

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2013037616701**

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

RE: James Michael Tuohey, Sr., Respondent
General Securities Representative
CRD No. 1828227

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

James Michael Tuohey, Sr. ("Tuohey") was first associated with a FINRA member firm in April 1988 and remained with this FINRA member firm until December 1992. From December 1992 to June 2006, Tuohey was not registered with FINRA or associated with any FINRA member firm. Thereafter, Tuohey was associated with several FINRA member firms from June 2006 through September 2012. In October 2012, Tuohey became associated with FINRA member firm Sandlapper Securities, LLC ("Sandlapper"). Tuohey remained with Sandlapper until August 2013. Tuohey is not currently associated with a FINRA member firm or registered with FINRA. Tuohey remains subject to FINRA's jurisdiction pursuant to Article V, Section 4 of FINRA's By-Laws and does not have any prior disciplinary history.

OVERVIEW

Tuohey permitted a FINRA member firm to conduct a securities business while net capital deficient, filed inaccurate Financial and Operational Combined Uniform Single ("FOCUS") Reports on behalf of a FINRA member firm, and caused a FINRA member firm to maintain inaccurate books and records. As a result of the foregoing, Tuohey violated FINRA Rules 4110(b)(1), 4511 and 2010.

FACTS AND VIOLATIVE CONDUCT

Between May 2013 and June 2013 (the "Relevant Period"), Tuohey was employed as a FINRA member firm's Chief Financial Officer ("CFO") and Financial and Operations Principal ("FINOP"). According to the firm's written supervisory procedures ("WSPs"), as the CFO and FINOP, Tuohey was responsible for, among other things, maintaining the accuracy of the firm's

books and records including the general ledger, trial balance and balance sheet and calculating the firm's net capital.

During the Relevant Period, Tuohey permitted the firm to conduct a securities business while it was net capital deficient. The firm's net capital at month end May and June 2013 (as computed by FINRA) was (\$10,577) and (\$21,480), respectively, which resulted in deficiencies of (\$16,492) and (\$39,545.44). Tuohey further failed to ensure that the firm's general ledger, trial balance, and balance sheet accurately reflected the firm's liabilities and failed to accurately compute the firm's net capital. Additionally, Tuohey filed inaccurate FOCUS Reports for the months of May and June 2013.

As a result of the foregoing, Tuohey violated FINRA Rules 4110(b)(1), 4511 and 2010.

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

- A \$5,000 fine;
- A suspension from association with any FINRA member firm in a principal capacity as a Financial and Operations Principal (Series 27) and Introducing Broker-Dealer/Financial and Operations Principal (Series28)) for a one-month period; and
- A requirement to re-qualify as a Financial and Operations Principal (Series 27) and/or Introducing Broker-Dealer/Financial and Operations Principal (Series28)) by passing the required examination prior to acting in either capacity with any FINRA member or registering with any FINRA member as a FINOP, following the suspension.

The fine shall be due and payable either immediately upon reassociation with a member firm following the one-month 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.

I specifically and voluntarily waive any right to claim that I am unable to pay, now or at any time hereafter, the monetary sanction(s) imposed in this matter.

I understand that if I am barred or suspended from associating with any FINRA member in a limited capacity, 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 as a FINOP, during the period of the bar or suspension (see FINRA Rules 8310 and 8311). Furthermore, because I am subject to a statutory disqualification during the suspension, if I remain associated with a member firm in a non-suspended capacity, an application to continue that association may be required.

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; 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

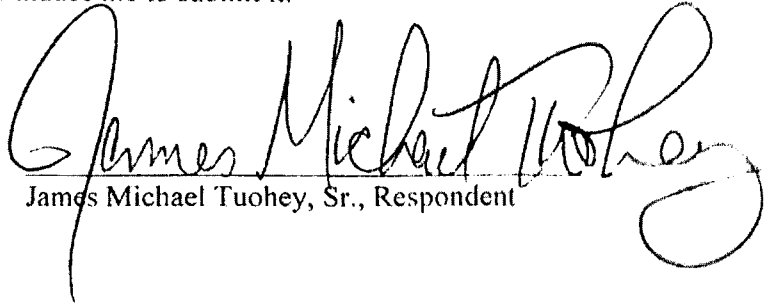
I understand that:

- 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.
- D. I may attach a Corrective Action Statement to this AWC that is a statement of demonstrable

corrective steps taken to prevent future misconduct. I understand that I 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.

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.

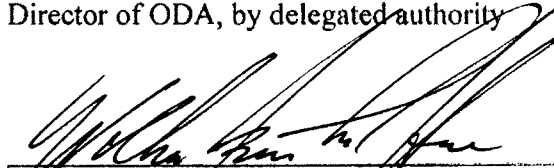
6/17/2015
Date


James Michael Tuohey, Sr., Respondent

Accepted by FINRA:

7/1/2015
Date

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


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