

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

Department of Enforcement,

Complainant,

v.

Todd Lloyd Goedeke,
CRD No. 1210932,

Respondent.

Disciplinary Proceeding
No. 20100237418-01

Hearing Officer: Rada Lynn Potts

**ORDER ACCEPTING OFFER OF
SETTLEMENT**

Date: _____

4/3/13

INTRODUCTION

Disciplinary Proceeding No. 20100237418-01 was filed on November 7, 2012, by the Department of Enforcement of the Financial Industry Regulatory Authority (FINRA) (Complainant). Respondent Todd Lloyd Goedeke (Respondent or Goedeke) submitted an Offer of Settlement (Offer) to Complainant dated March 11, 2013. 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 (as amended by the Offer of Settlement), 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 (as amended by the Offer of Settlement), 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

This disciplinary action arises from Goedeke's failure to respond to a FINRA Rule 8210 request in connection with an investigation of potential misappropriation by Goedeke. Goedeke had been advised the investigation included matters set forth in amended Form U5 filings that reported customer allegations that Goedeke misappropriated customer funds by improperly depositing their funds into one of his bank accounts for his own use.

Goedeke became registered as a General Securities Representative in or about November 1983. On or about March 26, 2004, Goedeke became associated as a General Securities Representative with Cantella & Co., Inc. ("Cantella"), a FINRA regulated broker-dealer. Goedeke remained associated with Cantella until his termination on June 18, 2010.

On or about July 1, 2010, Cantella filed a Form U5 which reported that Goedeke was terminated on June 18, 2010. On or about February 22, 2011 and March 16, 2011, Cantella filed amendments to the Form U5. Each disclosed allegations that Goedeke may have converted customer funds in violation of FINRA rules.

Goedeke has not been associated with any member in any capacity since Cantella terminated his association on June 18, 2010, but as a result of amendments made to the original notice of termination, Goedeke remains subject to FINRA's jurisdiction pursuant to Article V, Section 4 of FINRA's By-Laws.

FINDINGS AND CONCLUSIONS

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

FINRA Rule 8210(a)(1) states, in relevant part, that FINRA staff have the right to “require a member, person associated with a member, or person subject to FINRA’s jurisdiction to provide information orally, in writing, or electronically . . . with respect to any matter involved in the investigation . . .” FINRA Rule 8210(c) states that “[n]o member or person shall fail to provide information or testimony or to permit an inspection and copying of books, records, or accounts pursuant to this Rule.”

FINRA Rule 2010 states that “[a] member, in the conduct of its business, shall observe high standards of commercial honor and just and equitable principles of trade.” A violation of FINRA Rule 8210 constitutes a violation of FINRA Rule 2010.

By letter dated May 4, 2011 (the “May 4 Letter”) Goedeke was advised by staff that the Department was conducting an investigation. Goedeke was further advised that amended Form U5 filings reported customer allegations that Goedeke had deposited customer funds into his bank account. Goedeke was requested pursuant to FINRA Rule 8210 to submit, among other things, a detailed written response to each matter and customer, and to also provide documents in his possession or control relating to these customers, by May 23, 2011.

The May 4 Letter was sent via certified mail return receipt requested and first class mail, to [REDACTED] which was Goedeke’s last known residential address, as reflected in the Central Registration Depository (the “CRD Address”). The certified mailing was returned “unclaimed unable to forward.” The first class mailing was returned “not deliverable as addressed unable to forward.”

The May 4 Letter was also sent via certified mail return receipt requested and first class mail, to [REDACTED] which was an address that appeared on a submission that Goedeke made to FINRA on or about September 30, 2010 in response to a preliminary inquiry (the "Goedeke Address"). The certified mailing was returned "unclaimed unable to forward." The first class mailing was returned "not deliverable as addressed unable to forward."

Goedeke did not respond to the requests in the May 4 Letter. On June 3, 2011 (the "June 3 Letter") staff sent a copy of the May 4 Letter to Goedeke via certified mail return receipt requested and first class mail. The mailings were sent to the CRD Address, to the Goedeke Address, and to [REDACTED] a variant of the Goedeke Address and the CRD Address (the "Variant Goedeke Address"). Goedeke was requested in the June 3 Letter to respond to each of the requests in the May 4 Letter by June 17, 2011, and was advised that the requests in the May 4 Letter were made pursuant to FINRA Rule 8210. The certified mailings to the CRD Address, the Goedeke Address and the Variant Goedeke Address were returned to Enforcement "unclaimed unable to forward." The first class mailings sent to the CRD Address, the Goedeke Address and the Variant Goedeke Address were returned "not deliverable as addressed unable to forward."

Goedeke did not respond to the requests in the May 4 Letter. By letter dated June 11, 2012 (the "June 11 Letter") staff sent a copy of the May 4 Letter and the June 3 Letter to Goedeke at the CRD Address and the Goedeke Address. Additionally, a mailing was also sent by Federal Express to [REDACTED] which was another address for Goedeke (the "Millersville Avenue Address"). Goedeke was requested in the June 11 Letter to respond pursuant to FINRA Rule 8210 to each of the requests in the May 4 Letter on

or before June 25, 2012. Mailings sent to the CRD Address and to the Goedeke Address were sent via certified mail return receipt requested and by first class mail. The mailings sent by certified mail and first class mail were returned "not deliverable as addressed unable to forward." The mailing to the Millersville Avenue Address was delivered by Federal Express, and "Left at front door."

Further, the June 11 Letter was sent to 117 N. Wisconsin Drive, Sheboygan, WI 53083, which was an address where Goedeke was believed to have formerly conducted business. This letter was sent via Federal Express and was returned with the message "Recipient moved and left no forwarding address or phone number."

Goedeke did not respond to the June 11 Letter as of the filing of the Complaint on or about November 7, 2012.

Based on the foregoing, Respondent 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 permanently barred from association in any capacity with a FINRA member firm.

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



Richard Chin
Chief Counsel
FINRA Department of Enforcement
One World Financial Center
200 Liberty Street
New York, New York 10281-1003
Phone: 646-315-7322
Fax: 202-689-3415