

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2010023080901**

TO: Department of Enforcement
Financial Industry Regulatory Authority ("FINRA")

RE: Carrie L. Raney, Respondent
General Securities Principal
CRD No. 1100228

Pursuant to FINRA Rule 9216 of FINRA's Code of Procedure, I submit this Letter of Acceptance, Waiver and Consent ("AWC") for the purpose of proposing a settlement of the alleged rule violations described below. This AWC is submitted on the condition that, if accepted, FINRA will not bring any future actions against me alleging violations based on the same factual findings described herein.

I.

ACCEPTANCE AND CONSENT

- A. I hereby accept and consent, without admitting or denying the findings, 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, prior to a hearing and without an adjudication of any issue of law or fact, to the entry of the following findings by FINRA:

BACKGROUND

Carrie Raney entered the securities industry in January 1989 as a General Securities Representative (GSR) with a FINRA member firm. She had been associated with another member firm, before becoming registered with Samuels Chase when it became a FINRA member in January 1995. At that time, she was a co-owner of the firm and its vice-president and chief financial officer (CFO). She also registered with the Firm as a GSR, General Securities Principal (GP), and Financial and Operations Principal (FINOP). In 2005, Raney became its sole owner, president, vice-president, CEO, CFO and chief compliance officer (CCO).

The Firm filed a Form BDW on July 20, 2012, and its membership was terminated on September 18, 2012. Raney's registrations with the firm were voluntarily terminated on July 20, 2012. Raney registered briefly with another member firm as a GSR, GP and FINOP until February 6, 2013, when she voluntarily terminated. Raney is not currently associated with a FINRA member firm. Raney has no relevant disciplinary history.

OVERVIEW

Raney failed to supervise a Firm's registered representative's private securities transactions that the Firm had approved as if they were transactions of the Firm. As a result, Raney violated NASD Conduct Rules 3010, 3040(c), and 2110 (for conduct occurring prior to October 15, 2008) and FINRA Rule 2010 (for conduct occurring after October 15, 2008).

FACTS AND VIOLATIVE CONDUCT

Raney was the CEO and sole owner of the Firm and the person designated with the authority to determine whether a registered representative at the Firm could engage in private securities transactions. Raney was also the CCO and the designated principal responsible for the supervision of registered representatives engaged in private securities transactions.

Between August 1, 2008 and October 1, 2009, registered representative GE participated in ten private securities transactions by referring eight investors, four of whom were customers of the Firm, to three hedge funds. These investors made investments in the funds totaling \$964,885. At the time GE registered with the Firm, GE disclosed and obtained approval to refer investors to these funds and to receive referral fees. GE generated \$167,587 in referral fees and the Firm retained 5% or \$8,379.

Although Raney monitored the receipt of the fees, she did not supervise the investors' securities transactions in which GE participated as if they were securities transactions of the Firm; nor did she record the securities transactions on the books and records of the Firm.

Such acts, practice, and conduct constitute separate and distinct violations of NASD Conduct Rules 3010, 3040(c), and 2110 (for conduct occurring prior to October 15, 2008) and FINRA Rule 2010 (for conduct occurring after October 15, 2008) by Raney.

B. I also consent to the imposition of the following sanctions:

- A suspension from associating with any FINRA firm in a principal capacity for ten business days; and a \$5,000.00 deferred fine.

The fine shall be due and payable either immediately upon reassociation with a member firm following the 10 business day principal suspension noted above, or prior to any application or request for relief from any statutory disqualification resulting from this or any other event or proceeding, whichever is earlier.

I specifically and voluntarily waive any right to claim that I am unable to pay, now or at any time hereafter, the monetary sanction(s) imposed in this matter.

I understand that if I am barred or suspended from associating with any FINRA member in a principal, I become 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, I may not be associated with any FINRA member in any principal capacity, during the period of the bar or suspension (see FINRA Rules 8310 and 8311). Furthermore, because I am subject to a statutory disqualification during the suspension or bar, if I remain associated with a member firm in a non-suspended capacity, an application to continue that association may be required

II.

WAIVER OF PROCEDURAL RIGHTS

I specifically and voluntarily waive the following rights granted under FINRA's Code of Procedure:

- A. To have a Complaint issued specifying the allegations against me;
- B. To be notified of the Complaint and have the opportunity to answer the allegations in writing;
- C. To defend against the allegations in a disciplinary hearing before a hearing panel, to have a written record of the hearing made and to have a written decision issued; and
- D. To appeal any such decision to the National Adjudicatory Council ("NAC") and then to the U.S. Securities and Exchange Commission and a U.S. Court of Appeals.

Further, I specifically and voluntarily waive any right to claim bias or prejudgment of the General Counsel, the NAC, or any member of the NAC, in connection with such person's or body's participation in discussions regarding the terms and conditions of this AWC, or other consideration of this AWC, including acceptance or rejection of this AWC.

I further specifically and voluntarily waive any right to claim that a person violated the ex parte prohibitions of FINRA Rule 9143 or the separation of functions prohibitions of FINRA Rule 9144, in connection with such person's or body's participation in discussions regarding the terms and conditions of this AWC, or other consideration of this AWC, including its acceptance or rejection.

III.

OTHER MATTERS

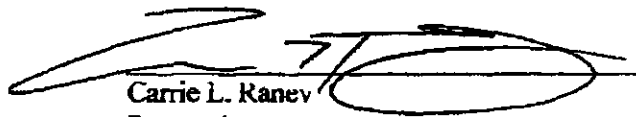
I understand that:

- A. Submission of this AWC is voluntary and will not resolve this matter unless and until it has been reviewed and accepted by the NAC, a Review Subcommittee of the NAC, or the Office of Disciplinary Affairs (“ODA”), pursuant to FINRA Rule 9216;
- B. If this AWC is not accepted, its submission will not be used as evidence to prove any of the allegations against me; and
- C. If accepted:
 - 1. this AWC will become part of my permanent disciplinary record and may be considered in any future actions brought by FINRA or any other regulator against me;
 - 2. this AWC will be made available through FINRA's public disclosure program in response to public inquiries about my disciplinary record;
 - 3. FINRA may make a public announcement concerning this agreement and the subject matter thereof in accordance with FINRA Rule 8313; and
 - 4. I may not take any action or make or permit to be made any public statement, including in regulatory filings or otherwise, denying, directly or indirectly, any finding in this AWC or create the impression that the AWC is without factual basis. I may not take any position in any proceeding brought by or on behalf of FINRA, or to which FINRA is a party, that is inconsistent with any part of this AWC. Nothing in this provision affects my: (i) testimonial obligations; or (ii) right to take legal or factual positions in litigation or other legal proceedings in which FINRA is not a party.

I certify that I have read and understand all of the provisions of this AWC and have been given a full opportunity to ask questions about it; that I have agreed to its provisions voluntarily; and that

no offer, threat, inducement, or promise of any kind, other than the terms set forth herein and the prospect of avoiding the issuance of a Complaint, has been made to induce me to submit it.

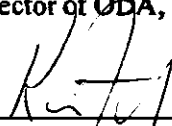
11/5/13
Date (mm/dd/yyyy)


Carrie L. Kanev
Respondent

Accepted by FINRA:

11/18/2013
Date

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


Karrin J. Fennster
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