

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

DEPARTMENT OF ENFORCEMENT,	)	Disciplinary Proceeding
	)	Nos. 2009019027701 and
Complainant.	)	2010022381401
	)	
	)	Hearing Officer: SNB
v.	)	
	)	
RANDALL L. POPE,	)	ORDER ACCEPTING OFFER
CRD No. 1469681,	)	OF SETTLEMENT
Respondent.	)	
	)	Date: May 23, 2012
	)	
	)	

INTRODUCTION

The above captioned disciplinary proceeding was filed on March 20, 2012, by the Department of Enforcement of the Financial Industry Regulatory Authority (FINRA) (Complainant). Respondent Randall L. Pope (Respondent or Pope) submitted an Offer of Settlement (Offer) to Complainant dated May 14, 2012. 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 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

Pope was associated with CapWest Securities, Inc. (Firm) from on or about September 16, 2005 through on or about October 6, 2009, where he was registered as a general securities representative. The Firm filed a Uniform Termination Notice for Securities Industry Registration (Form U5) on October 6, 2009, disclosing that Pope voluntarily terminated from the Firm on September 7, 2009. Since his termination, the Firm has amended Pope's Form U5 on multiple occasions to disclose approximately seven customer complaints. The most recent Form U5 amendment was made on January 6, 2011 and disclosed, for the first time, a customer grievance by the AFRT, JA and BA, Trustees, and DK and EK.

Since his termination from the Firm, Pope has not associated with another member firm. Although Pope is no longer registered or associated with a FINRA member, he remains subject to FINRA's jurisdiction for the purposes of this proceeding, pursuant to Article V, Section 4 of FINRA's By-Laws, because (1) the Complaint was filed within two years after the Firm filed the above-referenced January 2011 amended Form U5 that disclosed Pope may have engaged in conduct actionable under the securities laws, rules and/or regulations, and (2) the Complaint charges Pope with failing to respond to FINRA requests for information that were issued within the time period that FINRA retains jurisdiction over him.

FINDINGS AND CONCLUSIONS

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

Failure to Respond to Rule 8210 Requests for Information – Examination
No. 20100223814

On or about March 31, 2010, the Firm amended Pope's Form U5 to disclose that NLM (Trustee), the NLMRT, and the CWM Jr. Trust had brought suit in the U.S. District Court, District of Wyoming against multiple parties, including the Firm and Pope, alleging unsuitability, misrepresentations, omission of material facts, falsification of documents, civil conspiracy, negligence, and fraud with respect to their purchases of various private placements (the NLM Litigation). FINRA staff commenced an investigation soon thereafter.

On April 12, 2011, FINRA staff sent, via certified and first class mail, a written Rule 8210 request to Pope at his residential CRD address in Fort Collins, Colorado (CRD Address) requesting that Pope provide a written statement addressing the allegations raised in the NLM Litigation.

Requested information included, but was not limited to: confirmation as to whether Pope recommended the purchases of 12 identified offerings; Pope's understanding of the customers' investment objectives, risk tolerance, net worth and time horizon at the time each of the identified offerings was recommended; information that Pope relied upon to determine that each of the offerings was suitable; statements Pope made with respect to the risks, merits, and liquidity of the identified offerings; and, whether Pope made any guarantees with respect to the performance of the identified offerings. Pope's responsive information was due on or prior to April 26, 2011.

On April 14, 2011, a certified mail delivery receipt was signed by "Randall L. Pope" evidencing acceptance of delivery of the April 12, 2011 request for information. The first class mailing was not returned to FINRA. Pope did not respond to the April 12th Rule 8210 request letter.

On May 4, 2011, FINRA staff sent another Rule 8210 request by certified and first class mail to Pope's CRD Address seeking the same information identified in the April 12th request. Pope's responsive information was due on or prior to May 18, 2011.

"Sheryl Pope" signed the certified mail delivery receipt on May 5, 2011; the first class mailing has not been returned to FINRA. Pope did not respond to the May 4th Rule 8210 request letter.

To date, Pope has failed to provide the information that was requested, pursuant to Rule 8210, on April 12, 2011 and May 4, 2011. Both the April and May 2011 Rule 8210 request letters were sent during the period that Pope was subject to FINRA's jurisdiction; therefore, he was required by Rule 8210 to provide the requested information.

