

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2013038835201**

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

RE: Craig S. Canton, Respondent ("Canton")
CRD No. 4313508

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

Canton entered the securities industry in July 2000, when he became associated with a FINRA-regulated broker-dealer. In December 2000, Canton obtained his Series 7 (General Securities Representative) license. Between July 2000 and February 2011, Canton worked on and off with various FINRA-regulated broker-dealers. On or about February 19, 2011, Canton became associated with Spring Hill Capital Markets ("Spring Hill"), a FINRA-regulated broker-dealer, as a General Securities Representative. He voluntarily left his employment with Spring Hill in July 2011. On or about September 17, 2012, Canton became associated with Credit Suisse Securities (USA) LLC ("Credit Suisse" or the "Firm"), a FINRA-regulated broker-dealer, as a General Securities Representative. In a Uniform Termination Notice for Securities Industry Registration ("Form U5") dated November 1, 2013, Credit Suisse reported that it terminated Canton's employment with the Firm on October 2, 2013 based on allegations that Canton had obtained improperly unemployment benefits while employed at Credit Suisse.

Canton is not currently associated with a FINRA-regulated broker-dealer. Pursuant to Article V, Section 4 of FINRA's By-Laws, Canton remains subject to FINRA's jurisdiction.

RELEVANT DISCIPLINARY HISTORY

Canton has no disciplinary history in the securities industry.

OVERVIEW

Canton violated Article V, Section 2 (c) of FINRA's By-Laws and FINRA Rules 1122 and 2010 by willfully failing to amend his Uniform Application for Securities Industry Registration or Transfer ("Form U4") to reflect that the New York State Department of Labor ("DOL") had issued a notice of determination in July 2013 finding that Canton had made willful misrepresentations ("Notice of Determination") regarding his receipt of unemployment benefits to which he was not entitled.

FACTS AND VIOLATIVE CONDUCT

Article V, Section 2(c) of FINRA's By-Laws requires an associated person to keep the Form U4 "current at all times," and file any amendments to the Form U4 "not later than 30 days after learning of the facts or circumstances giving rise to the amendment."

FINRA Rule 1122 states that "[n]o . . . person associated with a member shall file with FINRA information with respect to . . . 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."

A violation of Article V, Section 2(c) of the FINRA By-Laws and FINRA Rule 1122 constitutes a violation of FINRA Rule 2010, which requires an associated person to observe the high standards of commercial honor and just and equitable principles of trade.

On July 1, 2013, while Canton was employed with Credit Suisse, the DOL sent Canton a Notice of Determination, in which the DOL found he had made false statements regarding his receipt of unemployment benefits to which he was not entitled. On September 5, 2013 and then again on September 23, 2013, also while employed with the Firm, Canton amended his Form U4 and on both occasions failed to disclose the DOL's Notice of Determination and findings.

Question 14D(1)(a) of Form U4 asks, "[h]as any other Federal regulatory agency or any state regulatory agency or foreign financial regulatory authority ever: (a)

found you have made a false statement or omission or been dishonest, unfair, or unethical?" Canton answered "No" to this question in both his September 5, 2013 and September 23, 2013 Form U4 amendments. Canton's failure to amend his Form U4 was willful. Canton was fully aware of the DOL Notice of Determination and of his obligation to report such information. Nevertheless, Canton failed to inform the Firm or amend his Form U4 accordingly.

As a result of the foregoing conduct, Canton violated Article V, Section 2(c) of the FINRA By-Laws and FINRA Rules 1122 and 2010.

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

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

The fine shall be due and payable either immediately upon reassociation with a member firm following the fourteen 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 this settlement includes a finding that I willfully misrepresented 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 misrepresentation makes me subject to a statutory disqualification with respect to association with a member.

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.

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.

Date

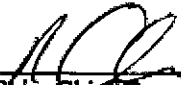
7/7/15


Craig S. Canton, Respondent

Accepted by FINRA:

7/21/15
Date

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



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