

FINANCIAL INDUSTRY REGULATORY AUTHORITY

OFFICE OF HEARING OFFICERS

Department of Enforcement,

Complainant,

v.

Candace Jean Lee (CRD No. 1502112),

Respondent.

DISCIPLINARY PROCEEDING
No. 2013035095301

COMPLAINT

The Department of Enforcement alleges:

SUMMARY

1. Respondent Candace Jean Lee ("Lee") acted as a principal and supervisor while suspended in principal and supervisory capacities.

RESPONDENT AND JURISDICTION

2. Lee entered the securities industry in April 1986, when she became associated with a FINRA member firm. In September 1987, she first became registered as a General Securities Representative and a General Securities Principal. In October 1988, she first became registered as a Government Securities Representative. In February 1995, she first became registered as a Municipal Securities Principal. In March 1995, she first became registered as a Municipal Securities Representative. In December 2011, she first became registered as an Operations Professional.

3. Since February 7, 1995, Lee has been associated with Financial Services International Corp. ("FSIC") as a General Securities Representative, a General Securities Principal, and a Municipal Securities Principal.

CAUSE OF ACTION
Violation of a Suspension (FINRA Rule 2010)

4. The Department realleges and incorporates by reference paragraphs 1-3 above.
5. On or about August 1, 2012, FSIC and Lee entered into a Consent Order with the State of Washington Department of Financial Institutions Securities Division to settle a Statement of Charges and Notice of Intent to Enter an Order to Cease and Desist, Suspend Registrations, Impose Fines, and Recover Costs (the "Consent Order").
6. Among the provisions contained in the Consent Order was an agreement that Lee would be suspended from acting in any principal or supervisory capacity with any firm for a period of twelve months from the entry of the Consent Order.
7. As a result of the Consent Order, Lee was suspended from acting in any principal or supervisory capacity with any firm between the dates of August 1, 2012 and July 31, 2013.
8. Lee was aware of the implementation of the Consent Order.
9. Despite her suspension, Lee continued to serve on FSIC's Board of Directors until May 6, 2013.
10. During her suspension, Lee continued to authorize and sign all checks issued by FSIC and review monthly account statements.

11. During her suspension, Lee was involved in the recruitment and hiring of FSIC employees.
12. During her suspension, Lee participated in the negotiation of contracts between FSIC and third parties.
13. During her suspension, Lee held herself out as having authority to communicate on behalf of FSIC.
14. During her suspension, Lee continued to act in a supervisory capacity over individuals at FSIC.
15. As a result of the conduct described in paragraphs 9-14, Lee acted in a principal and supervisory capacity.
16. By continuing to act in a principal and supervisory capacity at FSIC between the dates of August 1, 2012 and July 31, 2013, Lee violated her suspension imposed by the Consent Order and, consequently, violated FINRA Rule 2010.

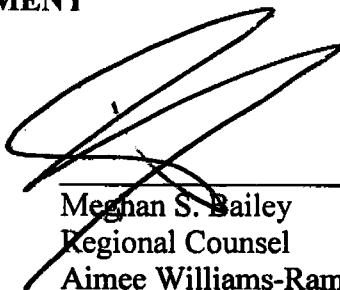
RELIEF REQUESTED

WHEREFORE, the Department respectfully requests that the Panel:

- A. make findings of fact and conclusions of law that Respondent(s) committed the violations charged and alleged herein;
- B. order that one or more of the sanctions provided under FINRA Rule 8310(a), including monetary sanctions, be imposed; and
- C. order that Respondent(s) bear such costs of proceeding as are deemed fair and appropriate under the circumstances in accordance with FINRA Rule 8330.

FINRA DEPARTMENT OF ENFORCEMENT

Date: March 27, 2015

A handwritten signature in black ink, appearing to read 'Meghan S. Bailey', is written over a horizontal line.

Meghan S. Bailey
Regional Counsel
Aimee Williams-Ramey
Regional Chief Counsel
FINRA Department of Enforcement
One Montgomery Street
San Francisco, CA 94104
(415) 217-1123; Fax: (415) 217-1201
meghan.bailey@finra.org
aimee.williams-ramey@finra.org