

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

DEPARTMENT OF ENFORCEMENT,

Complainant,

v.

RAMSES VILLELA
(CRD No. 4884064),

Respondent.

Disciplinary Proceeding
No. 2011028736401

Hearing Officer – David R. Sonnenberg

DEFAULT DECISION

September 3, 2013

Respondent is barred from associating with any FINRA member firm in any capacity for failing to provide testimony, in violation of FINRA Rules 8210 and 2010.

Appearances

For the Department of Enforcement, Complainant: Richard Chin, Esq. and Steven F. Korostoff, Esq.

For Ramses Villela, Respondent: no appearance.

DECISION

Ramses Villela was formerly registered with FINRA as a foreign associate ("FA") at FINRA member firm Bulltick, LLC, ("Bulltick" or the "Firm") from February 2005 through March 2011. Thereafter, he remained associated with the Firm through July 2011 when, as Head of the Firm's FX (foreign exchange sales and trading) Desk, the Firm terminated him for suspicion of unauthorized trading, fraud and forgery, and failure to respond to the Firm's requests for explanations. The Firm reported the circumstances of Villela's termination to FINRA's Dallas, Texas, District Office, whereupon the FINRA staff began investigating his conduct. In connection with the investigation, the staff sent Villela four requests for an on-the-record interview pursuant to Rule 8210. He failed to respond to any of the requests.

As a result, Enforcement filed a Complaint with the Office of Hearing Officers charging Villela with violating FINRA Rules 8210 and 2010. FINRA Rule 8210 grants FINRA staff the right to require a person subject to FINRA's jurisdiction to provide information with respect to any matter involved in an investigation, complaint, examination, or proceeding. FINRA Rule 2010 requires persons associated with FINRA member firms to observe high standards of commercial honor and just and equitable principles of trade.

Villela did not answer or otherwise respond to the Complaint. Accordingly, Enforcement filed a motion for entry of a default decision supported by a declaration from Steven F. Korostoff and 13 exhibits. Thereafter, Enforcement filed a superseding Amended Motion for Entry of Default Decision supported by an additional declaration from Korostoff¹ and 19 exhibits.

For the reasons discussed below, the Hearing Officer grants Enforcement's motion.

I. Jurisdiction

As explained further below, FINRA has jurisdiction over this proceeding pursuant to Article V, Section 4 of FINRA's By-Laws² because (1) the Complaint was filed within two years after Villela was last associated with a FINRA member, and (2) the Complaint charges him with failing to respond to requests for information that FINRA staff issued during the two-year period after which he ceased to be registered or associated with a FINRA member.

A. Jurisdictional Facts

The Complaint was filed on April 4, 2013. FINRA terminated Villela's last registration effective March 2, 2011.³ Thereafter, Villela remained employed with the Firm in a non-

¹ Hereinafter cited as "Decl."

² See Section 4(a) of Article V of the FINRA By-Laws, *available at* www.finra.org/rules (then follow "FINRA Manual" hyperlink to "Corporate Organization: By-Laws").

³ CX-7, at 2, 4. On May 4, 2011, the Firm filed a NRF (Non-Registered Fingerprint Form) on behalf of Villela. CX-9.

registered capacity until July 28, 2011.⁴ At the time of his termination, Villela was Head of the Firm's FX Desk.⁵ The Desk was "dedicated to client-directed, non-discretionary futures and foreign exchange transactions for clients of Bulltick."⁶ In his position as Head of the FX Desk, Villela reported to the Firm's Managing Partner (a FINRA registered principal),⁷ and supervised a junior FX sales trader.⁸ Villela was also a partner in the holding company that owned 100% of the Firm.⁹

