

FINANCIAL INDUSTRY REGULATORY AUTHORITY

OFFICE OF HEARING OFFICERS

Department of Enforcement,

Complainant,

v.

Sharon Goodale (CRD No. 4970485),

Respondent.

DISCIPLINARY PROCEEDING
No. 2013035445001

COMPLAINT

The Department of Enforcement alleges:

SUMMARY

1. From December 2013 through June 12, 2014, Respondent Sharon Goodale (“Respondent” or “Goodale”) failed to respond to five requests for documents and information issued pursuant to FINRA Rule 8210. Therefore, Goodale violated FINRA Rules 8210 and 2010.

JURISDICTION

2. Goodale first became registered with FINRA as a General Securities Representative (GS) through a member firm on September 13, 2005. From September 9, 2011 through January 3, 2013, she was registered as a General Securities Representative (GS) through NY Life Securities LLC (“NY Life” or the “Firm”) (BD No. 5167).
3. On January 3, 2013, NY Life filed a Uniform Termination Notice for Securities Industry Registration (“Form U5”) reporting Goodale’s termination as of December

4, 2012. The Form U5 provided, among other things, that “Goodale was permitted to resign after she admitted to violating company policy by signing four pre-filled traditional insurance applications without actually witnessing the respective customers sign the applications in her presence.”

4. Goodale has not been registered with FINRA or associated with a FINRA member firm since NY Life filed the Form U5 reporting her termination.
5. Although Goodale is no longer registered with FINRA or associated with a FINRA member, she 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 effective date of termination of Goodale’s registration with NY Life, namely, January 3, 2013, and (2) the Complaint charges Goodale with failing to respond to FINRA requests to provide documents and information during the two-year period after the date upon which she ceased to be registered or associated with a FINRA member firm.

FIRST CAUSE OF ACTION

FAILURE TO COOPERATE WITH A FINRA INVESTIGATION VIOLATION OF FINRA RULES 8210 AND 2010

6. The Department re-alleges and incorporates by reference paragraphs 1 through 5 above.
7. In or about December 2013, the staff of FINRA’s Member Regulation Department (the “Staff”) began an investigation of Goodale and the circumstances leading to her termination by NY Life, including the allegations that she violated her employer’s policies and procedures by signing four pre-filled traditional life insurance

applications without actually witnessing the respective customers signatures (the “Investigation”).

FINRA’S FIRST REQUEST FOR INFORMATION

8. On December 6, 2013, as part of the Investigation, the Staff sent a letter to Goodale requesting documents and information relating to the Investigation (the “First Request for Information”).
9. The First Request for Information requested that Goodale provide her response by no later than December 20, 2013.
10. Pursuant to FINRA Rule 8210, the First Request for Information was sent via certified mail, return receipt requested, and first class mail to Goodale’s residential address, as reflected in the Central Registration Depository (CRD), at an address in Pomona, CA (the “CRD Address”).
11. According the U.S. Postal Service Tracking and Information System, the First Request for Information sent via certified mail, return receipt requested, was delivered to the CRD Address on December 13, 2013. However, the Domestic Return Receipt card for the certified mailing was returned by the U.S. Postal Service unsigned.
12. The First Request for Information sent via first class mail was not returned by the U.S. Postal Service.
13. Goodale did not provide the requested documents and information by December 20, 2013.

FINRA'S SECOND REQUEST FOR INFORMATION

14. On January 7, 2014, the staff sent a second letter to Goodale requesting the same information and documents relating to the Investigation that were previously requested on December 6, 2013 (the "Second Request for Information").
15. The Second Request for Information requested that Goodale provide her response by no later than January 21, 2014.
16. Pursuant to FINRA Rule 8210, the Second Request for Information was sent via certified mail, return receipt requested, and first class mail to the CRD Address.
17. The Second Request for Information sent via certified mail, return receipt requested, was returned by the U.S. Postal Service.
18. The Second Request for Information sent via first class mail was returned by the U.S. Postal Service. The returned first class mailing contained a label, indicating that Goodale's forwarding address was at an address in Laguna Hills, CA (the "Forwarding Address").
19. Goodale did not provide the requested documents and information by January 21, 2014.

