

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

Department of Enforcement,

Complainant,

v.

David T. Gilg,
CRD No. 3106215

Respondent.

Disciplinary Proceeding
No. 2011028193801

Hearing Officer SB

**ORDER ACCEPTING OFFER OF
SETTLEMENT**

Date: November 21, 2013

INTRODUCTION

Disciplinary Proceeding No. 20110281938 was filed on June 18, 2013, by the Department of Enforcement of the Financial Industry Regulatory Authority (FINRA) (Complainant). Respondent David Gilg submitted an Offer of Settlement (Offer) to Complainant dated October 16, 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

Gilg entered the securities industry in March 1999 as an Investment Company/Variable Contracts Products Representative with a FINRA-registered firm. In or about May 1999, he became registered in the same capacity with Banc One Securities Corporation, which was later acquired by Chase Investment Services Corp. ("Chase"). In February 2004, he became registered with Chase as a General Securities Representative. He remained with Chase until June 2011. Since then, he has not been registered with any FINRA firm. Although Gilg 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 filing of an amendment to Gilg's Form U5 on June 22, 2011, and (2) the Complaint charges him with misconduct committed while he was registered or associated with a FINRA member.

FINDINGS AND CONCLUSIONS

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

- In or about May 1999, Gilg submitted, or caused to be submitted, a Uniform Application for Securities Industry Registration or Transfer (Form U4) in connection with his FINRA registration through Banc One Securities Corporation, which was later acquired by Chase.
- Pursuant to Article V, Section 2(c) of FINRA's By-Laws, every application for

registration with FINRA shall be kept current at all times by supplementary amendments to be filed no later than 30 days after learning of the facts or circumstances giving rise to the amendment.

- Gilg failed to timely update his Form U4 regarding material facts or circumstances of which he had knowledge, which were required to be disclosed.
- Specifically, Question 14A(1)(a) asks, “Have you ever been convicted of or pled guilty or nolo contendere (“no contest”) in a domestic, foreign, or military court to any felony?” Furthermore, Question 14A(1)(b) asks, Have you ever been charged with a felony?”
- On or about September 4, 2010, while employed as a registered representative with Chase, Gilg was charged with Possession of a Firearm in a Liquor Establishment in violation of Ohio Revised Code (ORC) Section 2923.121(A)(1) - a Felony of the Third Degree. On or about February 16, 2011, Gilg was convicted of Attempted Illegal Possession of Firearm in Liquor Permit Premises, in violation of ORC 2923.121, a Felony of the Fourth Degree.
- The felony charge and felony conviction were material facts in that a reasonable employer would have viewed that information as relevant to Gilg’s employment, especially since a felony conviction could subject an individual to statutory disqualification.
- Gilg failed to amend his Form U4 at Chase in a timely manner following his felony charge and his felony conviction.
- Gilg’s failure to timely amend his Form U4 to disclose the felony charge in response to Question 14A(1)(b) and his failure to timely amend his Form U4 to disclose the felony conviction in response to Question 14A(1)(a) on his Form U4 caused Chase to employ

Gilg while he was statutorily disqualified.

- By reason of the foregoing, Gilg acted in contravention of Article V, Section 2(c) of FINRA's By-Laws, and thus, violated FINRA Rules 1122 and 2010.

IV.

Based on the foregoing, Respondent violated FINRA Rules 1122 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

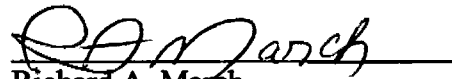
It is ordered that Respondent be suspended from associating with any FINRA member in any capacity for a period of 30 business days and fined \$2,500.

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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