

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

DEPARTMENT OF ENFORCEMENT,

Complainant,

v.

ROBERT CRAWFORD WILSON, JR.  
(CRD No. 4495219),

Respondent.

Disciplinary Proceeding  
No. 20100226410-01

Hearing Officer – Sara Nelson Bloom

**DEFAULT DECISION**

April 2, 2012

**Respondent is barred from associating with any FINRA registered firm in any capacity for failing to provide information, in violation of FINRA Procedural Rule 8210 and FINRA Conduct Rule 2010.**

**Appearances**

Mark Graves, Esq., appeared on behalf of the Department of Enforcement.

No appearance by or on behalf of Robert Crawford Wilson, Jr.

**DECISION**

**I. Introduction**

The FINRA Department of Enforcement (“Enforcement”) filed the attached Complaint with the Office of Hearing Officers on November 8, 2011. The Complaint charges Respondent Robert Crawford Wilson, Jr. (“Respondent”) with failing to respond to requests for information, in violation of FINRA Procedural Rule 8210 and FINRA Conduct Rule 2010.

**II. Procedural History**

On November 8, 2011, Enforcement served the Complaint and First Notice of Complaint on Respondent by mailing them to him at his most recent residential address

recorded in the Central Registration Depository (“CRD”), along with two alternate addresses (the “Alternate” addresses) by first-class and certified mail, return receipt requested.<sup>1</sup> The certified mailings were returned as unclaimed or unable to forward.<sup>2</sup> The first-class mailings were not returned.<sup>3</sup> Respondent did not answer or otherwise respond to the Complaint.<sup>4</sup>

On December 7, 2011, Enforcement served the Complaint and Second Notice of Complaint on Respondent by mailing them to him at the CRD and Alternate addresses by first-class and certified mail, return receipt requested.<sup>5</sup> The certified mailings were returned as unclaimed or unable to forward.<sup>6</sup> The first-class mailing was not returned.<sup>7</sup> Respondent did not answer or otherwise respond to the Complaint.<sup>8</sup>

On February 6, 2012, Enforcement filed a Motion for Entry of Default Decision (“Default Motion”), together with the declaration of Mark Graves, Esq. (“Decl.”) and five exhibits.<sup>9</sup>

Respondent did not respond to Enforcement’s Default Motion. Accordingly, pursuant to Rules 9215(f) and 9269(a), the Hearing Officer granted Enforcement’s Default Motion and deemed the allegations in the attached Complaint admitted.

---

<sup>1</sup> Decl. ¶ 8.

<sup>2</sup> Decl. ¶ 9; CX-3.

<sup>3</sup> Decl. ¶ 9.

<sup>4</sup> *Id.* ¶ 10.

<sup>5</sup> *Id.*

<sup>6</sup> *Id.* ¶ 11.

<sup>7</sup> *Id.*

<sup>8</sup> *Id.* ¶ 12.

<sup>9</sup> Enforcement’s exhibits are labeled CX-1 through CX-5.

### **III. Findings of Fact and Conclusions of Law**

#### **A. Jurisdiction**

Respondent was registered as a General Securities Representative with H.D. Vest Investment Services (the “Firm”) between September 12, 2008, and November 13, 2009.<sup>10</sup> He has not been registered with FINRA since he left the Firm.<sup>11</sup>

FINRA has jurisdiction over this disciplinary proceeding, pursuant to Article V, Section 4 of FINRA’s By-Laws, because (1) the Complaint was filed within two years after FINRA terminated Respondent’s registration, and (2) the Complaint charges him with failing to provide information during the two-year period following the termination of his FINRA registration.<sup>12</sup>

#### **B. Failure to Provide Information**

The Complaint alleges that Respondent failed to provide information requested by FINRA Staff (“Staff”) pursuant to Rule 8210.

On August 9, 2011, Staff sent Respondent a written request, pursuant to Rule 8210, requesting that Respondent provide information regarding Respondent’s ownership and control of a tax preparation company and the possible misuse of funds he was required to remit to the Internal Revenue Service. Staff sent the request via first-class and certified mail to Respondent’s CRD address and the Alternate addresses.<sup>13</sup> Two of the certified mailings were returned as unclaimed or undeliverable. The third certified

---

<sup>10</sup> CX-1.

