

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

DEPARTMENT OF ENFORCEMENT,

Complainant,

v.

JEREMY GERALD TINTLE,
(CRD No. 2817173)

Respondent.

Disciplinary Proceeding
No. 2010024623501

COMPLAINT

The Department of Enforcement alleges:

SUMMARY

1. While associated with Morgan Keegan & Company, Inc., Respondent Jeremy Gerald Tintle participated in a private securities transaction without providing prior written notice to Morgan Keegan describing the proposed transaction and his proposed role therein; made an unsuitable investment recommendation to a customer; and converted and misused customer funds. In addition, while associated with Oppenheimer & Co., Inc., Tintle again converted and misused customer funds. As a result of the foregoing, Tintle violated NASD Rules 3040, 2310, 2330(a) and 2110, IM-2310-2, and FINRA Rule 2010.

RESPONDENT AND JURISDICTION

2. Tintle became associated with a FINRA member firm in September 1996, and became registered as a general securities representative in June 1997. Tintle was associated with several FINRA member firms from September 1996 through November 2006. He became associated with FINRA member firm Morgan Keegan in November 2006, and remained

with Morgan Keegan until September 2008. Tintle then was associated with FINRA member firm Oppenheimer from September 2008 until May 2011.

3. On June 20, 2011, Oppenheimer filed a Uniform Termination Notice for Securities Industry Registration (Form U5) stating that Tintle was discharged on May 24, 2011 for a violation of firm policy regarding private securities transactions. Oppenheimer filed an amended Form U5 on behalf of Tintle on May 16, 2013, disclosing a customer complaint/arbitration alleging that Tintle may have engaged in violations of FINRA rules while associated with Oppenheimer. The filing of an amended Form U5 within two years after the termination of a respondent's registration with a firm, when the Form U5 discloses that the respondent may have engaged in conduct that is actionable under FINRA's rules, extends FINRA's jurisdiction for a two year period. Although Tintle is no longer registered or associated with a FINRA member firm, 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 filing date of an amended Form U5 by Oppenheimer on behalf of Tintle on May 16, 2013; and (2) the Complaint charges him with misconduct committed while he was registered with FINRA member firms.

**FIRST CAUSE OF ACTION
Private Securities Transaction
(NASD Rules 3040 and 2110)**

4. The Department realleges and incorporates by reference paragraphs 1 through 3 above.
5. In October 2007, Tintle participated in a private securities transaction outside the scope of his association with Morgan Keegan without providing the firm prior written notice of the proposed transaction or his proposed role in it, as set out more fully below.

6. NASD Rule 3040 provides that an associated person may not participate in any securities transaction outside of the regular course of his employment with his member firm without first providing written notice to the member describing in detail the proposed transaction and his proposed role and stating whether he has received or may receive selling compensation for the transaction.
7. CTE was a limited partnership formed to invest substantially all of its assets in a master fund. The offering materials for CTE stated that an investment in CTE was speculative, illiquid, and involved a high degree of risk, and investors in CTE were required to be accredited.
8. Beginning in or about June 2007, Tintle proposed to Morgan Keegan that the firm approve CTE for sale through the firm.
9. CTE was never approved by Morgan Keegan for sale through the firm.
10. D.G. was a customer of Tintle's at Morgan Keegan. In September 2007, she had both an IRA account and an individual account at Morgan Keegan. Tintle was the assigned registered representative for both accounts.
11. In or about September 2007, Tintle recommended an investment in CTE to D.G.
12. On or about October 31, 2007, at Tintle's direction, \$1 million was wired out of D.G.'s IRA account at Morgan Keegan to a third-party account in the name of CTE.
13. Tintle participated in the sale of CTE to D.G. Specifically, Tintle discussed the details of the investment with CTE before recommending it to D.G.; CTE sent the wiring instructions for D.G.'s investment to Tintle; CTE contacted Tintle to provide anti-money laundering documentation from D.G.; and Tintle received copies of D.G.'s statements from CTE and discussed them with D.G.

14. Limited partnership interests in CTE are securities.
15. Prior to participating in the foregoing private securities transaction, Tintle did not provide written notice to Morgan Keegan of his proposed role in, or the selling compensation he may receive from, the transaction.
16. On the Morgan Keegan Annual Compliance Questionnaire that Tintle submitted on or about December 20, 2007, Tintle falsely represented that he had not participated in private securities transactions away from Morgan Keegan without prior approval from the firm.
17. As a result of the foregoing conduct, Tintle violated NASD Rules 3040 and 2110.

SECOND CAUSE OF ACTION
Unsuitable Recommendation
(NASD Rules 2310 and 2110 and IM-2310-2)

18. The Department realleges and incorporates by reference paragraphs 1 through 17 above.
19. Tintle recommended that customer D.G. invest \$1 million in CTE without reasonable grounds to believe that the recommendation was suitable on the basis of the customer's other security holdings, financial situation, and needs, as set out more fully below.
20. NASD Rule 2310(a) requires that, in recommending to a customer the purchase, sale, or exchange of any security, a registered representative shall have reasonable grounds for believing that the recommendation is suitable based upon the facts, if any, disclosed by the customer as to her other security holdings, financial situation, and needs. NASD Rule 2310(b) requires a registered representative to make reasonable efforts to obtain information about the customer's financial status, tax status, and investment objectives before executing a recommended transaction.
21. NASD IM-2310-2 imposes the fundamental responsibility of fair dealing on all registered representatives when dealing with their customers.