According to the Firm, as Head of the FX Desk, Villela engaged in proprietary foreign exchange trading without the Firm's knowledge and consent and forged senior managers' signatures on various counterparty documents to carry out his trading scheme. As a result of these alleged activities, the Firm received a demand from a counterparty totaling \$2.3 million, which the Firm paid.¹⁰ Thereafter, the Firm filed a Securities Exchange Act ("Exchange Act") Rule 17a-11(b) notice with FINRA and the Securities and Exchange Commission which reported, among other things, that the Firm had historical net capital deficiencies and/or maintained net capital at early warning levels during most of the time period July 11, 2011, through July 28, 2011, due to the losses incurred by Villela's alleged misconduct.¹¹

B. Jurisdictional Legal Conclusions

FINRA's By-laws define "a person associated with a member" in pertinent part as:

⁴ CX- 1, at 2; CX-11, at 1.

⁵ CX-2, at 1.

⁶ CX-2, at 1; CX-4, at 1.

⁷ Decl. ¶ 7; CX-2, at 2.

⁸ Decl. ¶ 7; CX-4, at 1.

⁹ Decl. ¶ 7; CX-6(a), (b).

¹⁰ Decl. ¶ 4; CX-2.

¹¹ Decl. ¶ 5; CX-3.

A sole proprietor, partner, officer, director, or branch manager of a member, or other natural person occupying a similar status or performing similar functions, or a natural person engaged in the investment banking or securities business who is directly or indirectly controlling or controlled by a member. .¹²

The By-laws define "investment banking or securities business" as:

the business, carried on by a broker, dealer, . . . of underwriting or distributing issues of securities, or of purchasing securities and offering the same for sale as a dealer, or of purchasing and selling securities upon the order and for the account of others;¹³

Provisions governing the securities industry "should be construed, not strictly and technically, but flexibly to achieve their remedial purpose."¹⁴ And, specifically, "[t]he definition of 'associated person' should be construed broadly 'in order to take regulatory action in circumstances where a person's connection with a member firm implicates the public interest.'"¹⁵

Applying the above provisions and principles here, the Hearing Officer finds that Villela was an associated person of Bulltick. One of Bulltick's business lines was the execution of FX transactions with its institutional clients/counterparties.¹⁶ As the Head of the FX Desk, Villela occupied an important position with respect to that business line; he reported to the Firm's Managing Partner; and he supervised a junior trader on the FX Desk. Further, Villela's alleged trading improprieties while Head of the FX Desk impacted the Firm's securities business because they impacted the Firm's net capital computations and its compliance with net capital

¹² Section (rr)(2) of Article I of the FINRA By-Laws.

¹³ Section (u) of Article I of the FINRA By-Laws.

¹⁴ *Dep't of Enforcement v. Reichman*, No. 200801201960, 2011 FINRA Discip. LEXIS 18, at *17 (NAC July 21, 2011) quoting *Reed A. Hatkoff*, 51 S.E.C. 769, 773 (1993)).

¹⁵ *Dep't of Enforcement v. Morrow*, No. 2008015617902, 2012 FINRA Discip. LEXIS 57, at *13 (OHO Aug. 23, 2012) quoting *Dep't of Enforcement v. Hedge Fund Capital Partners, LLC*, No. 2006004122402, 2012 FINRA Discip. LEXIS 42, at *31 (NAC May 1, 2012).

¹⁶ CX-3, at 1.

obligations.¹⁷ Finally, Villela was an indirect owner of the Firm, through his partnership interest in the Firm's parent company. These facts, taken in their totality, establish that Villela was an associated person of the Firm. Therefore, because the Complaint was filed within two years of Villela's last association with a FINRA member firm and charges Villela with failing to respond to requests for information that FINRA staff issued during the two-year period after he ceased to be registered or associated with a FINRA member, FINRA has jurisdiction over this proceeding.

