

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2014038913201**

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

RE: Global Emerging Capital Group, LLC (f/k/a Radnor Research & Trading LLC),
Respondent
Member Firm
CRD No. 130120

Pursuant to FINRA Rule 9216 of FINRA's Code of Procedure, Global Emerging Capital Group (f/k/a Radnor Research & Trading LLC) (the "Firm") 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 it alleging violations based on the same factual findings described herein.

I.

ACCEPTANCE AND CONSENT

- A. Respondent hereby accepts and consents, 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

The Firm has been a FINRA regulated broker-dealer since 2004. In 2016 the Firm changed its name to Global Emerging Capital Group, LLC from Radnor Research & Trading LLC. The Firm is headquartered in New York and has a branch office in Pennsylvania. It has approximately 13 registered representatives. In 2015, the Firm reported total revenue of approximately \$588,000. As of May 31, 2016, the Firm reported net capital of \$67,615.

RELEVANT DISCIPLINARY HISTORY

In 2011 FINRA accepted an AWC (No. 2010021077401) in which the Firm consented to the imposition of a censure and a fine of \$15,000 for failing to make and preserve required records in connection with its involvement in private offerings of securities, in violation of Rules 17a-3 and 17a-4 promulgated pursuant to the Exchange Act, NASD Rule 3110 and FINRA Rule 2010, and

failing to establish and maintain a supervisory system and written supervisory procedures that were reasonably designed to achieve compliance with its recordkeeping obligations, in violation of NASD Rule 3010 and FINRA Rule 2010.

OVERVIEW

In connection with its participation as placement agent for a private placement offering that closed in April 2014, the Firm failed to promptly return funds to those investors who were unable to invest in the offering after it attained the stated maximum offering amount, as required by the terms in the private placement's offering memorandum. As a result, the Firm violated FINRA Rule 2010.

FACTS AND VIOLATIVE CONDUCT

FINRA Rule 2010 requires that a member, in the conduct of its business, shall observe high standards of commercial honor and just and equitable principles of trade. It is a violation of FINRA Rule 2010 to fail to adhere to a private placement offering memorandum's requirement to promptly return funds to investors who have sent in those funds to invest in a particular best-efforts private placement offering but were unable to invest in that offering because the offering attained its maximum contingency.

In April 2014 the Firm served as placement agent for the Stratex Oil & Gas Holdings Series A private placement (the "Series A Offering"). The Series A Offering was a best-efforts private placement offering seeking to raise a minimum of \$2 million and a maximum of \$10 million to raise capital for the issuer. The offering memorandum for the Series A Offering provided that if any investor subscriptions were not accepted as part of the offering, those investor's funds would be returned within 15 days.

The Firm raised funds from its customers, and at the same time the issuer separately solicited funds for the Series A Offering. Funds collected from investors were held in escrow pending the close of the Series A Offering. On or about April 3, 2014, the Series A Offering reached its maximum \$10 million contingency and was set to close. Because the issuer had also raised funds, the Series A Offering was oversubscribed when it attained its \$10 million maximum contingency, and approximately \$2 million of funds from approximately 17 Firm customers were not accepted as part of the Series A Offering.

The Firm did not promptly return the \$2 million in excess funds to its customers within the period set out in the offering memorandum but instead allowed the funds to continue to be held in escrow. In May 2014, the Firm participated as placement agent in a follow-up offering, the Stratex Oil & Gas Holdings Series B private placement (the "Series B Offering"). Each of the investors whose funds

were being held in escrow following the close of the Series A Offering participated in the Series B Offering and the funds held in escrow were transferred to the issuer of the Series B Offering following the close of that offering on or about May 30, 2014.

By failing to return investor funds following the close of the Series A Offering as required by the terms of the offering memorandum and instead holding the funds in escrow to be invested in the Series B Offering, the Firm violated FINRA Rule 2010.

B. Respondent also consents to the imposition of the following sanctions:

1. A censure; and
2. a fine of \$18,000¹

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 it proposes to pay the fine imposed.

Respondent specifically and voluntarily waives any right to claim that it is unable to pay, now or at any time hereafter, the monetary sanction(s) imposed in this matter.

The sanctions imposed herein shall be effective on a date set by FINRA staff.

¹ Pursuant to the General Principles Applicable to all Sanction Determinations contained in the Sanction Guidelines, FINRA imposed a lower fine in this case after it considered, among other things, the Firm's revenues and financial resources. See Notice to Members 06-55.

II.

WAIVER OF PROCEDURAL RIGHTS

Respondent specifically and voluntarily waives the following rights granted under FINRA's Code of Procedure:

- A. To have a Complaint issued specifying the allegations against it;
- 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, Respondent specifically and voluntarily waives 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.

Respondent further specifically and voluntarily waives 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

Respondent understands 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 it; and

C. If accepted:

1. this AWC will become part of Respondent's permanent disciplinary record and may be considered in any future actions brought by FINRA or any other regulator against it;
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. Respondent 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. Respondent 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 Respondent's: (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. Respondent may attach a Corrective Action Statement to this AWC that is a statement of demonstrable corrective steps taken to prevent future misconduct. Respondent understands that it 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.

The undersigned, on behalf of the Firm, certifies that a person duly authorized to act on its behalf has read and understands all of the provisions of this AWC and has been given a full opportunity to ask questions about it; that the Firm 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 the Firm to submit it.

10/21/2016
Date (mm/dd/yyyy)

Respondent, Global Emerging Capital Group, LLC

By: Cry Gay
Claudette Burgess-Gay
Chief Executive Officer

Reviewed by:



Richard Levan
Counsel for Respondent
Levan Legal LLC
Two Bala Plaza
Bala Cynwyd, PA 19004
610.660.7781

Accepted by FINRA:

11/15/16
Date

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



Richard Chin
Chief Counsel
FINRA Department of Enforcement
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