

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

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REGISTRATION & DISCLOSURE

Department of Enforcement,

Complainant,

v.

Purvis Presha (CRD No. 5433332),

Respondent.

DISCIPLINARY PROCEEDING  
No. 2009018773301

**COMPLAINT**

The Department of Enforcement alleges:

**SUMMARY**

1. Between October 2007 and January 2008, Purvis Presha ("Presha" or "Respondent") made misrepresentations and omissions of material fact to an individual, JL, that led JL to give Presha a check in his name for \$10,000 to purchase an annuity on her behalf that he misappropriated for his own use. Presha therefore violated NASD Rule 2110.
2. In addition, between October 2009 and November 2009, Presha failed to provide information, as requested by FINRA staff, in violation of FINRA Rules 8210 and 2010.

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## **JURISDICTION**

3. In September 2007, Presha completed an application for employment with New York Life Insurance Company ("NYLIC" or the "Firm") and in November 2007 was hired as an Agent whereby he was authorized to solicit applications for individual and group annuities, life insurance and health insurance policies.
4. On December 13, 2007, NYLIFE Securities LLC ("NYLIFE"), a wholly owned, indirect subsidiary of NYLIC, filed a "Uniform Application for Broker-Dealer Registration" ("Form U4") on Presha's behalf, disclosing that Presha intended to take the Series 6 examination.
5. On December 21, 2007, prior to sitting for the Series 6 examination, Presha was terminated for inappropriate non-business related conduct.
6. NYLIFE filed a "Uniform Termination Notice for Securities Industry Registration" ("Form U5") dated January 29, 2008 which specified January 21, 2008, as the "Date Terminated" and explained: "Presha was terminated by NYLIC, the parent company of NYLIFE Securities Inc., for administrative reasons. As a result, his registration with NYLIFE Securities LLC was automatically terminated. No sales practice issues were involved."
7. Respondent is no longer associated with a FINRA member. FINRA retains jurisdiction over Respondent pursuant to Article V, Section 4 of the FINRA By-Laws.

## **FIRST CAUSE OF ACTION**

### **(NASD Rule 2110 -Misappropriation/Misrepresentation)**

8. The Department realleges and incorporates by reference paragraphs 1 through 7 above.

9. Between October 2007 and January 2008, Presha agreed to purchase an annuity on behalf of JL.
10. In October 2007, Respondent assisted JL in the completion of forms necessary for the purchase of the annuity. JL informed Respondent that she would fund the annuity with \$10,000 she would be receiving from her employer in January 2008.
11. On December 21, 2007 Presha was notified that effective January 21, 2008 his contract as an Agent of the Firm would be terminated.
12. In the first half of January 2008, JL called Presha to discuss her future investment. During that conversation, and multiple subsequent conversations, Presha failed to inform JL that he had been terminated from the Firm, was not registered as a Series 6, and could not purchase an annuity for her.
13. Based on these conversations, and after she received the funds she wished to invest, JL sent a check to Presha, made out to NYLIC.
14. Presha returned the check to JL.
15. Later that month, JL spoke again with Presha, who instructed her to make the check for her investment payable to him. JL did not inform Presha that he had been terminated by NYLIC, was not registered as a Series 6, and could not purchase an annuity for her.
16. On January 24, 2008, following Presha's instructions, JL wrote a check in the amount of \$10,000 payable to Presha. This check was cashed on or about January 24, 2008.
17. In May 2009, NYLIC informed JL that she did not have an account with it and that it had never issued an annuity to her.

18. As a result of this conduct, Presha violated NASD Rule 2110.

**SECOND CAUSE OF ACTION**

**(FINRA Rules 8210 and 2010 – Failure to Provide Information)**

19. The Department re-alleges and incorporated by reference paragraphs 1 through 16 above.

20. On October 21, 2009, FINRA sent a letter to Presha pursuant to FINRA Rule 8210, requesting that he provide, among other things, a written statement regarding the allegation that he misappropriated \$10,000 from JL. The letter was sent to Presha's last know residential address, as reflected in the Central Registration Depository ("CRD"), by Federal Express ("Fed Ex"), certified mail return receipt requested and first class mail. The letter required a response no later than November 6, 2009.

21. The certified letter dated October 21, 2009 was returned to FINRA unclaimed. The copy of the letter sent by Fed Ex was left at Presha's front door based on a release on file which authorized "signature not required." The copy of this letter sent by first class mail was not returned to FINRA. Presha did not respond to FINRA's October 21, 2009 request.

22. On November 6, 2009, FINRA sent another letter to Presha pursuant to FINRA Rule 8210 which informed Presha that it was a second request for the information requested by FINRA's letter dated October 21, 2009, to which no response had been received. The letter was sent to Presha's last know residential address, as reflected in the CRD, by Fed Ex, certified mail return receipt requested and first class mail. The

letter required a response no later than November 20, 2009. The original certified letter dated November 6, 2009 was returned to FINRA unclaimed. The copy of the letter sent by Fed Ex was left at Presha's front door based on a release on file which authorized "signature not required." The copy of this letter sent by first class mail was not returned to FINRA. Presha did not respond to FINRA's November 6, 2009 request.

23. No responses to any of FINRA's 8210 requests have been received from Respondent.

24. By virtue of the foregoing, Respondent violated FINRA Rules 8210 and 2010.

### **RELIEF REQUESTED**

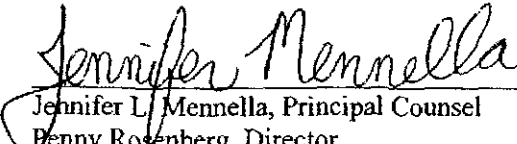
WHEREFORE, the Department respectfully requests that the Panel:

- A. order that one or more of the sanctions provided under FINRA Rule 8310(a), including monetary sanctions, be imposed.
- B. order that the Respondent bear such costs of proceeding as are deemed fair and appropriate under the circumstances in accordance with FINRA Rule 8330.

### **FINRA DEPARTMENT OF ENFORCEMENT**

Date:

1/14/2010

  
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