II. Enforcement's Motion for Entry of a Default Decision Is Granted

Enforcement filed the attached Complaint with the Office of Hearing Officers on April 4, 2013, and the same day served Villela with a copy of the Notice of Complaint and Complaint. The staff served Villela by certified mail at his last known residential address in the United States ("U.S. CRD Address") and by certified mail and Federal Express International Overnight mail at his last known residential address in Mexico ("Mexico CRD Address"), as reflected in the Central Registration Depository (collectively, the "CRD Addresses").¹⁸ The certified mailing to the U.S. CRD Address and the Federal Express mailing to the Mexico CRD Address were returned to Enforcement.¹⁹ Villela did not answer the Complaint by May 2, 2013, the deadline set in the Notice of Complaint.²⁰

On May 3, 2013, Enforcement served Villela with a copy of the Second Notice of Complaint and Complaint by certified mail at his U.S. CRD Address and by Federal Express

¹⁷ See *Morrow*, 2012 FINRA Discip. LEXIS 57, at *14–15 (respondent found to be an "associated person" in part because his trading in the firm's proprietary account impacted the firm's securities business by causing the firm's capital requirement to increase).

¹⁸ Decl. ¶¶ 22–23; CX-7, at 9.

¹⁹ The certified mailing to the U.S. CRD Address was returned marked "RETURNED TO SENDER" and "UNCLAIMED." Decl. ¶ 25; CX-15. The Federal Express mailing was returned and Federal Express's tracking system indicated that the envelope was not deliverable due to an incorrect address." Decl. ¶ 24; CX-14. The default motion and exhibits do not reflect the disposition of the certified mailing to the Mexico address.

²⁰ Decl. ¶ 26.

International Overnight mail at his Mexico CRD Address.²¹ The certified mailing was returned to Enforcement.²² The Federal Express mailing was not returned.²³ The Second Notice of Complaint required Villela to file an answer with the Office of Hearing Officers by no later than May 20, 2013.²⁴ Villela did not file an answer.²⁵

On June 26, 2013, Enforcement filed a motion for entry of default decision with the Office of Hearing Officers. Villela did not respond to the motion.

The Hearing Officer concludes that Villela received valid constructive service of this proceeding in accordance with the provisions of FINRA Rules 9134(a)(2) and (3) and (b)(1), and he therefore defaulted by failing to answer the Complaint. Accordingly, the Hearing Officer grants Enforcement's motion for entry of a default decision.

III. Findings of Fact

The Hearing Officer treated the allegations in the attached Complaint as admitted, pursuant to FINRA Rules 9215(f) and 9269(a).

A. Ramses Villela

Villela began his career in the securities industry in or about November 1998.²⁶ In September 2003, he became employed as a commodity trader in Bulltick's Mexico City, Mexico, branch office²⁷ where, from July 2005 until March 2011, he was registered as an FA.²⁸ In or

²¹ Decl. ¶ 27; CX-16.

²² The envelope was marked: "RETURN TO SENDER, FORWARDING ORDER EXPIRED" and "MLNA," i.e. moved, left no address. Decl. ¶ 29; CX-18.

²³ Decl. ¶ 28. According to the Federal Express tracking system, the mailing was not deliverable because of an incorrect address. Decl. ¶ 28; CX-17.

²⁴ Decl. ¶ 31.

²⁵ *Id.*

²⁶ Compl. ¶ 4.

²⁷ *Id.*

²⁸ *Id.* ¶¶ 4-5.

about March 2011, Villela transferred to the Firm's Miami, Florida, branch office²⁹ where he worked in a non-registered capacity as a commodities and FX trader.³⁰ On July 28, 2011, while Head of the FX Desk,³¹ Villela was terminated for suspicion of unauthorized trading, fraud and forgery, and for failing to respond to requests for explanations.³² Villela is not currently registered or associated with a FINRA member firm.³³

B. Villela's Failure to Provide On-The-Record Testimony

On August 1, 2011, Bulltick reported to FINRA's Dallas, Texas, District Office that Villela allegedly had engaged in proprietary FX trading activity without the Firm's knowledge and consent; that he had allegedly forged senior managers' signatures on various counterparty documents to further his wrongful conduct; and that, as a result, the Firm had received a demand from a counterparty totaling approximately \$2.3 million, which it paid.³⁴ Enforcement then began

²⁹ *Id.* ¶ 5.

