

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2010025102401**

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

RE: Joseph A. Sugg, II
General Securities Representative
CRD No. 5061692

Pursuant to FINRA Rule 9216 of FINRA's Code of Procedure, Respondent Joseph A. Sugg, II submits 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. Respondent hereby accepts and consents, 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

Sugg entered the securities industry in 2005, when he became registered with Ameriprise Financial Services, Inc. He has Series 7 and 66 licenses. Sugg was registered with two other member firms before joining Wall and Company Securities, Inc. ("Wall") on May 14, 2010. He voluntarily left Wall on November 30, 2010.

Sugg is not currently registered with a registered firm; however, he remains subject to FINRA's jurisdiction for the purposes of this proceeding, pursuant to Article V, Section 4 of FINRA's Bylaws, because the AWC was filed within two years following the termination of his registration with FINRA. FINRA's jurisdiction over Sugg extends until at least November 29, 2012.

RELEVANT DISCIPLINARY HISTORY

On February 15, 2011, the Texas State Securities Board issued a Disciplinary Order against Sugg for misrepresentations related to Respondent's sale of promissory notes from December 2008 to June 2009. Sugg was ordered to immediately cease and desist from engaging in any fraud in connection with the offer and sale of any security in Texas, and he was barred from acting as a dealer, agent, investment adviser, or investment adviser representative in the State of Texas.

OVERVIEW

During the period from January 28, 2011 through the present, Sugg failed to provide information related to his promissory note sales requested pursuant to FINRA Rule 8210.

FACTS AND VIOLATIVE CONDUCT

- A. In connection with a FINRA examination concerning the sale by Sugg of certain promissory notes, by letters dated December 13, 2010 and February 14, 2011, FINRA staff requested, pursuant to FINRA Rule 8210, Sugg provide information by January 28, 2011 and February 28, 2011. Despite partially complying with previous requests, Sugg failed to provide the requested information on both occasions. Accordingly, Sugg has failed to respond and continues to fail to respond to FINRA's requests for information. Such acts, practices, and conduct constitute violations of FINRA Rules 8210 and 2010 by Sugg.
- B. Respondent also consents to the imposition of the following sanctions:

Joseph A. Sugg, II shall be barred from associating with any FINRA member in any capacity.

Sugg understands that if he is barred or suspended from associating with any FINRA member, he becomes subject to a statutory disqualification as that term is defined in Section 3(a)(39) of the Securities Exchange Act of 1934, as amended. Accordingly, he may not be associated with any FINRA member in any capacity, including clerical or ministerial functions, during the period of the bar or suspension (see FINRA Rules 8310 and 8311).

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 AWC.

II.

WAIVER OF PROCEDURAL RIGHTS

Respondent specifically and voluntarily waives 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, Respondent specifically and voluntarily waives 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.

Respondent further specifically and voluntarily waives 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

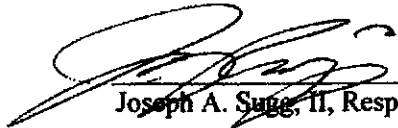
Respondent understands that:

- 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. Respondent 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. Respondent 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 right to take legal or factual positions in litigation or other legal proceedings in which FINRA is not a party.

Respondent Joseph A. Sugg, II certifies that he has read and understands all of the provisions of this AWC and has been given a full opportunity to ask questions about it; that he has 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 him to submit it.

06/03/2011
Date (mm/dd/yyyy)


Joseph A. Sugg, II, Respondent

Reviewed by:

3-11-11

Brad D'Amico
Counsel for Respondent
Kessler & Collins, P.C.
2100 Ross Avenue, Suite 750
Dallas TX 75201
Phone No.: 214.379.0732
Fax No.: 214.373.4714

Acceptance, Waiver and Consent
Case No. 2010025102401/ Joseph A. Sugg, II

Accepted by FINRA:

June 13, 2011
Date

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



Patrick K. Craine
Senior Regional Counsel
FINRA Department of Enforcement
12801 North Central Expressway
Suite 1050
Dallas, TX 75243
Telephone: 972.716.7608
Fax: 972.716.7612
E-mail: patrick.craine@finra.org