

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2011030268601**

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

RE: Eric Emslie, Respondent
CRD No. 4032343

Pursuant to FINRA Rule 9216 of FINRA's Code of Procedure, Respondent 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 Respondent 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

Respondent first became registered with FINRA as a General Securities Representative ("GSR") on or about September 21, 1999, through an association with a FINRA member firm. Thereafter, he was registered as a GSR through associations with approximately 27 other member firms, including Chelsea Financial Services (BD No. 47770) ("Chelsea") from January 13, 2010, through March 9, 2010; Blackbook Capital LLC (BD No. 123234) ("Blackbook") from March 22, 2010, through May 6, 2010; and Aegis Capital Corp. (BD No. 15007) ("Aegis") from May 27, 2010, through October 5, 2010. Finally, he was registered as a GSR through an association with ICM Capital Markets Ltd. (BD No. 103725) ("ICM") from September 29, 2011, through October 4, 2011. Respondent is not currently in the securities industry but remains subject to FINRA's jurisdiction pursuant to Article V, Section 4 of FINRA's By-Laws.

RELEVANT DISCIPLINARY HISTORY

Respondent has no prior disciplinary history.

OVERVIEW

Respondent willfully failed to disclose material information on his Uniform Application for Securities Industry Registration or Transfer ("Form U4"), namely a bankruptcy petition he filed on or about December 6, 2004, which was discharged on or about March 28, 2005. Through this conduct, Respondent acted in contravention of Article V, Section 2 of the FINRA By-Laws and willfully violated NASD Membership and Registration IM-1000-1, NASD Conduct Rule 2110, and FINRA Rules 1122, and 2010.

FACTS AND VIOLATIVE CONDUCT

On or about December 6, 2004, Respondent filed a bankruptcy petition in the United States Bankruptcy Court of the Eastern District of New York. The bankruptcy was discharged on or about March 28, 2005. Thereafter, between January 13, 2010, through October 4, 2011, Respondent was employed at four different member firms: Chelsea; Blackbook; Aegis; and ICM, where, upon hire, he signed and submitted original Forms U4. In completing each of those Forms U4, Respondent answered "No" to Question 14K(1) which asks: "[w]ithin the past 10 years: have you made a compromise with creditors, filed a bankruptcy petition or been the subject of an involuntary bankruptcy petition?" Respondent thereby willfully failed to disclose the material fact of the bankruptcy petition on his Forms U4.

As a result of the foregoing conduct, Respondent acted in contravention of Article V, Section 2 of the FINRA By-Laws and willfully violated NASD Membership and Registration IM-1000-1, NASD Conduct Rule 2110, and FINRA Rules 1122, and 2010.

B. Respondent also consents to the imposition of the following sanctions:

- o A three month suspension in any and all capacities from association with any FINRA member firm; and
- o A fine of \$5,000.

The fine shall be due and payable either immediately upon reassociation with a member firm following the three month suspension noted above, or prior to any application or request for relief from any statutory disqualification resulting from this or any other event or proceeding, whichever is earlier.

Respondent specifically and voluntarily waives any right to claim that Respondent is unable to pay, now or at any time hereafter, the monetary sanction(s) imposed in this matter.

Respondent understands that if Respondent is barred or suspended from associating with any FINRA member, Respondent becomes subject to a statutory disqualification as that term is defined in Article III, Section 4 of FINRA's By-Laws, incorporating Section 3(a)(39) of the Securities Exchange Act of 1934. Accordingly, Respondent 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).

Respondent understands that this settlement includes a finding that Respondent willfully omitted to state a material fact on a Form U4, and that under Section 3(a)(39)(F) of the Securities Exchange Act of 1934 and Article III, Section 4 of FINRA's By-Laws, this omission makes Respondent subject to a statutory disqualification with respect to association with a member.

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

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 Respondent;
- 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 Respondent; and
- C. If accepted:
 - 1. this AWC will become part of Respondent's permanent disciplinary record and may be considered in any future actions brought by FINRA or any other regulator against Respondent;
 - 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 Respondent's right to take legal or factual positions in litigation or other legal proceedings in which FINRA is not a

party.

- D. Respondent may attach a Corrective Action Statement to this AWC that is a statement of demonstrable corrective steps taken to prevent future misconduct. Respondent understands that Respondent may not deny the charges or make any statement that is inconsistent with the AWC in this Statement. This Statement does not constitute factual or legal findings by FINRA, nor does it reflect the views of FINRA or its staff.

Respondent certifies that Respondent has read and understands all of the provisions of this AWC and has been given a full opportunity to ask questions about it; that Respondent 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 Respondent to submit it.

7/29/2012
Date (mm/dd/yyyy)

Eric Emslie
Respondent Eric Emslie

Accepted by FINRA:

August 14, 2012
Date

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

Christina J. Kang
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