

**FINANCIAL INDUSTRY REGULATORY AUTHORITY  
LETTER OF ACCEPTANCE, WAIVER AND CONSENT  
NO. 20120304119-01**

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

RE: Corinthian Partners, L.L.C., Respondent ("Corinthian" or the "Firm")  
BD No. 38912

Pursuant to FINRA Rule 9216 of FINRA's Code of Procedure, the Respondent, Corinthian Partners, L.L.C., 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 the Respondent alleging violations based on the same factual findings described herein.

**I.**

**ACCEPTANCE AND CONSENT**

- A. Corinthian 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**

Corinthian has been a member of FINRA since 1996 and employs approximately fourteen registered representatives who operate from one branch office in New York, New York.

**RELEVANT DISCIPLINARY HISTORY**

Corinthian does not have any relevant disciplinary history with the Securities and Exchange Commission, FINRA, any other self-regulatory organization or any state securities regulator.

**OVERVIEW**

In December 2010, Corinthian retained an unregistered individual, LF. From January 2011 to March 2011, LF acted on Corinthian's behalf in a capacity requiring registration with FINRA, even though he was not a registered person. Accordingly, Corinthian violated NASD Membership and Registration Rule 1031, which provides that all persons engaged or to be engaged in the investment banking or securities business of a member who are to function as representatives

must be registered. In addition, Corinthian violated FINRA Rule 2010.

### **FACTS AND VIOLATIVE CONDUCT**

In December 2010, an unregistered individual, LF, became associated with Corinthian. At the time that he was retained by Corinthian, LF was working on a private investment in a public equity ("PIPE") transaction initiated at another member firm. Corinthian became the successor placement agent for the transaction.

From January 2011 to March 2011, LF used his Corinthian email account to communicate with at least three customers regarding their potential participation in the PIPE transaction, at least one of whom subsequently invested in the transaction. Soliciting investments in a PIPE transaction is an activity that requires registration. However, at the time of his communications, LF was not registered with FINRA.

From at least November 2011 to November 2012 Corinthian's public website identified LF as a contact person for investment banking matters, even though he was not a registered person.

Based on the foregoing, Corinthian violated NASD Membership and Registration Rule 1031 and FINRA Rule 2010.

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

- a censure; and
- a fine in the amount of \$7,500.

Corinthian agrees to pay the monetary sanction upon notice that this AWC has been accepted and that such payment is due and payable. Corinthian has submitted an Election of Payment form showing the method by which it proposes to pay the fine imposed.

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

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

## **II.**

### **WAIVER OF PROCEDURAL RIGHTS**

The 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 it;
- 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, the 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.

The 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**

The 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 the Respondent; and

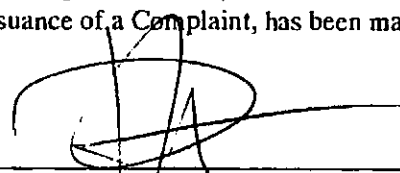
C. If accepted:

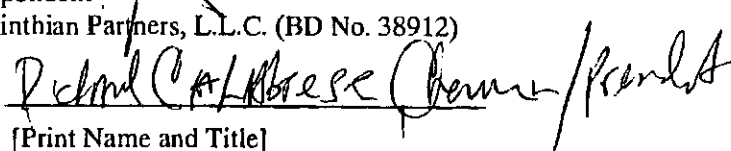
1. this AWC will become part of the Respondent's permanent disciplinary record and may be considered in any future actions brought by FINRA or any other regulator against it;
2. this AWC will be made available through FINRA's public disclosure program in response to public inquiries about the Respondent's 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. The 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. The 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 the Respondent's: (i) testimonial obligations; or (ii) right to take legal or factual positions in litigation or other legal proceedings in which FINRA is not a party.

- D. The Respondent may attach a Corrective Action Statement to this AWC that is a statement of demonstrable corrective steps taken to prevent future misconduct. The Respondent understands that it 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.

The undersigned, on behalf of the Respondent, certifies that a person duly authorized to act on its behalf has read and understands all of the provisions of this AWC and has been given a full opportunity to ask questions about it; that the 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 the Respondent to submit it.

  
Date(mm/dd/yyyy)

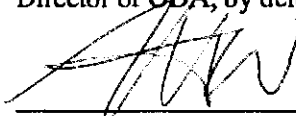
  
Respondent  
Corinthian Partners, L.L.C. (BD No. 38912)

By:   
[Print Name and Title]

Accepted by FINRA:

4-7-14  
Date

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



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