

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2012033514204**

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

RE: Douglas A. Love
Former Registered Representative
CRD No. 4083516

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

Douglas A. Love ("Love" or "Respondent") first became registered as a General Securities Representative (Series 7) and General Securities Principal (Series 24) when he purchased a majority interest in FINRA member firm Agincourt, Limited ("Agincourt" or "Firm") in or around 2000. Love was registered with Agincourt until August 22, 2014 when he terminated his registrations with the Firm.¹ Love is not currently registered with any FINRA member firm. Although he is not currently registered with a FINRA member, FINRA retains jurisdiction over Love pursuant to Article V, Section 4 of FINRA's By-Laws.

OVERVIEW

From at least July 2009 through December 2012 (the "Relevant Period"), Love failed to reasonably enforce Agincourt's written supervisory procedures ("WSPs") relating to the creation and maintenance of sufficient order records and

¹ In August 2014, Agincourt filed a Broker-Dealer Withdrawal form ("Form BDW") withdrawing its registration from FINRA.

new account records for an Agincourt customer. Moreover, Love failed to establish and maintain reasonable written supervisory procedures and supervisory systems to review registered representative e-mail. By virtue of the foregoing conduct, Love violated NASD Rules 3010(a) and (b) and FINRA Rule 2010.

FACTS AND VIOLATIVE CONDUCT

A. Failure to Enforce WSPs Relating to Order Records and New Account Records

During the Relevant Period, Love was the Firm's CCO and principal responsible for establishing, implementing, and enforcing the Firm's WSPs and supervisory systems, and for supervising the Firm's registered representatives. Among other things, the Firm's WSPs required that all new customers fill out and sign a customer account form and that all customer orders placed at the Firm be appropriately documented in compliance with Rule 17a-3 of the Securities Exchange Act of 1934.

In July 2009, the Firm agreed to act as an agent for a proprietary trading firm ("Firm G") to place orders in securities – primarily in initial public offerings of corporate bonds. Love was responsible for reviewing and approving all new accounts and all order records. The Firm failed to obtain a new account form for Firm G and did not create sufficient order records to reflect the bond transactions. Despite being aware that Firm G was a customer of the Firm and that Firm G placed orders to purchase corporate bonds through the Firm, Love failed to enforce Agincourt's WSPs.

By failing to enforce Agincourt's WSPs relating to the creation and maintenance of order records and account records, Love violated NASD Rule 3010(b) and FINRA Rule 2010.

B. Failure to Establish and Maintain Reasonable Written Procedures and Systems Concerning E-mail Review

During the Relevant Period, Love failed to establish and maintain reasonable supervisory procedures and systems relating to his review of registered representative e-mail. Agincourt's WSPs required Love to review all of the registered representative e-mails at the Firm. Love did not follow this procedure and acknowledged that the procedure was not reasonable. Instead, Love reviewed only some of the Firm's e-mails, approximately once per month. Neither Agincourt's e-mail procedures nor Love's review of Firm e-mails was reasonable.

By failing to establish and maintain reasonable WSPs and supervisory systems at Agincourt to review registered representative e-mail, Love violated NASD Rules 3010(a) and (b) and FINRA Rule 2010.

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

1. A four-month suspension in a principal capacity; and,
2. A \$25,000 fine.

The fine shall be due and payable either immediately upon reassociation with a member firm following the four-month principal 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.

I specifically and voluntarily waive any right to claim that I am unable to pay, now or at any time hereafter, the monetary sanction imposed in this matter.

I understand that if I am barred or suspended from associating with any FINRA member, I become 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, I may not be associated with any FINRA member in any principal capacity, including clerical or ministerial functions, during the period of the bar or suspension (see FINRA Rules 8310 and 8311).

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

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 Chief Legal Officer, 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: (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. I may attach a Corrective Action Statement to this AWC that is a statement of demonstrable corrective steps taken to prevent future misconduct. I understand that I 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.

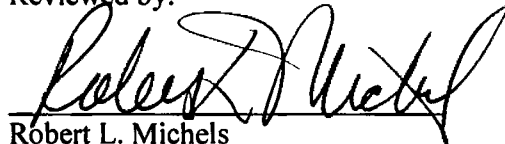
I certify that I have read and understand all of the provisions of this AWC and have been given a full opportunity to ask questions about it; that I have agreed to its provisions voluntarily; and that no offer, threat, inducement, or promise of any kind, other than the terms set forth herein and the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

12/13/2014

Date (mm/dd/yyyy)

Respondent, Douglas A. Love.

Reviewed by:

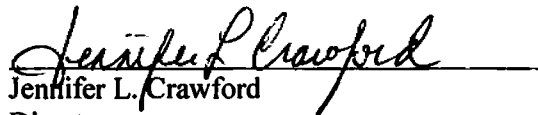


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Accepted by FINRA:

2/12/15
Date

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



Jennifer L. Crawford
Director
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