

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

Department of Enforcement,

Complainant,

v.

Philip Christopher Crescimanno,
CRD No. 4412658,

Respondent.

Disciplinary Proceeding
No. 2010021164401

Hearing Officer - AHP

**ORDER ACCEPTING OFFER OF
SETTLEMENT**

Date: March 26, 2012

INTRODUCTION

Disciplinary Proceeding No. 2010021164401 was filed on September 19, 2011, by the Department of Enforcement of the Financial Industry Regulatory Authority (FINRA) (Complainant). Respondent Philip Christopher Crescimanno submitted an Offer of Settlement (Offer) to Complainant dated March 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

1. In March 2009, Respondent joined MML Investors Services, Inc. ("MML" or the "Firm"), a FINRA member, as a registered representative. On January 6, 2010, MML filed a Uniform Termination Notice for Securities Industry Registration ("Form U5") reporting the termination of Respondent's employment with the Firm on December 17, 2009, for operating an undisclosed outside business and facilitating an unapproved investment without prior written approval from the Firm. During FINRA's investigation, Respondent failed to appear and provide testimony pursuant to FINRA Rule 8210.

2. Although Respondent has not been associated with a FINRA member firm since December 17, 2009, he remains subject to FINRA's jurisdiction for 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 date upon which he ceased to be associated with a FINRA member and (2) the Complaint charges him with misconduct committed while he was associated with a FINRA member and with failing to respond to FINRA's requests to appear for on-the-record testimony during the two-year period after the date that he ceased to be associated with a FINRA member.

FINDINGS AND CONCLUSIONS

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

Summary

3. Between 2008 and 2009, Respondent, a registered representative with MML, operated an outside business without providing prompt written notice to the Firm, in violation of NASD Rules 3030 and 2110 and FINRA Rule 2010.¹ Respondent also failed to provide on-the-record testimony to Enforcement in violation of FINRA Rules 8210 and 2010.

Outside Business Without Prompt Written Notice (NASD Rules 3030 and 2110 and FINRA Rule 2010)

4. NASD Rule 3030 provides that no person registered with a member “shall be employed by, or accept compensation from, any other person as a result of any business activity...outside the scope of his relationship with his employer firm, unless he has provided prompt written notice to the member...in the form required by the member.” NASD Rule 2110 and FINRA Rule 2010 require that registered representatives observe high standards of commercial honor and just and equitable principles of trade.

5. During Respondent’s employment at MML, the Firm’s policies and procedures stated that employees are required to disclose all outside business activities on their initial Form U4 filed with the Firm. Any changes or updates needed to be filed promptly in writing.

6. According to the Division of Corporations for the State of Florida, Crescimanno Insurance Services Inc. (“CIS”) was incorporated and registered by Respondent in February 2008 and he remained the sole officer of the entity until June 2009, when his spouse was added as an officer. CIS was established to provide insurance products to consumers.

7. CIS’s principal address, mailing address, registered agent address and the officers’ addresses was listed as – [REDACTED]

¹ On December 15, 2008, FINRA Rule 2010 replaced NASD Rule 2110.

8. That address is also Respondent's last known residential address as reflected in the Central Registration Depository ("CRD") system.

9. According to tax records provided to FINRA by Respondent, CIS grossed \$123,500 in sales in 2008 but failed to generate any revenue in 2009. The corporation is currently listed as inactive by the Department of State for the State of Florida.

10. Respondent also established Suncoast Financial Partners ("SFP"), Yourhealthsecure.com ("Yhlth") and First Senior Financial Group of Florida ("FSFG"). According to Respondent, CIS is a registered entity, while the other three businesses (SFP, Yhlth and FSFG) are designated by the State of Florida as "fictitious names" that were established to conduct business under CIS.

11. The Fictitious Name Registration Act is a Florida statute that requires registration of all names, other than a legal name, that is used to transact business in the State of Florida.

12. SFP, Yhlth and FSFG were each registered on January 14, 2009 and each has the same mailing address as Respondent's last known residential CRD address. CIS is listed as the owner of the fictitious names SFP, Yhlth and FSFG.

13. SFP, Yhlth and FSFG are listed as being "active" names and all three fictitious names are due to expire on December 31, 2014. SFP, Yhlth and FSFG all share the same Federal Employer Identification number as CIS.

14. Respondent failed to notify the Firm in writing about CIS, SFP, Yhlth and/or FSFG and failed to obtain written approval from the Firm to be associated with them.

15. By failing to report that he was an officer of CIS, and was involved in its operation, Respondent failed to comply with the Firm's policies and procedures.

16. Accordingly, Respondent violated NASD Rules 3030 and 2110 and FINRA Rule 2010 by engaging in outside business activities without providing prompt written notice and obtaining written approval from his member firm employer.

Failure to Appear and Provide Testimony
(FINRA Rules 8210 and 2010)

17. NASD Rule 8210(a) provides that for the purpose of an investigation, complaint, examination, or proceeding authorized by the FINRA By-Laws or rules, an adjudicator or FINRA staff shall have the right to: (1) require a member, person associated with a member, or person subject to FINRA's jurisdiction to provide information orally, in writing, or electronically (if the requested information is, or is required to be, maintained in electronic form) and to testify at a location specified by FINRA staff, under oath or affirmation administered by a court reporter or a notary public if requested, with respect to any matter involved in the investigation, complaint, examination, or proceeding; and (2) inspect and copy the books, records, and accounts of such member or person with respect to any matter involved in the investigation, complaint, examination, or proceeding.

18. Respondent was requested to appear to provide on-the-record testimony on June 23, 2011. This testimony was sought in connection with an Enforcement investigation.

19. The request was made to Respondent's attorney.

20. On June 22, 2011, Respondent directly informed Enforcement via electronic mail that he would not testify.

21. Respondent failed to appear on June 23, 2011 for scheduled testimony.

22. Respondent was requested to appear to provide on-the-record testimony on September 1, 2011. This testimony was sought in connection with an Enforcement investigation.

23. The request was sent to Respondent's CRD listed address and a mailing address for Respondent provided to Enforcement by Respondent himself. The request was also sent to Respondent's electronic mail address.

24. Respondent failed to appear on September 1, 2011 for scheduled testimony.

25. Respondent's failure to appear for and provide the requested testimony materially impeded Enforcement's investigation.

26. Respondent violated FINRA Rules 8210 and 2010 by failing to appear for scheduled on-the-record testimony.

Based on the foregoing, Respondent violated NASD Rules 3030 and 2110 by engaging in outside business activities without providing prompt written notice and obtaining written approval from his member firm employer, and FINRA Rules 8210 and 2010 by failing to appear for scheduled on-the-record testimony.

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

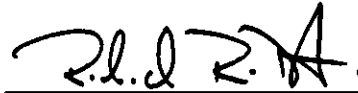
It is ordered that Respondent be barred from association with any FINRA member in any capacity.

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

A handwritten signature in black ink, appearing to read "R. Best", written over a horizontal line.

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