

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

Department of Enforcement,

Complainant,

v.

Eugene A. Groysman,
CRD No. 4616900

Respondent.

Disciplinary Proceeding
No. 20100246113-01

Hearing Officer MC

**ORDER ACCEPTING OFFER OF
SETTLEMENT**

Date: July 5, 2013

INTRODUCTION

Disciplinary Proceeding No. 20100246113-01 was filed on October 11, 2012, by the Department of Enforcement of the Financial Industry Regulatory Authority (FINRA) (Complainant). Respondent Eugene Groysman submitted an Offer of Settlement (Offer) to Complainant dated June 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

Groysman became registered as a general securities representative with a FINRA firm in February 2003. In January 2010, he became registered in the same capacity with New England Securities. He remained with New England Securities until October 15, 2010, at which time he left the firm. Since that time, he has not been registered with a FINRA firm. Although Groysman is no longer registered or associated with a FINRA member, 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 effective date of termination of his registration with New England Securities, namely, October 15, 2010 and (2) the Complaint charges him with misconduct committed while he was registered with a FINRA member.

FINDINGS AND CONCLUSIONS

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

- On or about May 13, 2011, FINRA staff sent Groysman a written request that he provide certain information by May 27, 2011, pursuant to and in accordance with the provisions of FINRA Rule 8210. The request for information was sent by first class mail and by certified mail, return receipt requested, to Groysman's address of record in Milwaukee, Wisconsin, as contained in the records of the Central Registration Depository ("CRD address"). On June 6, 2011, Groysman provided a written response to that request.

- On or about October 28, 2011, FINRA staff sent Groysman another letter asking for additional information and documentation and requiring that he respond by November 11, 2011. The request was made pursuant to and in accordance with the provisions of FINRA Rule 8210 and was sent by first class mail and by certified mail, return receipt requested, to Groysman's CRD address of record. According to the return receipt card, the letter sent by certified mail was received by Groysman. Furthermore, the letter sent by regular mail was never returned to the staff.
- On November 1, 2011, Groysman requested additional time in which to respond to the staff's request. FINRA staff promptly granted his request for an extension and extended the deadline to November 25, 2011.
- On or about November 25, 2011, Groysman provided FINRA staff a written response to the request sent on October 28, 2011. The response, however, was incomplete. Groysman did not answer certain questions pertaining to his use of third-party websites, his use of unapproved advertising materials, his outside business activities and his disclosure of reportable events and Form U4 amendments. In this regard, he specifically failed to answer questions 1a, 5a through 5e, 11a- 11b, 14, 20, 21 and 23. Additionally, Groysman failed to provide certain documentation that the staff had requested with regard to questions 8 (Articles of Incorporation for EAG Investments, LLC), 15 (bank account statements) and 16 (federal and state tax returns for 2009 and 2010).
- On January 18, 2012, FINRA staff sent Groysman a letter stating that he had failed to fully comply with the 8210 letter sent on October 28, 2011. FINRA staff asked Groysman to respond to the unanswered questions and to provide the requested documentation by January 31, 2012. The request was made pursuant to and in accordance with the

provisions of FINRA Rule 8210 and was sent by first class mail and by certified mail, return receipt requested, to Groysman's CRD address of record. According to the return receipt card, the letter sent by certified mail was received by Groysman. Furthermore, the letter sent by regular mail was never returned to the staff. No response to the request was made by Groysman.

- On February 1, 2012, FINRA staff again sent Groysman a letter stating that he had failed to fully comply with the original request made on October 28, 2011. FINRA staff asked Groysman to respond to the questions and provide the documentation mentioned above by February 15, 2012. The request was made pursuant to and in accordance with the provisions of FINRA Rule 8210 and was sent by first class mail and by certified mail, return receipt requested, to Groysman's CRD address of record. According to records from the U.S. Post Office, the letter sent by certified mail went unclaimed by Groysman. Furthermore, the letter sent by regular mail was never returned to the staff. No response to the request was made by Groysman.
- On or about February 20, 2012, Groysman provided FINRA staff a written response in which he provided answers to the questions he had failed to previously answer. However, he failed to provide the following documentation: Articles of Incorporation for EAG Investments, LLC (as requested in question 8); bank account statements (as requested in question 15); and federal and state tax returns for 2009 and 2010 (as requested in question 16).
- On March 28, 2012, FINRA staff sent Groysman another letter stating that he had failed to fully comply with the previous request because he had failed to produce certain documentation. Specifically, he was asked to provide the Articles of Incorporation for

EAG Investments, LLC (as requested in question 8) and federal and state tax returns for 2009 and 2010 (as requested in question 16). He was asked to comply by April 11, 2012. The request was made pursuant to and in accordance with the provisions of FINRA Rule 8210 and was sent by first class mail and by certified mail, return receipt requested, to Groysman's CRD address of record. According to the return receipt card, the letter sent by certified mail was received by Groysman. Furthermore, the letter sent by regular mail was never returned to the staff. No response to the request was made by Groysman.

- On or about August 3, 2012, Groysman provided FINRA staff with the Articles of Incorporation for EAG Investments, LLC and federal and state tax returns for 2009. However, neither the federal and state tax returns for 2010, nor the bank account statements were provided to FINRA staff.
- On September 13, 2012, Groysman provided testimony at an on-the-record interview at the Chicago District Office. At the interview, he testified that he had never filed a federal and state tax return for 2010. Additionally, he testified that he would provide copies of his bank account statements to FINRA staff within a short period of time.
- By failing to respond to FINRA's requests for information in a timely manner, Groysman violated FINRA Rules 8210 and 2010.

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

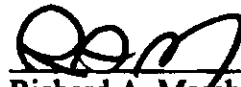
It is ordered that Respondent be suspended from associating with any FINRA member in any capacity for a period of six months.

The sanctions imposed herein shall be effective on a date set by FINRA staff.

SO ORDERED.

FINRA

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



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