

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

DEPARTMENT OF ENFORCEMENT,	)	Disciplinary Proceeding
	)	No. 2009018582501
Complainant,	)	
	)	
	)	Hearing Officer: MC
v.	)	
	)	
JOHN B. LANGSETT	)	
CRD No.5609011,	)	ORDER ACCEPTING OFFER
	)	OF SETTLEMENT
Respondent.	)	
	)	
	)	Date: July 8, 2011
	)	

INTRODUCTION

Disciplinary Proceeding No. 2009018582501 was filed on March 10, 2011, by the Department of Enforcement of the Financial Industry Regulatory Authority (FINRA) (Complainant). On or about July 5, 2011, Respondent John B. Langsett (Respondent or Langsett) submitted an Offer of Settlement (Offer) to Complainant dated June 27, 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, 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

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party, to the entry of 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

Langsett entered the securities industry on August 8, 2008 as an associated person of Veritrust Financial, LLC (the Firm). On that date, Langsett completed and signed a Form U4, pursuant to which he submitted himself to FINRA jurisdiction. The Firm terminated Langsett on or about June 23, 2009. Langsett is no longer employed in the securities industry. Pursuant to Article V, Section 4 of FINRA's By-Laws, FINRA retains jurisdiction over Langsett through June 22, 2011. As previously noted, the Complaint in this matter was filed on March 10, 2011.

FINDINGS AND CONCLUSIONS

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

1. On August 8, 2008, Langsett completed a Form U4 for registration as a representative of the Firm. Langsett did not disclose any criminal history when completing this form.
2. After obtaining additional information from Langsett, including, his employment history and payment for Langsett's registration and exam fees, the Firm filed Langsett's Form U4 on October 16, 2008.
3. On or about October 22, 2008, the Central Registration Depository (CRD) sent a disclosure letter to the Firm regarding Langsett's Form U4 filing. CRD advised the

Firm that Langsett was arrested in Wilton Manors, Florida on November 24, 2004 and requested that an amended Form U4 be submitted if the arrest resulted in disclosable charges being filed. If such charges were filed, the Firm was directed to submit a copy of the complaint, sentencing order and final disposition documentation to CRD for review.

4. On or about December 1, 2008, Langsett provided the Firm with a completed Form U4 Criminal Disclosure Reporting Page (DRP) and some court documentation regarding the criminal matter referenced in the October 2008 CRD disclosure letter. The Firm submitted an Amended Form U4 on Langsett's behalf on that same date and instructed Langsett to obtain further documentation regarding the criminal proceeding.

5. In or about December 2004, a criminal complaint was filed in the Circuit Court, Broward County, Florida, Case No. 04019393CF104, charging Langsett with two felony counts of burglary with assault or battery and one count of felony stalking.

6. On or about November 23, 2005, the felony stalking charge and one felony burglary with assault or battery charge were *nolle prosequi*, i.e. dropped. The other felony burglary with assault or battery charge was reduced to misdemeanor battery.

7. Langsett pled no contest to the reduced misdemeanor battery charge and adjudication was then withheld. Langsett was given 12 months probation and required to take a domestic violence/anger management course.

8. Langsett completed his Form U4 in August 2008. Section 14 of that form required the disclosure of the three above-referenced felony charges.

9. Section 14 of the Form U4 requires that an applicant provide "complete details of all events or proceedings on appropriate DRP(s)" in the event that the applicant responds "yes" to any question.

10. Question 14A(1)(b) reads as follows: "Have you ever been charged with a felony?" Langsett checked "no" to question 14A (1)(b) and failed to acknowledge, reference or provide any details regarding the Broward County criminal proceeding.

11. By signing the Form U4, Langsett attested that he read and understood the Form U4 instructions and questions, and, that to the best of his knowledge, his answers contained therein were true and complete.

12. By failing to disclose facts pertaining to his criminal history on his Form U4, namely, that he had been charged with three felonies, Langsett submitted or caused to be submitted to FINRA a Form U4 that was materially false or inaccurate.

Based on the foregoing, Langsett violated NASD Rule 2110 and IM-1000-1.

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.

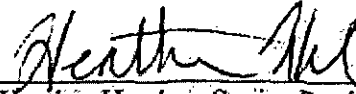
SANCTIONS

It is ordered that Respondent be suspended for thirty business days and fined \$5,000.00. 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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