³⁰ CX-11.

³¹ CX-2, at 1.

³² CX-1, at 2. According to the Form U5 filed by the Firm on Villela's behalf, Villela was terminated "due to an internal investigation which concluded that he engaged in unauthorized activities, committed forgery, breach of fiduciary duty, fraud, breach of employment agreement, and breach of employment obligations." *Id.* The Form U5 also stated that the Firm was not aware of any customer harm or impact based on Villela's conduct. *Id.*

³³ Compl. ¶ 9; CX-7, at 1-2.

³⁴ Compl. ¶ 2; Decl. ¶ 4. Additionally, on August 8, 2011, the Firm filed an Exchange Act Rule 17a-11(b) notice with FINRA and the SEC reporting that due to the apparent losses incurred from Villela's alleged misconduct, the Firm had historical net capital deficiencies and/or maintained net capital at early warning levels during most of the period from July 11-28, 2011. Compl. ¶ 2; Decl. ¶ 5. *See supra* p. 3 and note 11.

an investigation of Villela regarding these matters and sought to take his testimony.³⁵ On September 1, 2011;³⁶ October 12, 2011;³⁷ February 8, 2013;³⁸ and February 26, 2013,³⁹ FINRA staff sent Villela Rule 8210 letters requesting that he provide testimony. Each Rule 8210 letter specified the date and location for the testimony.⁴⁰ Each request was sent to Villela's U.S. CRD Address⁴¹ and, with the exception of the September 1, 2011⁴² request, to his Mexico CRD Address as well.⁴³ Villela never appeared for testimony as required by the requests,⁴⁴ and never contacted the staff.⁴⁵

IV. Conclusions of Law

FINRA Rule 8210 requires FINRA members and their associated persons to cooperate with FINRA investigations by providing information when requested by FINRA staff. Pursuant to Rule 8210, FINRA may require an associated person "to provide information orally, in writing, or electronically . . . and to testify at a location specified by FINRA staff, under oath or affirmation" in connection with any investigation. The Rule is crucial to FINRA's ability to oversee and regulate member firms and associated persons because FINRA does not have subpoena power. Instead, FINRA must depend on member firms and associated persons to

³⁵ Compl. ¶ 3; Decl. ¶ 6.

³⁶ Compl. ¶ 13.

³⁷ *Id.*

³⁸ *Id.* ¶ 16.

³⁹ *Id.* ¶ 20.

⁴⁰ Compl. ¶¶ 13, 16, 20; Decl. ¶¶ 21a., c., e., g.

⁴¹ Compl. ¶¶ 13, 16, 20; Decl. ¶¶ 21a., c., e., g.

⁴² Compl. ¶ 13; Decl. ¶ 21a.

⁴³ Compl. ¶¶ 14, 16, 20; Decl. ¶¶ 21c., f., g.

⁴⁴ Compl. ¶¶ 15, 19, 23.

⁴⁵ *Id.* ¶ 23.

cooperate fully and promptly with requests for information.⁴⁶ A failure to cooperate in an investigation frustrates FINRA's ability to detect misconduct and protect investors and markets.⁴⁷ It is well established that a violation of the duty to cooperate and provide information pursuant to Rule 8210 also violates Rule 2010.⁴⁸

In this case, Enforcement made four attempts to obtain an on-the-record interview from Villela, pursuant to FINRA Rule 8210, sending all four requests to his U.S. CRD Address and sending three of them to his Mexico CRD Address as well. He failed to respond to any of the requests. Accordingly, the Hearing Officer concludes that Villela is deemed to have received the requests pursuant to Rule 8210(d) and, by failing to appear for an on-the-record interview, to have violated FINRA Rules 8210 and 2010.