FINRA'S THIRD REQUEST FOR INFORMATION

20. On February 21, 2014, the staff sent a third letter to Goodale requesting the same information and documents relating to the Investigation that were previously requested on December 6, 2013 and January 7, 2014 (the "Third Request for Information").

21. The Third Request for Information requested that Goodale provide her response by no later than March 7, 2014.
22. Pursuant to FINRA Rule 8210, the Third Request for Information was sent via certified mail, return receipt requested, and first class mail to the CRD Address and the Forwarding Address.
23. The Third Request for Information sent to the CRD Address via certified mail, return receipt requested, and first class mail was returned by the U.S. Postal Service.
24. According to the U.S. Postal Service Tracking and Information System, the Third Request for Information sent to the Forwarding Address via certified mail, return receipt requested, was delivered on February 24, 2014. The Domestic Return Receipt card for the certified mailing to the Forwarding Address was returned by the U.S. Postal Service with an illegible signature, indicating that it was received by the "Agent" on "2/24/14."
25. The Third Request for Information sent to the Forwarding Address via first class mail was not returned by the U.S. Postal Service.
26. Goodale did not provide the requested documents and information by March 7, 2014.

FINRA'S FOURTH REQUEST FOR INFORMATION

27. On March 28, 2014, the staff sent a fourth letter to Goodale requesting the same information and documents relating to the Investigation that were previously requested on December 6, 2013, January 7, 2014 and February 21, 2014 (the "Fourth Request for Information").

28. The Fourth Request for Information requested that Goodale provide her response by no later than April 11, 2014.
29. Pursuant to FINRA Rule 8210, the Fourth Request for Information was sent via certified mail, return receipt requested, and first class mail to the CRD Address and the Forwarding Address.
30. The Fourth Request for Information sent to the CRD Address via certified mail, return receipt requested, and first class mail was returned by the U.S. Postal Service.
31. According to the U.S. Postal Service Tracking and Information System, the Fourth Request for Information sent to the Forwarding Address via certified mail, return receipt requested, was delivered on April 2, 2014. The Domestic Return Receipt card for the certified mailing to the Forwarding Address was returned by the U.S. Postal Service with an illegible signature, indicating that it was received on "4/2/14."
32. The Fourth Request for Information sent to the Forwarding Address via first class mail was not returned by the U.S. Postal Service.
33. Goodale did not provide the requested documents and information by April 11, 2014.

FINRA'S FIFTH REQUEST FOR INFORMATION

34. On June 12, 2014, the staff sent a fifth letter to Goodale requesting the same information and documents relating to the Investigation that were previously requested on December 6, 2013, January 7, 2014, February 21, 2014 and March 28, 2014 (the "Fifth Request for Information").
35. The Fifth Request for Information requested that Goodale provide her response by no later than June 26, 2014.

36. Pursuant to FINRA Rule 8210, the Fifth Request for Information was sent via certified mail, return receipt requested, and first class mail to the CRD Address and the Forwarding Address.
37. The Fifth Request for Information sent to the CRD Address via certified mail, return receipt requested, and first class mail was returned by the U.S. Postal Service.
38. According to the U.S. Postal Service Tracking and Information System, the Fifth Request for Information sent to the Forwarding Address via certified mail, return receipt requested, was delivered on June 16, 2014. The Domestic Return Receipt card for the certified mailing to the Forwarding Address was returned by the U.S. Postal Service with an illegible signature, indicating that it was received on "6/16/14."
39. The Fifth Request for Information sent to the Forwarding Address via first class mail was not returned by the U.S. Postal Service.
40. Goodale did not provide the requested documents and information by June 26, 2014

GOODALE'S CONTINUING FAILURE TO COOPERATE

41. To date, Goodale has failed to provide the requested documents and information.
42. By reason of the foregoing, Goodale violated FINRA Rules 8210 and 2010.

RELIEF REQUESTED

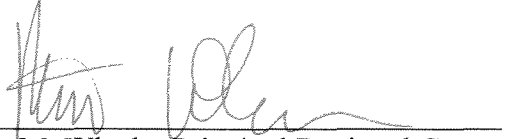
WHEREFORE, the Department of Enforcement respectfully requests that the Panel:

- A. make findings of fact and conclusions of law that Goodale 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 Goodale 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: October 1, 2014



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