

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 20130377343**

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

RE: Edwin Emmett Lickiss, Respondent
General Securities Principal
CRD No. 844969

Pursuant to FINRA Rule 9216 of FINRA's Code of Procedure, I, Edwin Emmett Lickiss ("Lickiss"), 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

Lickiss entered the securities industry on September 30, 1987 when he became associated with a FINRA-regulated firm as a general securities representative ("GSR"). Lickiss remained at that firm until July 1, 1995. Between August 21, 1995 and August 17, 1996, Lickiss was associated with another FINRA-regulated firm as a GSR. On August 17, 1996, Lickiss became associated with Investment Architects, Inc. ("Investment Architects" or the "Firm") as a GSR, and is currently associated with the Firm as a General Securities Principal ("GSP").

RELEVANT DISCIPLINARY HISTORY

Lickiss has no relevant disciplinary history.

OVERVIEW

Between June 2008 and April 2012, Lickiss failed to timely disclose on his Uniform Application for Securities Industry Registration ("Form U4") four tax liens filed against him by the Internal Revenue Service ("IRS") and the State of

California. During this period, Lickiss was aware of all of the aforementioned tax liens.

In addition, between October 2010 and May 2012, Lickiss misrepresented on four Firm compliance declarations that he was not the subject of any liens filed against his assets or income, when in fact he was aware of the existence of several such liens.

By virtue of the foregoing conduct, Lickiss willfully violated Article V, Section 2(c) of the FINRA By-Laws, NASD Rule 2110 and IM-1000-1, and FINRA Rules 2010 and 1122.

FACTS AND VIOLATIVE CONDUCT

Relevant Rules

Article V, Section 2(c) of FINRA's By-Laws requires that registered representatives ensure that their applications for registration remain current. Further, a registered representative's application for registration is required to be updated within 30 days of a registered representative's learning of the facts or circumstances giving rise to the amendment.¹

NASD IM-1000-1² requires registered representatives to fully and accurately disclose information required in the Form U4. NASD IM-1000-1 provides that the filing of registration information that "is incomplete or inaccurate so as to be misleading, or which could in any way tend to mislead. . . may be deemed to be conduct inconsistent with just and equitable principles of trade." FINRA Rule 1122 states that "no member or person associated with a member shall file with FINRA information with respect to membership or registration which is incomplete or inaccurate so as to be misleading, or which could in any way tend to mislead, or fail to correct such filing after notice thereof."

FINRA Rule 2010³ provides that "[a] member, in the conduct of his business, shall observe high standards of commercial honor and just and equitable principles of trade."

Failure to Timely Disclose IRS Liens

Between June 3, 2008 and April 16, 2012, the following liens were filed against Lickiss and/or his personal property:

¹ The FINRA By-laws replaced the NASD By-laws on July 30, 2007. Therefore, conduct occurring on or after July 30, 2007 is a violation of FINRA's By-laws, and conduct occurring before July 29, 2007 is a violation of NASD's By-laws.

² On August 17, 2009, NASD IM-1000-1 was replaced by FINRA Rule 1122.

³ FINRA Rule 2010 replaced NASD Rule 2110 on December 15, 2008.

- \$21,167.72 lien filed by the IRS on June 3, 2008;
- \$37,362.03 lien filed by the State of California January 30, 2009;
- \$97,100.34 lien filed by the IRS June 1, 2010; and
- \$51,432.63 lien filed by the IRS on April 16, 2012.

Although Lickiss received notice of each the foregoing liens on or about when they were filed, he failed to report them on his Form U4 until December 5, 2013.

As a result of failing to timely report the foregoing liens, Lickiss willfully violated Article V, Section 2(c) of the FINRA By-Laws, NASD Rule 2110 and IM-1000-1, and FINRA Rule 2010.

Misrepresentations to Member Firm

Between 2010 and 2012, Lickiss knowingly misrepresented to the Firm on four compliance declarations that he was not the subject of any liens against his assets or income, despite the fact that he was aware of the existence of the foregoing liens filed by both the IRS and the State of California during this period. By doing so and certifying to the accuracy of his responses, Lickiss made material misstatements to the Firm in violation of FINRA Rule 2010 and NASD Rule 2110.

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

- a four-month suspension from association with any FINRA member in any capacity; and
- a \$5,000 fine.

The fine shall be due and payable either immediately upon reassociation with a member firm following the four-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, 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; 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 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.

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 response to public inquiries about my 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. 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.

7/16/14
Date (mm/dd/yyyy)

[Signature]
Edwin Emmett Lickiss, Respondent

Accepted by FINRA:

Date

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

[Signature]
Richard Best
Chief Counsel
FINRA Department of Enforcement
One World Financial Center
200 Liberty Street
New York, NY 10281
(646) 315-7308 (phone)
(202) 689-3424 (facsimile)
richard.best@finra.org