V. Sanctions

For failing to respond in any manner to a Rule 8210 request for information, the FINRA Sanction Guidelines provide that a bar should be the standard sanction. If mitigation exists, however, the adjudicator should consider a suspension of up to two years.⁴⁹ Further, the adjudicator should consider the "[i]mportance of the information requested as viewed from FINRA's perspective."⁵⁰ Here, according to the staff, it sought Villela's testimony to obtain information from him about the serious allegations that served as the basis for his termination.

⁴⁶ See, e.g., *Dep't of Enforcement v. Valentino*, No. FPI010004, 2003 NASD Discip. LEXIS 15, at *12 (NAC May 21, 2003), *aff'd*, Exchange Act Rel. No. 49255, 2004 SEC LEXIS 330 (Feb. 13, 2004) ("It is well established that because NASD [FINRA's predecessor] lacks subpoena power over its members, a failure to provide information fully and promptly undermines NASD's ability to carry out its regulatory mandate.") (citation omitted). See also *Morton Bruce Erenstein*, 316 Fed. App'x 865, 871, 2008 U.S. App. LEXIS 19746, at *13 (11th Cir. Sept. 16, 2008) ("[I]t is critically important to the self-regulatory system that members and associated persons cooperate with NASD investigations, especially because the NASD lacks subpoena power.").

⁴⁷ *PAZ Sec., Inc.*, 2008 SEC LEXIS 820, at *13 (Apr. 11, 2008), *petition for review denied sub nom. Paz Sec. v. SEC*, 566 F.3d 1172, 2009 U.S. App. LEXIS 11500 (D.C. Cir. May 29, 2009).

⁴⁸ See *CMG Inst. Trading, LLC*, Exchange Act Rel. No. 59325, 2009 SEC LEXIS 215, at *30 (Jan. 30, 2009).

⁴⁹ *FINRA Sanction Guidelines* 33 (2011), available at www.finra.org/sanctionguidelines [hereinafter *Guidelines*].

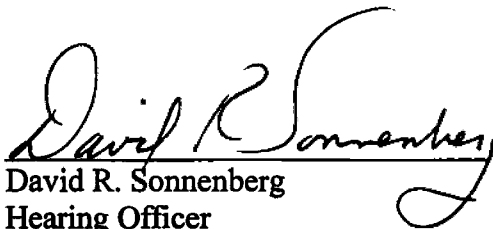
⁵⁰ *Id.*

Further, according to the staff, the failure to provide testimony impeded the staff's investigation into Villela's trading activities.⁵¹

In its amended default motion, Enforcement states that there are no mitigating factors to justify Villela's failure to appear,⁵² and the record does not reflect any mitigation that would warrant permitting Villela to remain in the securities industry.⁵³ Accordingly, the Hearing Officer finds that a bar is the appropriate sanction for his failure to appear and provide testimony.

VI. Order

Ramses Villela is barred from associating with any member firm in any capacity for failing to provide testimony in violation of FINRA Rules 8210 and 2010. The bar shall become effective immediately if this Default Decision becomes FINRA's final action in this disciplinary proceeding.


David R. Sonnenberg
Hearing Officer

Copies to:

Ramses Villela (*via overnight courier and first-class mail*)
Steven F. Korostoff, Esq. (*via electronic mail and first-class mail*)
Richard Chin, Esq. (*via electronic mail*)
Jeffrey D. Pariser, Esq. (*via electronic mail*)

⁵¹ Compl. ¶ 24.

⁵² Enf.'s Am. Mot. 14.

⁵³ The Firm terminated Villela in connection with alleged misconduct that became the subject of the FINRA staff's later investigation. His termination is not mitigating, however, because the staff did not bring charges based on the same alleged misconduct that resulted in Villela's termination. Rather, the charges here are limited to FINRA Rules 8210 and 2010 for Villela's failure to testify. *Compare, John M.E. Saad v. SEC*, 718 F.3d 904 (D.C. Cir. June 11, 2013) (finding that the SEC erred by, among other things, not considering the mitigating impact of the firm having disciplined Saad by terminating his employment prior to regulatory detection, noting that this factor is specifically identified as a principal consideration in FINRA's Sanction Guidelines); *Guidelines*, at 7 (Principal Considerations in Determining Sanctions, No. 14).

