

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2013038224201**

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

RE: Chris Calia, Respondent
CRD No. 4807042

Pursuant to FINRA Rule 9216 of FINRA's Code of Procedure, Chris Calia ("Calia" or "Respondent") 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 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

Calia entered the securities industry in June 2004 when he became associated with a FINRA regulated broker-dealer. Calia obtained his Series 7, Series 63, Series 65 and Series 9 licenses in July 2004, September 2004, August 2011 and June 2013, respectively. From June 2004 through September 2011, Calia was registered as a General Securities Representative ("GSR") with five FINRA regulated broker-dealers. In October 2011, Respondent became employed as a GSR with Merrill Lynch, Pierce, Fenner & Smith Inc. (the "Firm"), a FINRA regulated broker-dealer.

On September 3, 2013, the Firm filed an Amended Uniform Termination Notice for Securities Industry Registration ("Amended Form U5") with FINRA reporting that Calia voluntarily resigned from the Firm on August 15, 2013 while under internal review.

Calia was registered as a GSR with another FINRA regulated broker-dealer from September 9, 2013 through November 19, 2013. On December 18, 2013, that firm filed a Form U5 with FINRA reporting that Calia was terminated on November 19, 2013 when they learned he was under internal review at the time of his resignation from the Firm.

Calia is not currently associated with a FINRA regulated broker-dealer, but remains subject to FINRA's jurisdiction pursuant to Article V, Section 4 of FINRA's By-

Laws.

RELEVANT DISCIPLINARY HISTORY

Respondent has no prior disciplinary history in the securities industry.

OVERVIEW

During the course of an ongoing FINRA investigation, Calia failed to appear and provide complete testimony as requested by FINRA staff on numerous occasions. As a result, Calia violated FINRA Rules 8210 and 2010.

FACTS AND VIOLATIVE CONDUCT

FINRA Rule 8210(a)(1) states, in relevant part, that FINRA has the right to “require a member, person associated with a member, or any other person subject to FINRA’s jurisdiction to provide information orally, in writing, or electronically . . . with respect to any matter involved in the investigation . . .”

FINRA Rule 8210(c) states that “[n]o member or person shall fail to provide information or testimony or to permit an inspection and copying of books, records, or accounts pursuant to this Rule.” Moreover, FINRA Rule 2010 states that “[a] member, in the conduct of its business, shall observe high standards of commercial honor and just and equitable principles of trade.” A violation of FINRA Rule 8210 constitutes a violation of FINRA Rule 2010.

In August 2015, FINRA began investigating allegations of misconduct by Calia, while associated with the Firm. These allegations included that Calia created records that resulted in him receiving incentive compensation to which he was not entitled. In connection with this investigation, on August 6, 2015, FINRA sent a letter to Calia requesting, pursuant to FINRA Rule 8210, that he appear and provide sworn testimony on September 16, 2015. The letter was sent via first class and certified mail to Calia’s address of record in the Central Registration Depository (“CRD Address”) and via e-mail.

On September 2, 2015, Calia acknowledged receipt of FINRA’s Rule 8210 request during a call with FINRA staff and informed staff that he would not be appearing for testimony or cooperating with FINRA’s investigation. Calia did not appear for testimony as requested.

On October 14, 2015, FINRA staff sent Calia another request, pursuant to FINRA Rule 8210, requiring Calia to appear and provide sworn testimony on November 11, 2015.

Although Calia appeared for testimony on November 11, 2015, he did not provide complete testimony to FINRA staff as required by FINRA Rule 8210. Specifically,

in the middle of testimony Calia stated he did not want to proceed further and left prior to the completion of his testimony. Prior to his departure, FINRA staff had informed Calia that it had a significant number of additional questions and that failure to complete his testimony could result in disciplinary action against him for violating FINRA Rule 8210.

On November 11, 2015, FINRA staff sent another letter to Calia, pursuant to FINRA Rule 8210, requesting that he appear and provide sworn testimony on November 19, 2015. As stated in his phone call with FINRA staff on November 11, 2015, and by this agreement, Calia acknowledged receipt of this request and informed staff that he would not be appearing for testimony on November 19, 2015 and would no longer be cooperating with FINRA's investigation. By failing to appear and provide complete testimony requested pursuant to FINRA Rule 8210, Calia violated FINRA Rules 8210 and 2010.

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

A bar from associating with any FINRA regulated broker-dealer in any capacity.

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).

The sanctions imposed herein shall be effective on a date set by FINRA staff. Pursuant to FINRA Rule 8313(e), a bar or expulsion shall become effective upon approval or acceptance of this AWC.

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.

Respondent 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.

11/30/2015
Date (mm/dd/yyyy)


Chris Calia, Respondent

Accepted by FINRA:

12/7/2015
Date

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


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