

**FINANCIAL INDUSTRY REGULATORY AUTHORITY  
LETTER OF ACCEPTANCE, WAIVER AND CONSENT  
NO. 2013037033501**

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

RE: Barry T. Larkin, Respondent  
Registered Representative  
CRD No. 4348239

Pursuant to FINRA Rule 9216 of FINRA's Code of Procedure, Barry T. Larkin ("Larkin") 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 Larkin alleging violations based on the same factual findings described herein.

**I.**

**ACCEPTANCE AND CONSENT**

- A. Larkin 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**

Larkin entered the securities industry in June 1987 as a specialist clerk and has worked in the securities industry in both registered and non-registered capacities for approximately 27 years with ten different present and former FINRA regulated broker-dealers. Larkin obtained his Series 7 and 63 licenses in March 2002 and July 2003, respectively. He also obtained his Series 55 and 24 licenses in January 2007 and February 2007.

From February 23, 2011 to February 15, 2012, Larkin was associated with BGC Financial, L.P. ("BGC" or the "Firm"), a FINRA-regulated broker-dealer, as a general securities representative. On February 15, 2012, Larkin voluntarily terminated his employment with BGC.

Between February 21, 2012 and September 21, 2012, Larkin was associated with BS, a FINRA-regulated broker-dealer, as a general securities representative. On September 21, 2012, Larkin voluntarily terminated his employment with BS. On June 25, 2013, Larkin re-entered the securities industry with RF, a FINRA-regulated broker-dealer and remained employed there until December 3, 2013. On December 3, 2013, RF notified FINRA that Larkin voluntarily terminated his employment with RF. Larkin is not currently employed by or associated with a FINRA-regulated

broker-dealer. Accordingly, pursuant to Article V, Section 4 of FINRA's By-Laws, Larkin remains subject to FINRA's jurisdiction.

### **RELEVANT DISCIPLINARY HISTORY**

*Larkin has no prior formal disciplinary history in the securities industry.*

### **OVERVIEW**

While employed by BGC, Larkin failed to provide written notice to the Firm prior to engaging in outside business activities with Global Financial News Network ("GFNN"). GFNN provides general market commentary, securities information, and analytics software, including a software product known as Storm Algorithm Suite. Specifically, between May 2011 and February 2012, Larkin engaged in marketing activities on behalf of GFNN and received \$25,500 in compensation and expense reimbursement from GFNN without obtaining prior written approval from the Firm.

By failing to disclose his outside business activities with GFNN and its Storm Algorithm Suite product to the Firm, Larkin violated FINRA Rules 3270 and 2010.

### **FACTS AND VIOLATIVE CONDUCT**

FINRA Rule 3270 states 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."

FINRA Rule 2010 requires the observance of high standards of commercial honor and just and equitable principles of trade. A violation of FINRA Rule 3270 is also a violation of FINRA Rule 2010.

#### ***A. The Firm's Policies and Procedures – Outside Business Activities***

The Firm's policies and procedures required its registered representatives to disclose to the Firm, in writing, any outside business activity prior to engaging in such activity. Upon receipt of the notification of outside business activities, the Firm issued a written letter reflecting its approval or disapproval of the requested activity. The Firm's registered representatives were also prohibited from receiving compensation from activities rendered outside the scope of their employment with the Firm and from serving as a consultant to any business entity other than the Firm without obtaining prior written approval. Further, the Firm's policies and procedures required its registered representatives to annually disclose all outside business activities.

#### ***B. Larkin's Outside Business Activities With GFNN***

GFNN reportedly provides general market commentary, securities information, and analytics and offers its institutional users analytical products, including a proprietary product known as Storm Algorithm Suite.

In May 2011, Larkin entered into an oral agreement with GFNN, then known as Newsgrade, in which Larkin agreed to market GFNN and its product, Storm Algorithm Suite, to members of the securities industry. Pursuant to this agreement, Larkin received access to GFNN's proprietary software and presented demonstrations of Storm Algorithm Suite to BGC's registered representatives, as well as other members of the securities industry. Larkin also hosted several dinners and meetings in connection with the Storm Algorithm Suite.

In December 2011, Larkin was offered the opportunity to become Head of Sales for GFNN. While considering GFNN's offer, Larkin continued to conduct demonstrations of Storm Algorithm Suite. Larkin also traveled to Florida on at least two separate occasions for meetings with GFNN's newly appointed chief executive officer and chief operating officers, its founder, certain GFNN investors and GFNN's product development specialist.

On or about February 14, 2012, Larkin was advised that GFNN's management team was resigning and Larkin had no further contact with GFNN or access to its product offerings.

GFNN paid Larkin a total of \$25,500 during the period beginning May 2011 and ending February 2012, inclusive of compensation and expense reimbursement.

***C. Larkin's Failure to Disclose His Outside Business Activities with GFNN to the Firm***

Larkin did not provide BGC with written notice at any point during his association with the Firm regarding his outside activities with GFNN and/or Storm Algorithm Suite, or his receipt of compensation and expense reimbursement from GFNN. By failing to give the requisite prior written notice to the Firm, Larkin violated FINRA Rules 3270 and 2010.

**B. Larkin consents to the imposition of the following sanctions:**

- a. A 45 day suspension from associating with any FINRA-regulated broker-dealer in any capacity; and
- b. A fine of \$5,000 (deferred).

Larkin understands that if he is suspended from associating with any FINRA member, he becomes 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, Larkin may not be associated with any FINRA member in any capacity, including clerical or ministerial functions, during the period of the suspension (see FINRA Rules 8310 and 8311).

The fine shall be due and payable either immediately upon reassociation with a member firm following the 45 day 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.

Larkin specifically and voluntarily waives any right to claim that he 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**

Larkin specifically and voluntarily waives 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, Larkin specifically and voluntarily waives any right to claim bias or prejudgment of the General Counsel, 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.

Larkin 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**

Larkin 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 him; and
- C. If accepted:
  - 1. this AWC will become part of his permanent disciplinary record and may be considered in any future actions brought by FINRA or any

other regulator against him;

2. this AWC will be made available through FINRA's public disclosure program in response to public inquiries about his 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. Larkin 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. Larkin 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 his: (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. Larkin may attach a Corrective Action Statement to this AWC that is a statement of demonstrable corrective steps taken to prevent future misconduct. Larkin understands that he 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.

Larkin certifies that he has read and understands all of the provisions of this AWC and has been given a full opportunity to ask questions about it; that he has 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 him to submit it.

8/04/2014  
Date (mm/dd/yyyy)

Barry T. Larkin  
Barry T. Larkin, Respondent

Accepted by FINRA:

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

8/6/2014  
Date (mm/dd/yyyy)

Susan Light by KEVIN FOGUE  
Susan Light  
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