

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

Department of Enforcement,

Complainant,

v.

Robert Thomson Angle
(CRD No. 811495),

Respondent.

Disciplinary Proceeding
No. 20120320331-01

Hearing Officer – CC

**ORDER ACCEPTING OFFER OF
SETTLEMENT**

Date: August 13, 2014

INTRODUCTION

Disciplinary Proceeding No. 20120320331-01 was filed on January 2, 2014, by the Department of Enforcement of the Financial Industry Regulatory Authority (FINRA) (Complainant). Respondent Robert Thomson Angle submitted an Offer of Settlement (Offer) to Complainant dated July 21, 2014. 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, 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, 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

Robert Thomson Angle entered the securities industry in or around March 1975. He registered as a General Securities Representative (GS) on or about August 21, 1975. He registered as a General Securities Principal (GP) on or about October 23, 1991. On or about April 6, 2004, Angle associated with White Pacific Securities, Inc. and on or about April 14, 2004, he registered as a GS and a GP with the firm. On or about April 8, 2010, he registered with the firm as a Limited Representative – Investment Banking (IB). On or about March 7, 2012, White Pacific filed a Uniform Termination Notice for Securities Industry Registration (Form U5) disclosing that on or about February 29, 2012, Angle voluntarily terminated all of his registrations with White Pacific.

Respondent Angle has not associated or registered with another FINRA member firm since he voluntarily terminated his registrations with White Pacific on or about February 29, 2012. FINRA had jurisdiction to issue the Complaint against Angle on January 2, 2014, pursuant to Article V, Section 4 of its By-Laws.

On November 16, 1998, FINRA¹ filed a complaint² against Member Firm Thomas F. White & Co., Incorporated (White), Angle, Peter Shea (Shea), and Raymond Lui (Lui) alleging violations of NASD Rules 2110, 2510, 2860(b)(20)(A), and 3010. The complaint alleged that White, acting through Angle and Shea, failed to establish and implement written supervisory

¹ Formerly known as NASD.

² Case Number C01980016.

procedures adequate to detect and prevent violations in White's customer accounts and failed to adequately supervise Lui's activities in connection with its customers' accounts. In addition, the complaint alleged that White, acting through Angle, entered into 16 settlement agreements with customers which contained confidentiality clauses that prohibited or discouraged those customers from discussing the settlements with, or disclosing the underlying facts to, FINRA or other regulators. Without admitting or denying the allegations set forth in the complaint, White, Angle and Shea consented to the entry of findings set forth in the complaint through an Offer of Settlement, which was accepted by FINRA on June 17, 1999. As set forth in the Offer of Settlement, Angle was censured and fined \$20,000 jointly and severally with Shea and White, and \$30,000 jointly and severally with White.

On October 8, 2002, the Maine Office of Securities (MOS) filed an Amended Notice of Intent to Censure or Revoke the Sales Representative License of Angle in Connection with Unlicensed Activity in Maine (Amended Notice).³ The Amended Notice was filed against Angle in his capacity as a control person for FINRA Member Firm Acument Securities, Inc. (Acument). The Amended Notice alleged that a registered representative (RR) of Acument effected securities transactions in Maine with residents of the state without being properly licensed and that Acument and Angle failed to properly supervise its RR to prevent the unlicensed activity. Acument and Angle entered into a Consent Agreement with MOS on February 11, 2003, in which they agreed to pay a \$6,000 fine to MOS and pay restitution to the Maine residents totaling \$29,066.83. The terms of the Consent Agreement were fulfilled on April 8, 2003, and as a result, MOS did not pursue administrative action against Acument or Angle.

³ Case Number 02-024.

FINDINGS AND CONCLUSIONS

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

On or about March 5, 2012, White Pacific Securities, Inc. filed a full Uniform Request for Withdrawal from Broker-Dealer Registration (Form BDW) with FINRA. At that time, Angle was the CEO of White Pacific and was designated on the Form BDW as the records custodian of the firm. On or about May 29, 2012, White Pacific's registration with FINRA was cancelled for failure to pay outstanding fees.

As a result of the firm's Form BDW filing, a close-out examination of White Pacific was commenced to determine whether any violations of the federal securities law and/or FINRA rules had occurred since the completion of the firm's most recent FINRA examination. Among other things, the staff intended to determine whether certain rule violations noted in previous examinations, including the failure to report customer complaints to FINRA as required, had been remediated or had continued.

Because Angle was designated on the firm's Form BDW as the records custodian for the firm, all correspondence and all requests for information made pursuant to Rule 8210 were sent to him at his residential address of record in CRD and also to him at the firm's address, which he listed in the Custodian Information section of Form BDW.

Initially, FINRA staff requested documents and information from Angle without citing Rule 8210 as the basis for the requests. When those attempts to obtain the documents and information necessary to complete and conclude the closeout examination were unsuccessful, FINRA staff sent a letter to Angle on or about August 7, 2012 (First Letter), requesting documents and information pursuant to FINRA Rule 8210. The First Letter was sent by regular first class mail and certified mail, return receipt requested, to Angle's current residential address

listed in CRD in San Francisco, CA (CRD Address) and also to Angle's attention at the firm's CRD Address in San Francisco, CA (Firm Address). The First Letter required Angle to provide the requested documents and information on or before August 22, 2012.