<sup>11</sup> *Id.*

<sup>12</sup> See Article V, Sec. 4(a), FINRA By-Laws, available at [www.finra.org/Rules](http://www.finra.org/Rules) (then follow “FINRA Manual” hyperlink to “Corporate Organization: By-Laws”).

<sup>13</sup> Decl. ¶ 13; Complaint ¶ 11.

mailing was returned signed by “Rob Wilson” on August 11, 2011. The first-class mailings were not returned.<sup>14</sup> Respondent failed to respond to the request.<sup>15</sup>

On September 20, 2011, Staff sent Respondent a second request for the same information and documents pursuant to Rule 8210, via first-class and certified mail to Respondent’s CRD address. The certified mailings and two of the first class mailings were returned as unclaimed or undeliverable. The third first-class mailing was not returned.<sup>16</sup> Respondent failed to respond to the request.<sup>17</sup>

The facts alleged in the Complaint establish that Respondent violated FINRA Rules 8210 and 2010 by failing to respond to Staff’s requests for information and documents.

#### **IV. Sanctions**

The FINRA Sanction Guideline for failing to respond to FINRA Rule 8210 requests for information provide that a bar should be “standard” when there is a complete failure to respond.<sup>18</sup> There are no mitigating factors warranting a lower sanction. Accordingly, the appropriate sanction is a bar.

#### **V. Conclusion**

Respondent is barred from associating with any FINRA registered firm in any capacity for failing to provide information, in violation of FINRA Procedural Rule 8210

---

<sup>14</sup> Decl. ¶ 13; Complaint ¶ 12.

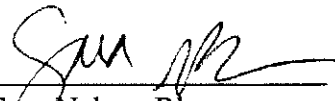
<sup>15</sup> Complaint ¶ 12.

<sup>16</sup> Decl. ¶ 13; Complaint ¶ 14.

<sup>17</sup> Complaint ¶ 14.

<sup>18</sup> FINRA Sanction Guidelines 33 (2011), [www.finra.org/sanctionguidelines](http://www.finra.org/sanctionguidelines).

and FINRA Conduct Rule 2010.<sup>19</sup> The bar will become effective immediately if this decision becomes FINRA's final disciplinary action in this proceeding.

  
Sara Nelson Bloom  
Hearing Officer

Copies to:     Robert Crawford Wilson, Jr. (*via overnight courier and first-class mail*)  
                   Mark A. Graves, Esq. (*via electronic and first-class mail*)  
                   Mark P. Dauer, Esq. (*via electronic mail*)  
                   David R. Sonnenberg, Esq. (*via electronic mail*)

---

<sup>19</sup> Enforcement did not seek restitution because the customers have been compensated for their losses.

**FINANCIAL INDUSTRY REGULATORY AUTHORITY**

**OFFICE OF HEARING OFFICERS**

Department of Enforcement,

Complainant,

v.

Robert Crawford Wilson, Jr.  
(CRD No. 4495219),

Respondent.

DISCIPLINARY PROCEEDING  
No. 20100226410-01

**COMPLAINT**

The Department of Enforcement alleges:

**SUMMARY**

1. Respondent Robert Crawford Wilson, Jr. failed to provide information requested by FINRA staff concerning outside business activities and potential conversion.

**RESPONDENT AND JURISDICTION**

2. Respondent entered the securities industry in January 2002 as an associated person of a FINRA member. He first became registered as a General Securities Representative (GS) in April 2002. On or about September 10, 2008, Respondent registered as a GS at FINRA member H.D. Vest Investment Services.
3. Respondent was terminated by H.D. Vest on or about November 13, 2009, for "FAILURE TO UPDATE FORM U4 DRP QUESTIONS" and has not been associated with any FINRA member since that time.
4. Pursuant to Article V, Section 4(a)(i) of the FINRA By-Laws, Respondent remains subject to FINRA's jurisdiction.

