

FINANCIAL INDUSTRY REGULATORY AUTHORITY

OFFICE OF HEARING OFFICERS

Department of Enforcement,

Complainant,

v.

Andrew Lyman Quinn (CRD No. 2453320),

Respondent.

DISCIPLINARY PROCEEDING
No. 2013038136101

COMPLAINT

The Department of Enforcement alleges:

SUMMARY

1. Respondent Andrew Lyman Quinn borrowed money from his customer in contravention of NASD and FINRA rules. Subsequently, on a compliance questionnaire administered by his member firm, he falsely denied having borrowed money from any customer. Finally, Quinn failed to provide information requested by FINRA staff.

RESPONDENT AND JURISDICTION

2. Quinn entered the securities industry in January 1994 by filing an application to become registered at a FINRA member firm. He first became registered as a General Securities Representative in April 1994.
3. On or about September 20, 1999, Quinn associated with FINRA member Wells Fargo Advisors, LLC (WFA) as a General Securities Representative. On or about January 2,

2000, he also registered as a General Securities Sales Supervisor. WFA terminated Quinn's registrations on or about June 1, 2010.

4. From on or about June 18, 2010, through on or about June 6, 2013, Quinn was registered in each of the above-described capacities at FINRA member Stifel, Nicolaus & Company, Incorporated (SNC).
5. Quinn has not since become associated with or registered at any other FINRA member firms.
6. Although Quinn is no longer registered or associated with a FINRA member, he remains subject to FINRA's jurisdiction for purposes of this proceeding, pursuant to Article V, Section 4 of FINRA's By-Laws, because:
 - a. the Complaint was filed within two years after the effective date of termination of Quinn's registration with SNC, namely, June 6, 2013; and
 - b. the Complaint charges him with misconduct committed while he was registered or associated with a FINRA member and with failing to respond to FINRA requests for information during the two-year period after the date upon which he ceased to be registered or associated with a FINRA member firm.

FIRST CAUSE OF ACTION
Borrowing from a Customer
(NASD Rule 2370 and FINRA Rules 3240 and 2010)

7. The Department re-alleges and incorporates by reference paragraphs 1 through 6 above.
8. On approximately eight separate occasions between May 28, 2009 and February 4, 2010, while associated with WFA, Quinn borrowed funds totaling \$64,000.00 from a customer, LZ.

9. At the time of each loan referenced in paragraph 8, WFA's procedures prohibited loans from any customer who was not an immediate family member.
10. LZ was not an immediate family member of Quinn.
11. On or about August 19, 2010, while associated with SNC, Quinn borrowed \$3,000.00 from his customer, LZ.
12. At the time of the August 19, 2010 loan, SNC's procedures generally prohibited loans from customers, unless the customer was a bank or other financial institution engaged in the business of lending money. Any exceptions to this general prohibition required prior written approval by the firm's compliance department.
13. LZ was not a bank or a financial institution engaged in the business of lending money.
14. Quinn never obtained written approval for his August 19, 2010 loan from LZ.
15. As a result of the foregoing conduct, Quinn violated NASD Rule 2370 and FINRA Rule 2010 with respect to the loans occurring between May 28, 2009 and February 4, 2010, and FINRA Rules 3240 and 2010 for the loan that occurred on August 19, 2010.

SECOND CAUSE OF ACTION
Misrepresentation to Member Firm
(FINRA Rule 2010)

16. The Department re-alleges and incorporates by reference paragraphs 1 through 15 above.
17. On or about February 15, 2011, Quinn completed a compliance questionnaire administered by SNC.

18. In response to the question, "Have you borrowed from or loaned money to any of your customers (other than your personal loans from banks or other financial institutions available on the same terms to the general public)?" Quinn answered, "No."
19. In light of his August 19, 2010 loan from LZ, Quinn's answer was false.
20. By making a misrepresentation to his member firm in connection with an impermissible loan from a customer, Quinn violated FINRA Rule 2010.

THIRD CAUSE OF ACTION
Failure to Provide Information
(FINRA Rules 8210 and 2010)

21. The Department re-alleges and incorporates by reference paragraphs 1 through 20 above.
22. On or about February 27, 2014, FINRA staff sent Quinn a letter (the First Request), pursuant to FINRA Rule 8210, requesting information and documents pertaining to his loans from LZ including, among other things, copies of his bank account statements. The deadline for Quinn's response was March 12, 2014.
23. The First Request was sent by first class and certified mail to Quinn's last known residential address as reflected in the Central Registration Depository (CRD).
24. The first class mailing of the First Request was not returned.
25. FINRA staff received confirmation from the U.S. Postal Service that the certified mailing of the First Request was successfully delivered on or about March 4, 2014. The return receipt for the certified mailing was signed by Quinn.
26. Quinn never provided the information and documents requested in the First Request.

27. On or about March 25, 2014, FINRA staff sent Quinn a second letter (the Second Request), pursuant to FINRA Rule 8210, reiterating the requests for information and documents described in the First Request. The deadline for the Quinn's response was April 8, 2014.
28. The Second Request was sent by first class and certified mail to Quinn's CRD address.
29. The first class mailing of the Second Request was not returned.
30. The certified mailing of the Second Request was returned by the U.S. Postal Service, marked, "RETURN TO SENDER – UNCLAIMED – UNABLE TO FORWARD."
31. Quinn never provided the information and documents requested in the Second Request.
32. On or about April 11, 2014, FINRA staff sent Quinn a third letter (the Third Request), pursuant to FINRA Rule 8210, reiterating the requests for information and documents described in the First and Second Requests. The deadline for Quinn's response was April 25, 2014.
33. The Third Request was sent by first class and certified mail to Quinn's CRD address.
34. The first class mailing of the Third Request was not returned.
35. FINRA staff received confirmation from the U.S. Postal Service that the certified mailing of the Third Request was successfully delivered on or about April 12, 2014. The return receipt for the certified mailing was signed by "Derek Quinn."
36. Quinn never provided the information and documents requested in the Third Request.
37. By failing to provide information and documents requested by FINRA staff, Quinn violated FINRA Rules 8210 and 2010.

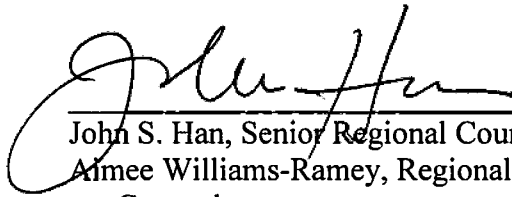
RELIEF REQUESTED

WHEREFORE, the Department respectfully requests that the Panel:

- A. make findings of fact and conclusions of law that Quinn committed the violations charged and alleged herein;
- B. order that one or more of the sanctions provided under FINRA Rule 8310(a) be imposed; and
- C. order that Quinn bear such costs of proceeding as are deemed fair and appropriate under the circumstances in accordance with FINRA Rule 8330.

FINRA DEPARTMENT OF ENFORCEMENT

Date: May 20, 2015



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