The acts, practices and conduct described above constitute separate and distinct violations of FINRA Rules 8210 and 2010 by Pope.

Failure to Respond to Rule 8210 Requests for Information – Examination
No. 20090190277

In 2009, FINRA staff opened Examination No. 20090190277 to, among other items, review Pope's point of sale practices with respect to certain customers to whom he sold MedCap, Provident and/or Striker.

During the course of the investigation, FINRA staff came to believe that Pope may have paid a non-registered individual, DL, transaction based compensation for referring customers who subsequently purchased MedCap, Provident and/or Striker securities from him.

Upon information and belief, Pope compensated DL for customer referrals through a Wyoming limited liability company, AIPA. DL and PMM, a Colorado limited liability company of which Pope was the registered agent and sole manager, were both managers of AIPA. Additionally, Pope represented to FINRA staff that both he and DL were "owners" of AIPA and

that he received compensation from AIPA.

The Firm's Form U4 filings for Pope do not identify AIPA as an outside business activity. Similarly, PMM's involvement with AIPA is not disclosed in such filings. Consequently, FINRA staff intended to investigate Pope's compliance with FINRA's outside business activity rules.

Due to concerns that Pope may have violated securities laws or rules with respect to the activities described in the above paragraphs, staff sent a written Rule 8210 request to Pope on November 15, 2010. The request was sent by certified and first class mail to Pope's CRD Address and a copy was emailed to him. Pope's responsive information was due on or prior to November 30, 2010.

Information and documentation requested by staff in the November 15, 2010 Rule 8210 letter included, but was not limited to, the following: i) a statement describing the full extent of Pope's involvement with AIPA along with copies of any contracts or agreements that he signed with or on behalf of AIPA; ii) copies of AIPA's articles of incorporation and/or organization, operating agreement, and any and all amendments thereto; iii) information and documentation regarding AIPA's bank accounts and records; iv) identification of all names/alias, including DBAs, used by Pope; v) copies of Pope's Federal and State tax returns for the years 2006 through 2009 with supporting documentation; vi) copies of Federal and State tax returns (along with supporting documentation) for the years 2006 through 2009 for businesses that Pope held a beneficial interest totaling at least 50%; and, vii) copies of correspondence and emails between Pope and AIPA members.

With respect to the November 15, 2010 Rule 8210 request, "Randall L Pope" signed the certified mail delivery receipt on November 17, 2010. The first class mailing has not been

returned to FINRA. Pope failed to respond to the November 15, 2010 Rule 8210 request.

On December 3, 2010, FINRA staff again requested, pursuant to Rule 8210, the information and documentation identified in the November 2010 Rule 8210 request.

The December 3rd request, which was sent via email and by first class and certified mail to Pope's CRD Address, provided that Pope's responsive information was due on or before December 17, 2010.

The certified mail delivery receipt was signed by "Randy Pope" on December 8, 2010; the first class mailing was not returned to FINRA staff. Pope failed to respond to the December 3rd request.

To date, Pope has failed to provide the information that was requested, pursuant to Rule 8210, on November 15, 2010 and December 3, 2010. Both the November and December 2010 Rule 8210 request letters were sent during the period that Pope was subject to FINRA's jurisdiction; therefore, he was required by Rule 8210 to provide the requested information.

The acts, practices and conduct described above constitute separate and distinct violations of FINRA Rules 8210 and 2010 by Pope.

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

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 barred from association with any FINRA member in any capacity. Pope understands that if he is barred or suspended from associating with any FINRA

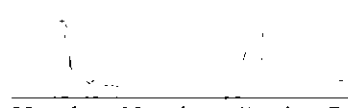
member, he becomes subject to a statutory disqualification as that term is defined in Article III, Section 4 of FINRA's By-Laws, incorporating Section 3(a)(39) of the Securities Exchange Act of 1934. Accordingly, Pope may not be associated with any FINRA member in any capacity, including clerical or ministerial functions, during the period of the bar or suspension. (*See* FINRA Rules 8310 and 8311).

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.

FINRA

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



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