22. In late September 2007, D.G. was 58 years old. She opened an IRA account at Morgan Keegan several months earlier, in approximately June 2007, when she retired and received a lump sum pension payment. The Morgan Keegan IRA account contained both her lump sum pension proceeds and 401(k) proceeds. In September 2007, D.G.'s IRA account had a value of approximately \$1.3 million.
23. D.G. also had an individual account at Morgan Keegan with a value of approximately \$100,000. She had no other significant liquid assets.
24. In account documents for D.G.'s IRA account that she and Tintle signed on or about September 25, 2008, D.G.'s annual income was listed as \$124,000, with an approximate liquid net worth of \$1.2 million. D.G.'s investment objectives were current income (conservative) and capital appreciation (conservative).
25. In or about September 2007, Tintle recommended an investment in CTE to D.G.
26. The offering materials for CTE stated that an investment in CTE was speculative, illiquid, and involved a high degree of risk. The offering materials described an investment in CTE as suitable for only a "limited portion of the risk segment of an investor's portfolio."
27. On or about October 31, 2007, D.G., based on Tintle's recommendation, invested \$1 million in CTE.
28. Tintle failed to have reasonable grounds to believe that the recommendation to invest in CTE was suitable, as its speculative and illiquid nature was inconsistent with D.G.'s other security holdings, financial situation, and needs.
29. D.G.'s \$1 million investment in CTE constituted more than 70 percent of her liquid net worth, thereby resulting in an unsuitable concentration of D.G.'s liquid assets.

30. D.G.'s unsuitable concentrated position in CTE exposed her to a risk of loss that exceeded her risk tolerance and investment objectives.
31. D.G. suffered a loss of approximately \$153,396 on her investment in CTE.
32. As a result of the foregoing conduct, Tintle violated NASD Rules 2310 and 2110 and IM-2310-2.

THIRD CAUSE OF ACTION
Conversion and Misuse of Customer Funds
(NASD Rules 2330(a) and 2110 and FINRA Rule 2010)

33. The Department realleges and incorporates by reference paragraphs 1 through 32 above.
34. NASD Rule 2330(a) requires that "[n]o member or person associated with a member shall make improper use of a customer's securities or funds."
35. At various times from approximately March 2008 to approximately October 2009, Tintle misused and converted customer funds by inducing the customers to withdraw funds from their brokerage accounts and wire the funds to third parties as directed by Tintle. The funds were not applied to the purchase of securities as intended by the customers but were retained by the transferees.

Transactions in Customer D.G.'s Account

36. In or about March 2008, Tintle and customer D.G. discussed an investment in a specific non-traded REIT.
37. At Tintle's direction, the following funds were wired out of D.G.'s individual account at Morgan Keegan to a third-party bank account in the name of ACI:

DATE	AMOUNT OF WIRE
March 13, 2008	\$27,000
April 30, 2008	\$12,000
August 8, 2008	\$6,300

38. - D.G. signed a single blank letter of authorization that she understood would be used by

Tintle to wire funds for the investment in the non-traded REIT.

39. D.G. understood that the funds referenced in paragraph 37 were being used to invest in the non-traded REIT she had authorized Tintle to purchase for her. The funds, however, were deposited in a bank account for ACI, a third party that was not associated with the non-traded REIT in which D.G. believed she was investing.

40. D.G.'s alleged investments in the non-traded REIT were not reflected in the account statements for her individual account at Morgan Keegan.

41. When D.G. questioned Tintle about the alleged investments, he told her that he had made a request to the non-traded REIT to redeem her investment.

42. No funds were returned to D.G.'s account from either the ACI bank account or the non-traded REIT.

43. In or about February 2011, after D.G. complained to Morgan Keegan, the firm reimbursed her the \$45,300 that had been wired out of her account.

Transactions in Customer J.G.'s Account

44. J.G. was a customer of Tintle's at Oppenheimer.

45. In or about May 2009, Tintle recommended to customer J.G. that he invest a portion of his cash position in an Oppenheimer fund that would earn greater interest than the funds were currently earning.

46. At Tintle's direction, the following funds, totaling \$27,500, were wired out of J.G.'s account at Oppenheimer to a bank account for a third party, FFCG:

DATE	AMOUNT OF WIRE
May 18, 2009	\$4,500
June 3, 2009	\$4,200
July 29, 2009	\$4,500
August 3, 2009	\$4,100
August 20, 2009	\$4,000
September 11, 2009	\$2,500
October 7, 2009	\$3,500

47. Tintle told J.G. that the transferred funds were used to purchase shares of an Oppenheimer fund that would return four or five percent. The alleged investments, however, were not reflected on J.G.'s Oppenheimer account statements.
48. Between approximately February 2011 and approximately May 2011, J.G. repeatedly asked Tintle why the alleged investments were not reflected on his Oppenheimer account statements. Tintle never gave J.G. an explanation.
49. After Tintle was terminated from Oppenheimer in approximately May 2011, J.G. questioned the firm about the funds that had been wired from his account and ultimately learned that the funds had been retained by FFCG and not invested in an Oppenheimer fund as Tintle had led him to believe.
50. As a result of the foregoing conduct, Tintle violated NASD Rules 2330(a) and 2110 (with respect to conduct occurring before December 15, 2008) and FINRA Rule 2010 (with respect to conduct occurring on or after December 15, 2008).

RELIEF REQUESTED

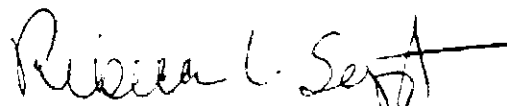
WHEREFORE, the Department respectfully requests that the Panel:

- A. Make findings of fact and conclusions of law that Respondent committed the violations charged and alleged herein;

- B. Order that one or more of the sanctions provided under FINRA Rule 8310(a) be imposed, including that Respondent be required to disgorge fully any and all ill-gotten gains and make full and complete restitution, together with interest; and
- C. Order that 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: June 17, 2013



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