

FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 20120326023-01

TO: Office of Fraud Detection and Market Intelligence
Financial Industry Regulatory Authority ("FINRA")

RE: Richard Albert Mahler, Jr., Respondent
CRD No. 2258721

Pursuant to FINRA Rule 9216 of FINRA's Code of Procedure, I, Richard Albert Mahler, Jr. ("Mahler" or "Respondent"), submit 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 me alleging violations based on the same factual findings described herein.

I.

ACCEPTANCE AND CONSENT

- A. I hereby accept and consent, 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

Mahler became employed in the securities industry as a registered representative of a FINRA member firm in October 1992. From October 1992 through April 2012, Mahler was registered as an Investment Company Products/Variable Contracts Representative with five successive FINRA member firms. He was registered with his most recent employing firm from July 17, 2009, through April 27, 2012, when the firm filed a Form U-5 terminating his registration. Mahler is not currently associated with a FINRA member firm, but remains subject to FINRA's jurisdiction pursuant to Article V, Section 4(a) of the FINRA By-Laws. Mahler has no relevant disciplinary history.

FACTS AND VIOLATIVE CONDUCT

1. From April 2008 through April 27, 2012, Mahler, while registered at his two most recent employing FINRA member firms, failed to provide written notice to such member firms that he was employed by, or was an officer of, Ram IV Partners, LLC ("Ram IV"), which was a non-broker-dealer private company registered in New York in April 2008.
2. Specifically, Mahler was the President of Ram IV, and was primarily responsible for its operations, having handled its formation, negotiated its contracts, and controlled its finances. For example, in May 2010, Mahler solicited the purchase of a promissory note with Ram IV by a customer of his FINRA member firm. The customer withdrew \$250,000 from one of her accounts at Mahler's firm and wrote a check in that amount to Ram IV. The transaction is documented in a Subscription Agreement and Promissory Note, executed by Mahler on behalf of Ram IV, wherein the customer was to be repaid in full plus interest of 5% per annum on or before May 20, 2012. Mahler has operated Ram IV from its inception in April 2008.
3. Mahler's failure to provide written notice to his employing member firms that he was employed by and was an officer of Ram IV constitutes violations of NASD Rule 3030 (for conduct before December 15, 2010), FINRA Rule 3270 (for conduct on or after December 15, 2010), NASD Rule 2110 (for conduct before December 15, 2008), and FINRA Rule 2010 (for conduct on or after December 15, 2008).
4. In furtherance of its investigation into this matter, on July 24, 2012, FINRA staff sent a request for information and documents to Mahler pursuant to FINRA Rule 8210. In a letter dated August 31, 2012, counsel for Mahler stated that Mahler would not comply with the request. Mahler's refusal to provide the requested information and documents constitutes violations of FINRA Rules 8210 and 2010.

B. I also consent to the imposition of the following sanction:

A bar from associating with any FINRA member firm in any capacity.

I understand that if I am barred from associating with any FINRA member, I become subject to a statutory disqualification as that term is defined in Section 3(a)(39) of the Securities Exchange Act of 1934, as amended. Accordingly, I may not be associated with any FINRA member in any capacity, including clerical or ministerial functions, during the period of the bar. (See FINRA Rules 8310 and 8311).

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

II.

WAIVER OF PROCEDURAL RIGHTS

I specifically and voluntarily waive the following rights granted under FINRA's Code of Procedure:

- A. To have a Complaint issued specifying the allegations against me;
- 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, I specifically and voluntarily waive 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.

I further specifically and voluntarily waive 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

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

12/12/2012 16:13 FAX 7183565162

RICHARD MAHLER

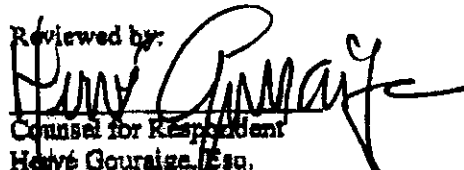
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I certify that I have read and understand all of the provisions of this AWC and have been given a full opportunity to ask questions about it; that I have agreed to its provisions voluntarily; and that no offer, threat, inducement, or promise of any kind, other than the terms set forth herein and the prospect of avoiding the issuance of a Complaint, has been made to induce me to submit it.

12/14/12
Date


Respondent Richard Albert Mahler, Jr.

Reviewed by:


Counsel for Respondent
Hervé Gouraige, Esq.
Sills Cummins & Gross P.C.
One Riverfront Plaza
Newark, New Jersey 07102

Accepted by FINRA:

1/23/13
Date

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


Cameron K. Funkhouser
Executive Vice President
Office of Fraud Detection
and Market Intelligence