

FINANCIAL INDUSTRY REGULATORY AUTHORITY

OFFICE OF HEARING OFFICERS

Department of Enforcement,

Complainant,

v.

Calvin B. Grigsby (CRD No. 1123572),

Respondent.

DISCIPLINARY PROCEEDING
No. 2012030570301

HEARING OFFICER – LOM

AMENDED COMPLAINT

The Department of Enforcement alleges:

SUMMARY

1. Respondent Calvin B. Grigsby violated the sanctions contained in a FINRA Letter of Acceptance, Waiver and Consent (AWC) by acting as a Limited Principal--Financial and Operations (FinOP) prior to re-qualifying as such by examination, as required by the AWC.

RESPONDENT AND JURISDICTION

2. Grigsby entered the securities industry in January 1984, when he became registered as a General Securities Principal, General Securities Representative and Municipal Securities Principal at former FINRA member Grigsby & Associates, Inc. (GAI or the Firm). In April 1985, he became registered there as a FinOP. In April 2010, Grigsby became registered as an Investment Banking Representative; and in January 2012, he became registered as an Operations Professional.

3. Grigsby's registrations at the Firm were terminated on or about November 7, 2012, when GAI's membership with FINRA was cancelled for failure to pay outstanding fees. He has not since become registered at or associated with any other FINRA members.
4. Although Grigsby is no longer registered or associated with a FINRA member firm, he remains subject to FINRA's jurisdiction for purposes of this proceeding, pursuant to Article V, Section 4 of FINRA's By-Laws, because:
 - a. the Complaint was filed within two years after the effective date of termination of Grigsby's registrations with the Firm, namely, November 7, 2012; and
 - b. the Complaint charges Grigsby with misconduct committed while he was registered or associated with a FINRA member.

CAUSE OF ACTION

VIOLATION OF SANCTIONS IN AN AWC (FINRA RULE 2010)

5. The Department re-alleges and incorporates by reference paragraphs 1 through 4 above.
6. On or about June 22, 2011, Grigsby signed and submitted an AWC to resolve a disciplinary matter against him and the Firm. Among the sanctions contained in the AWC was a requirement that Grigsby "re-qualify by examination as a Financial and Operations Principal (Series 27) within 90 days of FINRA's acceptance of [the] AWC. If Grigsby fails to re-qualify within the aforementioned time period, he is prohibited from acting in any capacity requiring registration as a Financial and Operations Principal until such time as he passes the Series 27 examination."
7. On or about August 15, 2011, FINRA accepted the AWC.

8. On or about August 16, 2011, FINRA staff sent a letter to Grigsby at GAI's CRD address, notifying him that the AWC had been accepted by FINRA (the Notice).
9. On or about August 17, 2011, the Notice was successfully delivered to the Firm.
10. Subsequent to the acceptance of the AWC, Grigsby did not take and pass the Series 27 examination until on or about April 26, 2012.
11. From on or about November 23, 2011 through on or about April 25, 2012, Grigsby gave final approval for various filings of the Financial and Operational Combined Uniform Single Report (FOCUS) on behalf of GAI. The table below summarizes these filings:

Report Type	As-of Date	Submitted On	Status
Part IIA	10/31/11	11/23/11	Rejected System
Part IIA	09/30/11	12/23/11	Accepted
Part IIA	10/31/11	12/23/11	Accepted
Part IIA	11/30/11	12/23/11	Rejected System
Part IIA	11/30/11	01/20/12	Accepted
Schedule I	12/31/11	01/26/12	Accepted
Part IIA	12/31/11	01/26/12	Accepted
Part IIA	01/31/12	02/24/12	Rejected System
Part IIA	02/29/12	03/23/12	Rejected System
Part IIA	02/29/12	04/04/12	Accepted
Part IIA	03/31/12	04/25/12	Accepted

12. By giving final approval for the above-described filings and bearing responsibility for their accuracy as submitted to FINRA, Grigsby engaged in activity requiring registration as a FinOP. He thereby violated the terms of the AWC and, consequently, violated FINRA Rule 2010.

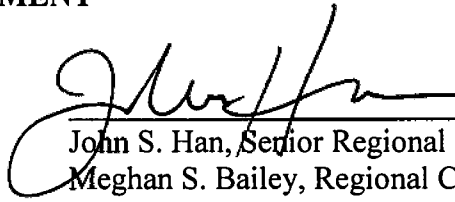
RELIEF REQUESTED

WHEREFORE, the Department respectfully requests that the Panel:

- A. make findings of fact and conclusions of law that Grigsby 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 Grigsby 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: May 22, 2014



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