

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2012034017501**

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

RE: Frederick Christopher Piatt (CRD No. 4265737),
Respondent

Pursuant to FINRA Rule 9216 of FINRA's Code of Procedure, I, Frederick Piatt ("Piatt" 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

On June 1, 2001, Piatt first became registered with FINRA as a General Securities Representative. From June 28, 2005 through September 12, 2012, Piatt was registered in that same capacity through Morgan Stanley Smith Barney (BD No. 149777) ("MSSB" or the "Firm") and a predecessor firm. Between October 18, 2012 and May 5, 2014, Piatt was registered as a General Securities Representative with Raymond James Financial Services, Inc. (BD No. 6694) ("RJFS"). Piatt is not currently associated with a member firm but remains subject to FINRA's jurisdiction pursuant to Article V, Section 4 of FINRA's By-Laws.

RELEVANT DISCIPLINARY HISTORY

Piatt does not have any relevant disciplinary history with the Securities and Exchange Commission, any self-regulatory organization or any state

securities regulator.

FACTS AND VIOLATIVE CONDUCT

1. On August 6, 2012, while registered with FINRA through an association with MSSB, Piatt completed an online state insurance continuing education course and related test on behalf of another registered representative, LY, without LY's knowledge or approval. By reason of the foregoing, Piatt violated FINRA Rule 2010.
2. In response to a FINRA Rule 8210 request from FINRA Member Regulation staff inquiring about the circumstances surrounding his termination from MSSB, Piatt submitted a written statement to the staff in which he falsely denied having taken the continuing education course and related test on LY's behalf and that in fact, LY took the course and related test. By providing false information to FINRA, Piatt violated FINRA Rules 8210 and 2010.
3. In or about September 2012, consistent with the misrepresentations made to FINRA, Piatt falsely represented to RJFS management (verbally and in writing) that he did not take the continuing education course and test for LY, and that in fact LY took the course and test. By reason of the foregoing, Piatt violated FINRA Rule 2010.

In addition, on November 16, 2012, Piatt caused RJFS to file an amended Uniform Application for Securities Industry Registration or Transfer ("Form U4") on his behalf, in which he willfully misrepresented that LY accessed his MSSB computer and took the course and test and falsely accused Piatt of having taken the test for him. By reason of the foregoing, Piatt violated Article 5, Section 2 of FINRA's By-Laws, and FINRA Rules 1122 and 2010.

Further, at various times between October 2012 and November 2013, Piatt provided false written statements to RJFS for the purposes of having those responses forwarded to a total of five states in response to those states' inquiries.¹ Piatt's written submissions to those various states contained misstatements including, *inter alia*, that he had not taken the CE Course on Yost's behalf and that Yost took the CE Course. By reason of the foregoing, Piatt violated FINRA Rule 2010.

¹ Those states were: North Dakota, South Dakota, Colorado, Michigan, and Florida.

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

- A bar from association in any capacity with any FINRA member firm.

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 capacity, including clerical or ministerial functions, during the period of the bar or suspension (see FINRA Rules 8310 and 8311).

I understand that this settlement includes a finding that I willfully misrepresented a material fact on a Form U4, and that under Section 3(a)(39)(F) of the Securities Exchange Act of 1934 and Article III, Section 4 of FINRA's By-Laws, this misrepresentation makes me subject to a statutory disqualification with respect to association with a member.

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 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: (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.

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.

06-18-2014
Date (mm/dd/yyyy)

Frederick C Piatt
Frederick Christopher Piatt

Accepted by FINRA:

6/20/14
Date

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

Aismara J. Abreu
Aismara J. Abreu
Principal Regional Counsel
FINRA Department of Enforcement
581 Main Street, Room 710
Woodbridge, NJ 07095
732-596-2079 (telephone)
202-721-6558 (facsimile)