

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2013038657801**

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

RE: Carlos Evertsz-Seda, Respondent
General Securities Representative
CRD No. 4757897

Pursuant to FINRA Rule 9216 of FINRA's Code of Procedure, I, Carlos Evertsz-Seda, 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

Carlos Evertsz-Seda ("Seda" or "Respondent") first entered the securities industry in February 2004 when he became associated with American Capital Partners, LLC as a general securities representative and remained employed with them until December 2004. Seda then became associated with JP Turner & Company, L.L.C. as a general securities representative from July 2006 through March 2008. Seda then became associated with K.C. Ward Financial (the "Firm") as a general securities representative from February 2008 through September 2008. In February 2010 Seda, once again, became associated with the Firm and continues to be employed by the Firm as a general securities representative.

RELEVANT DISCIPLINARY HISTORY

Seda has no formal disciplinary history.

OVERVIEW

During 2012 and 2013 ("the Relevant Period"), Seda engaged in an outside business activity with entertainment company, BG. In 2012, Seda solicited a former Firm customer to provide a \$60,000 loan to BG. Shortly after the loan was made, Seda received \$10,000 from BG. During the Relevant Period, Seda was also engaged in an outside business activity as an assistant manager at automotive services company, JL. Firm policies and procedures prohibited employees from participating in any outside business activity without giving prior notice to, and receiving prior approval from, the Firm. Seda failed to provide notice to, or receive approval from, the Firm for his association with BG and JL. As a result of this conduct, Seda violated FINRA Rules 3270 and 2010.

FACTS AND VIOLATIVE CONDUCT

During the Relevant Period, Seda engaged in an outside business activity with entertainment company, BG. While associated with BG, Seda introduced a former Firm customer to principals of BG. Seda also solicited the former customer to provide a \$60,000 loan to BG. Shortly after the loan was made to BG, Seda received two checks, totaling \$10,000 from BG as compensation for the former customer's loan to BG. Seda failed to provide the Firm with notice of his association with BG.

During the Relevant Period, Seda was also employed as an assistant manager at automotive services company, JL. Seda failed to provide the Firm with notice of his association with JL.

The Firm's policies and procedures prohibited associates from participating in outside business activity without giving prior notice to, and receiving prior approval from, the Firm. Seda failed to provide notice to, or receive approval from, the Firm regarding his association with BG and JL.

FINRA Rule 3270 states that "no registered person may be an employee, independent contractor, sole proprietor, officer, director or partner of another person, or be compensated, or have the reasonable expectation of compensation, from any other person as a result of any business activity outside the scope of the relationship with his or her member firm, unless he or she has provided prior written notice to the member, in such form as specified by the member."

FINRA Conduct Rule 2010 provides that "[a] member, in the conduct of his business, shall observe high standards of commercial honor and just and equitable principles of trade."

By virtue of the foregoing conduct, Seda violated FINRA Rules 3270 and 2010.

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

1. A suspension from association with any FINRA member in any capacity for one-month; and
2. A fine of \$5,000.

Respondent has submitted a sworn financial statement and demonstrated a limited ability to pay. In light of the financial status of Respondent, a fine of \$5,000 has been imposed.¹

Respondent's limited ability to pay has been considered in connection with the monetary sanctions imposed in this matter. Respondent specifically and voluntarily waives any right to claim that he is unable to pay at any time hereafter the monetary sanction(s) imposed in this matter.

Respondent agrees to pay the monetary sanction(s) upon notice that this AWC has been accepted and that such payment(s) are due and payable. Respondent has submitted an Election of Payment form showing the method by which he has proposed to pay the fine imposed.

Respondent understands that if he is barred or suspended from associating with any FINRA member, he becomes 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, he 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.

¹ In light of Respondents' limited ability to pay, the fine shall be payable with an initial amount equal to 25% of the fine and the remaining amount payable over a 24-month period, commencing with the first payment to be made on the 1st day of the month following notice that this AWC has been accepted and every month thereafter for a 24-month period.

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.

3/24/14
Date


Respondent
Carlos Evertsz-Seda

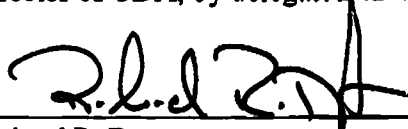
Reviewed by:


Charles M. O'Rourke, Esq.
2 Swenson Drive
Woodbury, NY 11797
(516) 677-9785
Counsel for Respondent

Accepted by FINRA:

5.1.14
Date

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


Richard R. Best
Chief Counsel
FINRA Department of Enforcement
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New York, NY 10281
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