

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

Department of Enforcement,

Complainant,

v.

Don-Mario Oved Saint-Paul ("Saint-Paul")  
Registered Representative  
(CRD NO. 5467633)

Respondent.

Disciplinary Proceeding  
No. 2012034823401

Hearing Officer: AHP

**ORDER ACCEPTING OFFER OF  
SETTLEMENT**

Date: December 19, 2014

**INTRODUCTION**

Disciplinary Proceeding No. 2012034823401 was filed on March 28, 2014, by the Department of Enforcement of the Financial Industry Regulatory Authority (FINRA) (Complainant). Respondent Saint-Paul submitted an Offer of Settlement (Offer) to Complainant dated, December 9, 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**

In December 2007, Saint-Paul first registered with FINRA as a General Securities Representative through an association with a FINRA member firm. He was similarly registered through an association with another member firm from July 2008 through May 2010. Between May 2010 and November 2012, Saint-Paul was registered in the same capacity through Rockwell Global Capital LLC (BD No. 142485) ("Rockwell" or the "Firm"). Rockwell, his last employer firm, filed a Uniform Termination Notice for Securities Industry Registration ("Form U5") on November 19, 2012 terminating Saint-Paul's association with the Firm for "failure to disclose felony conviction."

Although Saint-Paul is no longer registered or associated with a FINRA member, he remains subject to FINRA's jurisdiction for purposes of this proceeding, pursuant to Article V, Section 4 of FINRA's By-Laws, because (1) the Complaint was filed within two years after the date upon which he ceased to be associated with a FINRA member firm, and (2) the Complaint charges Saint-Paul with misconduct committed while he was registered or associated with a FINRA member.

Saint-Paul has no previous disciplinary history.

### **FINDINGS AND CONCLUSIONS**

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

1. While Respondent Saint-Paul was registered with Rockwell, he willfully failed to timely disclose on his Uniform Application for Securities Industry Registration or Transfer

("Form U4") criminal felony charges which occurred in July 2011. In addition, he willfully failed to make any disclosure of a subsequent guilty plea to a felony in October 2012.

2. In addition, Saint-Paul made false attestations to his employer on two annual compliance questionnaires through which he failed to disclose the felony charges and subsequent felony guilty plea.

### **FIRST CAUSE OF ACTION**

Willful Failure to Timely Disclose Felony Charges and Failure to Disclose Subsequent Guilty Plea on a Form U4

Article V, Section 2 of FINRA's By-Laws,  
FINRA Rules 1122 and 2010

3. Article V, Section 2 of FINRA By-Laws requires that every application for registration filed with FINRA shall be kept current at all times by supplementary amendments, which shall be filed with FINRA no later than 30 days after learning of the facts or circumstances giving rise to the amendment.

4. If the event requiring an amendment renders an individual subject to statutory disqualification under Section 3(a)(39)(F) of the Securities Exchange Act of 1934 (the "Exchange Act") and Article III, Section 4 of FINRA's By-Laws, the event must be reported via an amended Form U4 within ten days of its occurrence. A felony conviction subjects a registered representative to statutory disqualification under Section 3(a)(39)(F) of the Exchange Act.

5. FINRA Rule 2010 requires the observance of high standards of commercial honor and just and equitable principles of trade. FINRA Rule 1122 requires all filings to be complete and accurate.

6. Question 14A(1) on the Form U4 asks "Have you ever: (b) been charged with any felony?" Saint-Paul was required to update his U4 on or before August 28, 2011 to report the July 29, 2011 felony charge. The update was filed four months late.

7. Question 14A(1) on the Form U4 asks "Have you ever: (a) been convicted of or plead guilty to or no nolo contendere ("no contest") in a domestic, foreign, or military court to any felony?" Saint-Paul was required to amend his Form U4 to reflect the felony conviction within ten days as required under FINRA rules, but he never did so.

8. Saint-Paul was arrested in Bethpage, NY, on July 28, 2011, for the criminal sale and possession of a controlled substance.