FINANCIAL INDUSTRY REGULATORY AUTHORITY

OFFICE OF HEARING OFFICERS

Department of Enforcement,

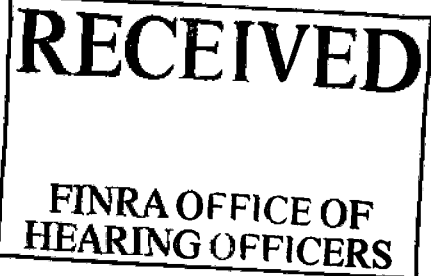
Complainant,

v.

Ramses Villela
CRD No. 4884064

Respondent

DISCIPLINARY PROCEEDING
No. 2011028736401



COMPLAINT

The Department of Enforcement ("Enforcement") alleges:

SUMMARY

1. Ramses Villela ("Villela" or the "Respondent"), a former employee of Bulltick, LLC ("Bulltick" or the "Firm"), a FINRA registered firm, was terminated by the Firm on July 28, 2011 for suspicion of misconduct, as described below.
2. On August 1, 2011, Bulltick reported to FINRA's Dallas, Texas District Office that, between approximately September 2010 and July 2011, Villela allegedly engaged in proprietary foreign exchange ("FX") trading activity without the Firm's knowledge and consent, and forged senior managers' signatures on various counterparty documents to carry out his trading scheme. As a result of Villela's alleged misconduct, the Firm received a demand from a counterparty totaling approximately \$2,300,000. The Firm paid the demand. On or about August 8, 2011, the Firm filed a SEA Rule 17a-11(b) Notice with FINRA and the U.S. Securities and Exchange

Commission which reported, among other things, that it had historical net capital deficiencies and/or maintained net capital at early warning levels during most of the period from July 11, 2011 through July 28, 2011, due to the apparent losses incurred from Villela's alleged misconduct.

3. Enforcement initiated an investigation of Villela and requested, pursuant to FINRA Rule 8210, that he appear and provide testimony. Villela failed to respond to these requests, in violation of FINRA Rules 8210 and 2010.

RESPONDENT AND JURISDICTION

4. Villela, who entered the securities industry in or about November 1998, became employed at Bulltick as a commodity trader in September 2003. He was initially employed in the Firm's Mexico City branch office. As Villela lived in and was employed in Mexico, he became registered as a foreign associate ("FA") with the Firm in July 2005.
5. In or about March 2011, Villela transferred to the Firm's Miami, Florida branch office. On March 2, 2011, Villela's Form U-4 (Uniform Application for Securities Industry Registration or Transfer) was amended to update his current residential address in the Central Registration Depository ("the "CRD"), and CRD systemically terminated his FA registration status that day.
6. On May 4, 2011, Bulltick filed a NRF (Non-Registered Fingerprint Form) on behalf of Villela to re-associate his fingerprints and certify that Villela had been continuously employed by or associated with the Firm.
7. On August 1, 2011, Bulltick filed an NRF amendment reporting Villela's termination from the Firm on July 28, 2011.

8. Bulltick also filed a Form U-5 ("Uniform Termination Notice for Securities Industry Registration") reporting that it discharged Villela on July 28, 2011 as a result of the matters involved herein.
9. Although Villela 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 is being filed within two years after the date upon which he ceased to be associated with a FINRA member, namely July 28, 2011; and (2) the Complaint charges him with failing to appear for on-the-record testimony during the two-year period after the date upon which he ceased to be registered or associated with a FINRA member.

