employer and the funds held in the IRA account represented proceeds from her pension. According to the new account documents for the account at Carlton, KR's primary investment objective was listed as "growth." According to the new account documents completed at J.P. Turner, KR's account objective was "capital appreciation" and her risk tolerance was listed as "moderate."

When KR's account was opened at Carlton in January 2007, KR's account equity was approximately \$104,000. Mediate initially purchased mutual funds in the account. Mediate, however, switched the funds held by KR on several occasions after relatively short holding periods. Mediate then began to purchase and sell equities in the account. The frequency of Mediate's trading increased after Mediate joined J.P. Turner. During the fifteen month period that KR maintained the IRA account with Mediate at Carlton and J.P. Turner, KR incurred a net out of pocket loss of approximately \$55,000. KR paid a total of \$37,464.45 in commissions. The turnover ratio for the account was 5.35 and the commission-to-equity ratio was 30 percent. This level of activity was inconsistent with KR's stated objectives and financial situation. Mediate exercised control over the account, including assuming discretionary authority over the account.

By reason of the foregoing, Mediate violated NASD Conduct Rules 2310 and 2110.

2. During the period from November 2007 to April 2008, Mediate exercised discretion without written authorization in the account of customer KR at J.P. Turner. By reason of the foregoing, Mediate violated NASD Conduct Rules 2530 and 2110.

3. Mediate failed to timely disclose an unsatisfied judgment on his Uniform Application for Securities Industry Registration or Transfer (Form U4) at National. Specifically, on February 7, 2011, a civil judgment against Mediate in the amount of \$10,711.39 was entered in Monmouth County, New Jersey. Mediate failed to disclose this unsatisfied judgment on his Form U4 at National until October 21, 2011, which was two-days after he was confronted with the judgment at a FINRA on-the-record interview ("OTR"). By reason of the foregoing, Mediate violated Article V, Section 2(c) of FINRA's By-Laws and FINRA Rules 1122 and 2010

B. I also consent to the imposition of the following sanctions:

- A suspension in all capacities for a period of 60 calendar days.

Respondent has submitted a sworn financial statement and demonstrated an inability to pay. In light of the financial status of Respondent, no monetary sanctions have been imposed.

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

I understand that if barred or suspended from associating with any FINRA member, I become 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, I 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).

II.

WAIVER OF PROCEDURAL RIGHTS

I specifically and voluntarily waive the following rights granted under FINRA's Code of Procedure:

- A. To have a Complaint issued specifying the allegations against me;

- 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, I specifically and voluntarily waive any right to claim bias or prejudgment of the General Counsel, 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 acceptance or rejection of this AWC.

I further specifically and voluntarily waive 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

I understand 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 me; and
- C. If accepted:
 - 1. this AWC will become part of my permanent disciplinary record and may be considered in any future actions brought by FINRA or any other regulator against Respondent;
 - 2. this AWC will be made available through FINRA's public disclosure program in response to public inquiries about my disciplinary record;

3. FINRA may make a public announcement concerning this agreement and the subject matter thereof in accordance with FINRA Rule 8313; and
4. I 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. I 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 my: (i) testimonial obligations; or (ii) right to take legal or factual positions in litigation or other legal proceedings in which FINRA is not a party.

- D. I may attach a Corrective Action Statement to this AWC that is a statement of demonstrable corrective steps taken to prevent future misconduct. I understand that I 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 or its staff.

I certify that I have read and understand all of the provisions of this AWC and have been given a full opportunity to ask questions about it; that I have agreed to its provisions voluntarily; and that no offer, threat, inducement, or promise of any kind, other than the terms set forth herein and the prospect of avoiding the issuance of a Complaint, has been made to induce me [the Firm] to submit it.

6/10/2013
Date (mm/dd/yyyy)

Anthony Mediate, III
Respondent Anthony Mediate, III
(CRD No. 2449614)

Reviewed by:

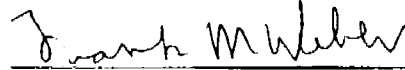
Paul Lieberman

Paul Lieberman, Esq.
Counsel for Respondent
Stark & Stark, LLP
993 Lenox Drive
Lawrenceville, NJ 08648

Accepted by FINRA:

June 27, 2013
Date

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

A handwritten signature in dark ink, appearing to read "Frank M. Weber", is written over a horizontal line.

Frank M. Weber
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FINRA Department of Enforcement
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