

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2013036404301**

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

RE: J.P. Turner & Company, LLC, Respondent
Member Firm
CRD No.43177

Pursuant to FINRA Rule 9216 of FINRA's Code of Procedure, J.P. Turner & Company, LLC (hereinafter, "Respondent") submits 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 Respondent alleging violations based on the same factual findings described herein.

I.

ACCEPTANCE AND CONSENT

A. Respondent hereby accepts and consents, 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 has been a FINRA member since July 21, 1997. Respondent engages in a general securities business. Respondent employs approximately 422 registered persons that operate from 185 branch offices, and its principal office is in Atlanta, Georgia.

RELEVANT DISCIPLINARY HISTORY

In October 2006, Respondent was fined \$211,372 for failing to establish an escrow account for a private offering, paying securities commissions to non-members, permitting the use of a brochure that failed to disclose certain risks associated with an offering, and using an offering memorandum that failed to disclose certain facts. AWC No. E072003011201.

OVERVIEW

Between June 2010 and July 2012, Respondent failed to have in place an adequate supervisory system, including written procedures, relating to the

use, review, and dissemination of consolidated reports prepared by registered representatives for customers. Such failure constitutes a violation of subparts (a), (b), and (d)(2) of NASD Conduct Rule 3010 and FINRA Rule 2010.

FACTS AND VIOLATIVE CONDUCT

A "consolidated report" is a document provided by a broker to a customer that combines account information regarding most or all of a customer's assets. Consolidated reports supplement, but do not replace, the customer account statements required pursuant to NASD Rule 2340. On April 8, 2010, FINRA issued Regulatory Notice 10-19 (hereinafter, "Notice"), reminding member firms that consolidated reports are communications with the public by the firm and must be clear, accurate, and compliant with federal securities laws and FINRA rules. The Notice cautioned that consolidated reports present a number of regulatory concerns, including the potential for communicating inaccurate, confusing or misleading information to customers, lapses in supervisory controls, and the use of these reports for fraudulent or unethical purposes. The Notice strongly encouraged member firms to review the overall adequacy and effectiveness of their current policies and procedures relating to their consolidated reporting and warned that any member firm that could not adequately supervise consolidated reports prepared by its registered representatives must prohibit the dissemination of those reports and take the necessary steps to ensure that its registered representatives comply with this prohibition. The Notice also stated that members firms should take reasonable steps to accurately reproduce information obtained regarding outside accounts and not to include information that is false or misleading in consolidated statements. Regardless of which specific practices a firm chose to adopt, the Notice directs that any firm that chooses to provide consolidated reports to customers must ensure that the size and complexity of the consolidated reporting program does not exceed the firm's ability to supervise the activity and to subject it to a rigorous system of internal controls.

Between June 2010 and July 2012, approximately 43 registered representatives of the Respondent disseminated consolidated reports to customers. During that same time period, Respondent had no supervisory procedures addressing the use and supervision of consolidated reports. And although Respondent had procedures relating to supervision of correspondence in general, those procedures were inadequate to address matters of concern specific to consolidated reports, such as verification of accuracy of any valuation information provided by the responsible registered representative, or ensuring full and accurate disclosure to the customer of the source and accuracy of any such valuation information provided. Due to the lack of such procedures, Respondent failed to identify

or prevent approximately 50 instances of consolidated reports disseminated without adequate disclosures.

By virtue of this conduct, Respondent violated subparts (a), (b), and (d)(2) of NASD Conduct Rule 3010 and FINRA Rule 2010.

B. Respondent also consents to the imposition of the following sanctions:

A censure and a fine in the amount of \$100,000.

Respondent agrees to pay the monetary sanction upon notice that this AWC has been accepted and that such payment is due and payable. Respondent has submitted an Election of Payment form showing the method by which it proposes to pay the fine imposed.

Respondent specifically and voluntarily waives any right to claim that it is 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

Respondent specifically and voluntarily waives the following rights granted under FINRA's Code of Procedure:

- A. To have a Complaint issued specifying the allegations against it;
- 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, Respondent specifically and voluntarily waives 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.

Respondent further specifically and voluntarily waives 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

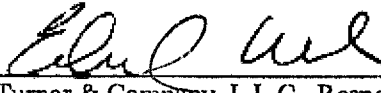
Respondent understands that:

- 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 Respondent; and
- C. If accepted:
 - 1. this AWC will become part of Respondent's permanent disciplinary record and may be considered in any future actions brought by FINRA or any other regulator against it;
 - 2. this AWC will be made available through FINRA's public disclosure program in accordance with FINRA Rule 8313;
 - 3. FINRA may make a public announcement concerning this agreement and the subject matter thereof in accordance with FINRA Rule 8313; and
 - 4. Respondent 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. Respondent 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 Respondent's: (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. Respondent may attach a Corrective Action Statement to this AWC that is a statement of demonstrable corrective steps taken to prevent future misconduct. Respondent understands that it 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.

The undersigned, on behalf of Respondent, certifies that a person duly authorized to act on Respondent's behalf has read and understands all of the provisions of this AWC and has been given a full opportunity to ask questions about it; that Respondent has agreed to the provisions of this AWC 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 Respondent to submit this AWC.

12/12/2014
Date (mm/dd/yyyy)


J.P. Turner & Company, L.L.C., Respondent

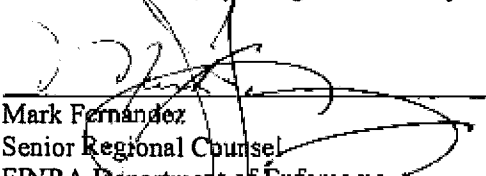
By: TD LALL

Title: CHIEF COMPLIANCE OFFICER

Accepted by FINRA:

March 27, 2015
Date

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


Mark Fernandez
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