CAUSE OF ACTION

Failure to Appear and Provide Testimony Violation of FINRA Rules 8210 and 2010

10. Enforcement realleges and incorporates by reference paragraphs 1 through 9 above.
11. FINRA Rule 8210(a) (1) requires a member, person associated with a member, or any other person subject to FINRA's jurisdiction to provide information...and to testify at a location specified by FINRA staff...with respect to any matter involved in the investigation, complaint, examination, or proceeding..."
12. 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."
13. On September 1 and October 12, 2011, after commencing its investigation into this matter, Enforcement sent letters to Villela, pursuant to FINRA Rule 8210, at his address of record in the U.S. on CRD (the "CRD Address"), requesting Villela to

appear for testimony in this matter at Enforcement's offices on October 4 and November 17, 2011, respectively. Both letters were sent via certified mail, return receipt requested, with copies by first class mail. The letters sent by certified mail were returned to FINRA marked "RETURN TO SENDER UNCLAIMED UNABLE TO FORWARD" and "RETURN TO SENDER ATTEMPTED - NOT KNOWN UNABLE TO FORWARD," respectively. The first class copies of the September 1 and October 12, 2011 letters were not returned to FINRA.

14. Enforcement also sent the October 12, 2011 letter to Villela at a second residential address in Mexico as indicated in CRD (the "Mexico Address"), via United States Postal Service Registered International mail ("USPSRIM") and by first class mail. On November 18, 2011, FINRA received a receipt indicating that the October 12, 2011 letter sent via USPSRIM was signed for on October 26, 2011 by someone other than Villela. The first class copy of the letter was not returned to FINRA.
15. Villela did not appear and give testimony as requested on either October 4, 2011 or November 17, 2011.
16. On February 8, 2013, Enforcement sent a letter to Villela at the CRD Address by certified mail, return receipt requested, and by first class mail, requesting that, pursuant to FINRA Rule 8210, Villela appear for testimony at its office located at One World Financial Center, 200 Liberty Street, New York NY 10281 at 10 a.m. on February 22, 2013. Enforcement also sent copies of the February 8, 2013 letter to Villela at his Mexico Address via Federal Express International Overnight delivery service and by first class mail.

17. On February 11, 2013, Federal Express reported that it was unable to deliver the February 8, 2013 letter sent to Villela's Mexico Address due to "Incorrect Address." The first class copy of the letter was not returned to FINRA.
18. On March 22, 2013, the February 8, 2013 letter sent to Villela's CRD Address by first class mail was returned to Enforcement stamped "NOT DELIVERABLE AS ADDRESSED, UNABLE TO FORWARD." The February 8, 2013 letter sent to Villela's CRD Address by certified mail was returned to Enforcement on March 25, 2013 and was stamped "UNCLAIMED, RETURNED TO SENDER."
19. Villela did not appear and give testimony as requested on February 22, 2013.
20. On February 26, 2013, Enforcement sent another letter to Villela, at the CRD Address by certified mail, return receipt requested, and by first class mail, requesting that, pursuant to FINRA Rule 8210, Villela appear for testimony at the One World Financial Center office at 10 a.m. on March 8, 2013. Enforcement also sent copies of the February 26, 2013 letter to Villela at his Mexico Address via Federal Express International Overnight delivery service and by first class mail.
21. On February 27, 2013, Federal Express reported that it was unable to deliver the February 26, 2013 letter sent to Villela's Mexico Address due to "Incorrect Address – Recipient Moved." The first class copy of the letter was not returned to FINRA.
22. On March 14, 2013, the February 26, 2013 letter sent to Villela's CRD Address by certified mail was returned to Enforcement marked "MLNA [MOVED, LEFT NO ADDRESS]." The first class copy of the letter has not been returned to FINRA.
23. Villela did not appear and give testimony as requested on March 8, 2013 and has not testified or otherwise communicated with Enforcement to date.

24. Villela's failure to provide testimony impeded the staff's investigation into his improper trading activities.

25. The acts, practices and conduct described above demonstrate Villela's failure to cooperate with this investigation and constitute violations of FINRA Rules 8210 and 2010.

RELIEF REQUESTED

WHEREFORE, the Enforcement 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), including monetary sanctions, be imposed; 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:

4/2/13


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