## **BACKGROUND**

5. On November 13, 2009, H.D. Vest made a regulatory filing to disclose that Respondent Wilson had been terminated for failing to update his Form U-4 to disclose information required on the Disclosure Reporting Pages (DRP).
6. On or about May 15, 2008, Respondent Wilson acquired a tax preparation, payroll and accounting firm from CI-N (Tax Company). Respondent Wilson disclosed this outside business to H.D. Vest and received approval from H.D. Vest to engage in this outside business.
7. As part of the purchase price, Respondent Wilson entered into a promissory note with CI-N. According to CI-N, Respondent Wilson failed to make his monthly payments due on the promissory note to CI-N in December 2008 and January 2009 and subsequently failed to make any of his promissory note payments to CI-N after April 2009.
8. In or around the fall of 2008, CI-N was alerted by the United States Internal Revenue Service that the Tax Company had failed to make a large federal payroll tax deposit for one of its clients in July 2008. CI-N began to receive additional notices from the IRS about additional missing payroll tax deposits for the Tax Company's clients. In total, the IRS alleged that it failed to receive approximately \$110,000 in payroll tax deposits owed to it by Tax Company from its payroll tax clients. The apparent failures to make tax payments occurred during the period that Respondent owned and controlled the Tax Company.
9. On or about February 8, 2010, CI-N filed suit against Respondent Wilson in the Superior Court of Alameda, California alleging breach of contract, among other

things. In June 2010, CI-N received a default judgment against Respondent Wilson in the amount of \$391,604.

**FIRST CAUSE OF ACTION**  
**FAILURE TO PROVIDE DOCUMENTS AND INFORMATION**  
**(FINRA Rules 8210 and 2010)**

10. The Department realleges and incorporates by reference paragraphs 1 through 9 above.
11. As a result of information received from CI-N, as described in paragraphs 6-9 above, FINRA commenced an investigation into possible rule violations associated with Respondent's ownership and control of the Tax Company, including the possible misuse of funds required to be remitted to the IRS. On or about August 9, 2011, a letter requesting information and/or documents from Respondent pursuant to FINRA Rule 8210 and relating to FINRA Examination Number 20100226410, was sent to Respondent's then-current residential address listed in FINRA's Central Registration Depository (CRD) System, [REDACTED] (CRD Address) (First Letter). Copies of the First Letter were also sent to Respondent at two addresses identified by the staff, [REDACTED] (Cedar Address) and at [REDACTED] (Smith Address). The First Letter was sent to the CRD Address, the Cedar Address and the Smith Address via U.S. Postal Service First Class Mail and First Class Certified Mail. A response to the First Letter was due on or before August 23, 2011.
12. The First Class Certified mailing to the CRD Address was returned by the U.S. Postal Service, stamped "UNCLAIMED." The First Class mailing to the CRD Address was not returned. The First Class Certified mailing to the Cedar Address was returned by

the U.S. Postal Service, stamped "No such number, unable to forward." The First Class mailing to the Cedar Address was not returned. The First Class Certified mailing to the Smith Address was returned by the U.S. Postal Service, signed by "Rob Wilson" on August 11, 2011. The First Class mailing to the Smith Address was not returned. To date, no response has been received to the First Letter.

13. On or about September 20, 2011, a letter requesting information and/or documents from Respondent pursuant to FINRA Rule 8210 and relating to FINRA Examination Number 20100226410, was sent to the CRD Address (Second Letter). Copies of the Second Letter were also sent to Respondent at the Cedar Address and at the Smith Address. The Second Letter was sent to the CRD Address, the Cedar Address and the Smith Address via U.S. Postal Service First Class Mail and First Class Certified Mail. A response to the Second Letter was due on or before October 4, 2011.

14. The First Class Certified mailing to the CRD Address was returned by the U.S. Postal Service, stamped "Return to sender, unclaimed, unable to forward." The First Class mailing to the CRD Address was returned, stamped "Return to sender, unable to forward." The First Class Certified mailing to the Cedar Address was returned by the U.S. Postal Service, stamped, "UTF." The First Class mailing to the Cedar Address was not returned. The First Class Certified mailing to the Smith Address was returned by the U.S. Postal Service, stamped "Unclaimed." The First Class mailing to the Smith Address was not returned. To date, no response has been received to the Second Letter.

15. By failing to provide information requested by FINRA staff, 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: November 8, 2011



Mark Graves, Senior Regional Counsel  
Jacqueline D. Whelan, Regional Chief Counsel  
FINRA Department of Enforcement  
One Montgomery Street, Suite 2100  
San Francisco, CA 94104  
(415) 217-1119 – Tel.  
(202) 721-6505 – Fax.  
Mark.Graves@FINRA.org  
Jacqueline.Whelan@FINRA.org