

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2013037221701**

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

RE: David A. Castillo, Respondent
General Securities Representative
General Securities Principal
CRD No. 1492837

Pursuant to FINRA Rule 9216 of FINRA's Code of Procedure, I submit 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 me alleging violations based on the same factual findings described herein.

I.

ACCEPTANCE AND CONSENT

- A. I hereby accept and consent, 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 David A. Castillo ("Castillo") first associated with a FINRA member firm as a General Securities Representative ("GSR") in 1987. Between May 16, 2007 and May 17, 2013, Castillo was associated with Further Lane Securities, L.P. ("Further Lane") and registered as a GSR and General Securities Principal. Since January 2014, Castillo has been associated with another FINRA firm as a GSR and General Securities Principal.

RELEVANT DISCIPLINARY HISTORY

Castillo has no disciplinary history.

OVERVIEW

In violation of Article V, Section 2(c) of the FINRA By-Laws and FINRA Rules 2010 and 1122, Castillo willfully failed to timely disclose on his Form U4

Uniform Application for Securities Industry Registration (“Form U4”) numerous federal and California Franchise Tax Board (“CAFTB”) tax liens that arose between March 2010 and December 2012. Castillo also failed to timely disclose on his Form U4 a felony charge that arose in September 2009.

FACTS AND VIOLATIVE CONDUCT

Failure to disclose liens

While associated with Further Lane, Castillo became subject to eight (8) tax liens, as follows:

1. CAFTB State Tax Lien in the amount of \$39,119, dated March 15, 2010;
2. Federal Tax Lien in the amount of \$153,683, dated August 3, 2010;
3. Federal Tax Lien in the amount of \$3,846, dated October 27, 2010;
4. CAFTB Lien in the amount of \$114,150, dated March 11, 2011;
5. Federal Tax Lien the amount of \$359,269, dated March 31, 2011;
6. Federal Tax Lien in the amount of \$255,643, dated March 6, 2012;
7. CAFTB Lien in the amount of \$86,434, dated July 16, 2012; and
8. Federal Tax Lien in the amount of \$27,043, dated December 7, 2012.

Article V, Section 2(c) of the FINRA By-Laws requires associated persons to keep their Forms U4 “current at all times....” Further, amendments to Forms U4 must be filed “not later than 30 days after learning of the facts or circumstances giving rise to the amendment.” During all times relevant to this matter, Form U4 Disclosure Question 14M, asked “Do you have any unsatisfied judgments or liens against you?” If an affirmative answer is given to Question 14M, the associated person is required to provide details about the lien.

Despite having received notice of the above-referenced liens on or about the time each was issued, Castillo failed to timely amend his Form U4 to disclose each lien within 30 days of receiving notice of the lien. In connection with his association with a subsequent member firm, Castillo belatedly disclosed the liens on May 22, 2013.

By reason of the foregoing, Castillo willfully violated Article V, Section 2(c) of the FINRA By-Laws and FINRA Rules 2010 and 1122.

Failure to disclose felony charge

On September 1, 2009, Castillo was charged with a felony assault. In November, 2009, the charge was reduced to a misdemeanor, to which he pled guilty and was sentenced to a three-year probation. Upon satisfaction of the terms of the sentencing order and probation, the misdemeanor conviction was set aside and the criminal complaint dismissed in July 2013.

During all times relevant to this matter, Form U4 Disclosure Question 14(A)(1)(b) asks “[h]ave you ever been charged with a felony?” Despite having been charged with a felony in September 2009, Castillo failed to disclose it while he was associated with Further Lane. In connection with his association with a subsequent member firm, Castillo belatedly disclosed the charge on May 22, 2013.

By reason of the foregoing, Castillo willfully violated Article V, Section 2(c) of the FINRA By-Laws and FINRA Rules 1122 and 2010.

B. I also consent to the imposition of the following sanctions:

- A suspension from association with any FINRA member firm in any capacity for four (4) months.¹

I understand that if I am barred or suspended from associating with any FINRA member, I become 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, I may not be associated with any FINRA member in any capacity, including clerical or ministerial functions, during the period of the bar or suspension (see FINRA Rules 8310 and 8311).

I understand that this settlement includes a finding that I willfully omitted to state a material fact on a Form U4, and that under Section 3(a)(39)(F) of the Securities Exchange Act of 1934 and Article III, Section 4 of FINRA’s By-Laws, this omission makes me subject to a statutory disqualification with respect to association with a member.

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

II.

WAIVER OF PROCEDURAL RIGHTS

I specifically and voluntarily waive 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;

¹ On December 28, 2015, Castillo was granted a discharge in bankruptcy under Section 727 of Title 11, United States Code. Accordingly, no monetary sanction is being assessed in this matter.

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, I specifically and voluntarily waive 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.

I further specifically and voluntarily waive 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

I understand that:

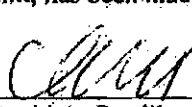
- A. Submission of this AWC is voluntary and will not resolve this matter unless and until it has been reviewed and accepted by the NAC, a Review Subcommittee of the NAC, or the Office of Disciplinary Affairs ("ODA"), pursuant to FINRA Rule 9216;
- B. If this AWC is not accepted, its submission will not be used as evidence to prove any of the allegations against me; and
- C. If accepted:
 - 1. this AWC will become part of my permanent disciplinary record and may be considered in any future actions brought by FINRA or any other regulator against me;
 - 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. I 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. I 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 my: (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.

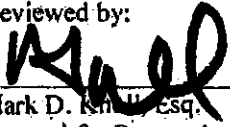
I certify that I have read and understand all of the provisions of this AWC and have been given a full opportunity to ask questions about it; that I have agreed to its provisions voluntarily; and that no offer, threat, inducement, or promise of any kind, other than the terms set forth herein and the prospect of avoiding the issuance of a Complaint, has been made to induce me to submit it.

04/18/2016

Date (mm/dd/yyyy)


David A. Castillo
Respondent

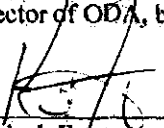
Reviewed by:


Mark D. Knapp, Esq.
Counsel for Respondent
Bressler, Amery & Ross
17 State Street, 34th Floor
New York, New York 10004

Accepted by FINRA:

5/12/2016
Date

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


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