No response to the First Letter was received by the staff on or before the First Letter's due date; however, Angle's counsel (Counsel) contacted the staff on or about September 5, 2012, and stated that he intended to propose a response date the following week.

On or about September 14, 2012, Counsel sent the staff examiner an email stating that Angle needed to locate the files containing the responsive documents and expected to be prepared to meet with staff during the week of September 24, 2012.

Neither Angle nor Counsel contacted the staff to arrange to provide the requested documents and information during the week of September 24, 2012. After multiple failed attempts to communicate with Counsel and obtain the requested information from Angle, the staff emailed Counsel on or about December 11, 2012 (First Email), requesting him to confirm that he was still the attorney of record in this matter.

When Counsel had not responded to the staff's First Email, the staff sent a second email on or about December 18, 2012 (Second Email), requesting that Counsel confirm his representation. The following day, Counsel responded to the Second Email, stating that he would "get back to" the staff concerning representation; however, the staff received no further communications from Counsel.

On or about January 3, 2013, the staff sent a third email (Third Email) to Counsel informing him that, absent confirmation of representation, the staff would proceed on the presumption that Angle was no longer represented. Counsel did not respond in any manner to the

Third Email and the staff did not receive the documents and information requested in the First Letter.

On or about February 1, 2013, the staff sent a second request for documents and information to Angle (Second Letter). The request was sent pursuant to FINRA Rule 8210, via first class mail and certified mail, return receipt requested, to the CRD Address, the Firm Address and also to a PO Box address (PO Box Address) that Angle had provided to the staff. The Second Letter required Angle to provide the requested documents and information on or before February 15, 2013.

Angle did not provide the information and documents requested in the Second Letter on or before the stated due date; however, four days thereafter, on or about February 19, 2013, the staff received a letter from Angle in which he stated “[as of] February 2012 I have terminated my licenses, retired, and have no intentions of participating in the [securities] industry in the future.” Angle also enclosed documents that were responsive to the request but those documents did not constitute substantially all of the requested documents and information. The documents Angle provided were not sufficient to permit the staff to determine whether violations of the federal securities laws and/or FINRA rules had occurred at White Pacific.

On or about August 9, 2013, staff sent a third request for documents and information to Angle (Third Letter). The request was sent pursuant to FINRA Rule 8210, via first class mail, certified mail, return receipt requested, and email to the CRD Address, the Firm Address, the PO Box Address, and to an email address that Angle had provided to the staff (Email Address). The Third Letter required Angle to provide the requested documents and information on or before August 23, 2013.

Angle failed to provide any information or documents responsive to the Third Letter on or before the Third Letter's due date.

On or about August 29, 2013, staff sent a fourth request for documents and information to Angle (Fourth Letter). The request was sent pursuant to FINRA Rule 8210, via first class mail, certified mail, return receipt requested, and email to the CRD Address, the Firm Address, the PO Box Address, and to the Email Address. The Fourth Letter required Angle to provide the requested documents and information on or before September 13, 2013.

Angle responded to the staff via email later in the day on August 29, 2013, and claimed, in response to the Fourth Letter, that he could not produce certain requested documents because White Pacific did not have access to them and its former clearing firms would not release the documents to him. The records in question, however, were customer account and customer transaction documents that White Pacific was required to prepare and maintain pursuant to Exchange Act Rules 17a-3 and 17a-4. Therefore, these records were, or should have been, at the location at which the firm's records were kept following its withdrawal from membership, and constituted records that Angle was obligated, as custodian, to provide upon FINRA's request. To date, Angle has failed to provide the information and documents requested in the Third and Fourth Letters.

Each failure to provide any or all of the information requested by FINRA staff pursuant to FINRA Rule 8210 in the First, Second, Third and Fourth Letters, as set forth above, constitutes a separate and distinct violation of FINRA Rule 8210 by Respondent Angle. Such conduct is also inconsistent with high standards of commercial honor and just and equitable principles of trade and a violation of FINRA Rule 2010 by Respondent Angle.

Based on the foregoing, Respondent violated FINRA Rules 8210 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.

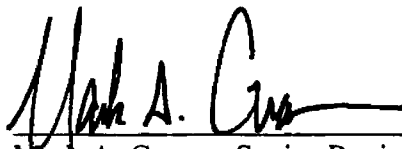
SANCTIONS

It is ordered that Respondent be barred from association with any FINRA member in all capacities.

The sanctions imposed herein shall be effective on a date set by FINRA staff. Pursuant to FINRA Rule 8313(e), a bar or expulsion shall become effective upon approval or acceptance of this Order.

SO ORDERED.

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

A handwritten signature in black ink, appearing to read "Mark A. Graves", is written over a horizontal line.

Mark A. Graves, Senior Regional Counsel
Aimee L. Williams-Ramey, Regional Chief Counsel
FINRA Department of Enforcement
One Montgomery Street, Suite 2100
San Francisco, CA 94104
(415) 217-1119 – Tel.
(202) 721-6505 – Fax.
Mark.Graves@finra.org
Aimee.Williams-Ramey@finra.org