

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 20120348089-01**

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

RE: Derek Brice Radzikowski, Respondent
General Securities Representative, General Securities Principal
CRD No. 2707808

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

Respondent Derek Brice Radzikowski ("Radzikowski") entered the securities industry in April 1996, when he associated with a FINRA member firm as a General Securities Representative. In March 1999, he first became registered as a General Securities Principal. From September 18, 2009 through June 20, 2012, Radzikowski was associated with former FINRA member Brookstone Securities, Inc. ("Brookstone"), where he was registered as a General Securities Representative and a General Securities Principal. Radzikowski associated with FINRA member National Securities Corporation ("National") on July 02, 2012, where he was registered as a General Securities Representative and a General Securities Principal. He was terminated from National on October 18th, 2012. Although Radzikowski is not currently registered or associated with any FINRA member firm, FINRA retains jurisdiction over him pursuant to Article V, Section 4 of FINRA's By-Laws.

RELEVANT DISCIPLINARY HISTORY

Radzikowski has no relevant disciplinary history.

OVERVIEW

From approximately October 2010 to October 2012, while working as a registered representative with Brookstone and National, Radzikowski engaged in outside business activities without providing written notice to his member firms. By failing to provide such notice, Radzikowski violated NASD Rule 3030¹ and FINRA Rules 3270 and 2010.

FACTS AND VIOLATIVE CONDUCT

FINRA Rule 3270 (and previously NASD Rule 3030) provides that “[n]o registered person may be an employee, independent contractor, sole proprietor, officer, director or partner of another person, or be compensated, or have the reasonable expectation of compensation, from any other person as a result of any business activity outside the scope of the relationship with his or her member firm, unless he or she has provided prior written notice to the member, in such form as specified by the member.”² A violation of FINRA Rule 3270 and NASD Rule 3030 is also a violation of FINRA Rule 2010, which requires members to “observe high standards of commercial honor and just and equitable principles of trade.”

Between approximately October 2010 and June 2012, Radzikowski conducted a mortgage relief business through multiple business entities and received compensation from those businesses without providing written notice to Brookstone, as required by NASD Rule 3030 and FINRA Rule 3270.

Between approximately July 2012 and October 2012, Radzikowski conducted a mortgage relief business through multiple business entities and received compensation from that business without providing written notice to National, as required by FINRA Rule 3270.

By conducting outside business activities and receiving compensation in connection with those outside business activities without providing the requisite written notice to Brookstone or National, Radzikowski violated NASD Rule 3030 (from October 2010 to December 14, 2010) and FINRA Rules 3270 (from December 15, 2010 to October 2012) and 2010 (from October 2010 to October 2012).

¹ NASD Rule 3030 was superseded by FINRA Rule 3270, effective on December 15, 2010.

² NASD Rule 3030 required “prompt written notice to the member.”

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

1. A two-year suspension from association with any FINRA member firms in any capacity; and
2. An \$18,000.00 fine.

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).

The fine shall be due and payable either immediately upon reassociation with a member firm following the two -year 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.

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.

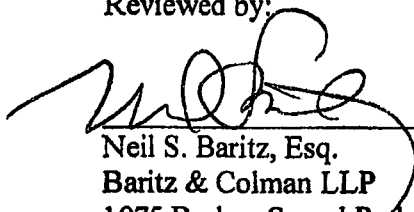
- D. I may attach a Corrective Action Statement to this AWC that is a statement of demonstrable corrective steps taken to prevent future misconduct. I understand that I may not deny the charges or make any statement that is inconsistent with the AWC in this Statement. This Statement does not constitute 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.

10/14/14
Date (mm/dd/yyyy)

Derek B Radzikowski
Derek Brice Radzikowski/Respondent

Reviewed by:



Neil S. Baritz, Esq.
Baritz & Colman LLP
1075 Broken Sound Parkway, NW
Boca Raton, FL 33487
(561) 864-5100

Accepted by FINRA:

10/16/2014
Date

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



Meghan S. Bailey
Regional Counsel
FINRA Department of Enforcement
One Montgomery Street
San Francisco, CA 94104
(415) 217-1123; Fax: (415) 217-1201

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

DEPARTMENT OF ENFORCEMENT,

Complainant

**Disciplinary Proceeding
No. 20120348089-01**

v.

**DEREK BRICE RADZIKOWSKI
(CRD. No. 2707808)**

Respondent

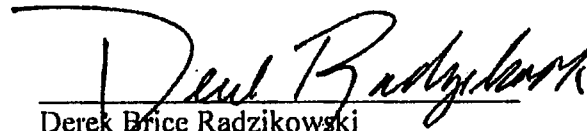
CORRECTIVE ACTION STATEMENT

During my entire career in the securities industry I have always maintained a "compliance first" perspective. In this regard, as the records maintained by the CRD reflect, in the over 18 years I have served in a licensed capacity, I have periodically and regularly made disclosures to my broker-dealer of any outside business activities, including disclosing those that are no longer applicable. Moreover, I have no other disciplinary history.

As it applies to this matter, the outside business activities at issue were in fact disclosed to a subordinate for further action and reporting to my broker-dealer, but I acknowledge, were not in fact ultimately disclosed on my Form U4. Notwithstanding the foregoing, at no time were any clients, client accounts or client funds involved in any aspect of my outside business activities.

Prospectively, I will familiarize myself with my broker-dealer's outside business activity policies and procedures, continue to provide my broker-dealer with regular updates on any outside business activities and implement steps to ensure such updates are timely disclosed on my Form U4 for further disclosure on the CRD.

Dated: October 14, 2014


Derek Brice Radzikowski
(CRD No. 2707808)

This Corrective Action Statement is submitted by Respondent. It does not constitute factual or legal findings by FINRA, nor does it reflect the views of FINRA, or its staff.