9. In connection with the above arrest, on July 29, 2011, Saint-Paul was charged under sections 220.16 and 220.39 of the New York State penal law code in the First District Court of Nassau County with two counts of possession of a controlled substance and two counts of criminal sale of a controlled substance, both Class B felonies in the State of New York.

10. Saint-Paul had 30 days from the charge date, July 29, 2011, to update his Form U4 to disclose the felony charge, in this case until August 28, 2011.

11. Nevertheless, Saint-Paul's Form U4 was first updated on January 12, 2012 to reflect that he had been charged with a felony, which was more than four months late.

12. On October 16, 2012, Saint-Paul appeared in New York State Supreme Court, Nassau County, to enter a guilty plea to criminal sale of a controlled substance in the third degree, a Class B felony and also criminal possession of a controlled substance in the seventh degree, a Class A misdemeanor. He entered into a judicial diversion program.

13. Saint-Paul stated during his plea allocution that he understood that he was entering a guilty plea to a felony charge.

14. On or around November 19, 2012, the Firm first became aware through FINRA's Registration Department that Saint-Paul had pled guilty to a felony on October 16, 2012.

Because Saint-Paul had not disclosed his plea to the Firm, the Firm terminated his employment and filed a Form US for him, on November 19, 2012.

15. Saint-Paul is no longer associated with a FINRA member firm. To date, his Form U4 does not reflect his October 2012 guilty plea to the felony.

16. By reason of the foregoing, Saint-Paul willfully failed to timely disclose felony charges on his Form U4 and willfully failed to disclose the subsequent felony plea on his Form U4 in violation of Article V, Section 2 of FINRA's By-Laws and FINRA Rules 1122 and 2010.

## **SECOND CAUSE OF ACTION**

### **False Attestations on Two Annual Compliance Questionnaires FINRA Rule 2010**

17. On October 27, 2011, more than two months after having been criminally charged with a felony under New York State law, Saint-Paul attested to accurately and truthfully completing an Annual Compliance Meeting Questionnaire required by his firm. The Questionnaire asked, inter alia, "[h]ave you, in the last 12 months, been arrested, arraigned, indicted or convicted of, or plead guilty to or plead no contest to, any criminal offense (other than minor traffic violations, that has not been previously disclosed on Uniform Application Form U4)?" Despite having been criminally charged with a felony on July 29, 2011, Saint-Paul provided a "No" answer to this question.

18. A year later, on October 16, 2012, on the very same day he entered a guilty plea to felony criminal charges, Saint-Paul completed another Annual Compliance Questionnaire. Again, the Firm asked, "[h]ave you, in the last 12 months, been arrested, arraigned, indicted or convicted of, or plead guilty to or plead no contest to, any criminal offense (other than minor traffic violations, that has not been previously disclosed on Uniform Application Form U4)?" Saint-Paul answered "No" to this question.

19. Saint-Paul misled his firm by falsely completing the October 2011 and October 2012 annual compliance questionnaires regarding his criminal felony charge and guilty plea and conviction, thus failing to observe high standards of commercial honor and just and equitable principles of trade.

Based on the foregoing, Respondent willfully failed to timely disclose felony charges on his Form U4 and willfully failed to disclose the subsequent felony plea on his Form U4 in violation of Article V, Section 2 of FINRA's By-Laws and FINRA Rules 1122 and 2010. Respondent also violated FINRA Rule 2010 by falsely completing the October 2011 and October 2012 annual compliance questionnaires regarding his criminal felony charge and guilty plea and conviction.

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**

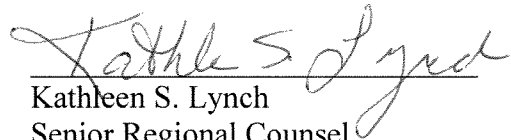
It is ordered that Respondent be suspended for one year from associating with any FINRA member firm and pay a deferred fine of \$10,000. The fine shall be due and payable either immediately upon reassociation with a member firm following the one-year suspension noted above, or prior to any application or request for relief from any statutory disqualification resulting from this or any other event or proceeding, whichever is earlier.

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

SO ORDERED.

FINRA

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

A handwritten signature in cursive script, reading "Kathleen S. Lynch", is written over a horizontal line.

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