

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2014039170201**

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

RE: Cedar Point Capital, LLC, Respondent
Member Firm
CRD No. 145116

RECEIVED

JUL 01 2015

FINRA District 4

Pursuant to FINRA Rule 9216 of FINRA's Code of Procedure, Respondent Cedar Point Capital, LLC ("Cedar Point" or 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 Cedar Point alleging violations based on the same factual findings described herein.

I.

ACCEPTANCE AND CONSENT

- A. Cedar Point 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

Cedar Point has been a FINRA member firm since January 2008. The Firm employs six registered persons and operates from its home office, located in Edina, Minnesota. The Firm only sells private placements, exempt from registration pursuant to Regulation D of the Securities Act of 1933; specifically, Cedar Point sells private placements to accredited individuals and, occasionally, to institutions.

RELEVANT DISCIPLINARY HISTORY

Cedar Point has no relevant disciplinary history.

OVERVIEW

Cedar Point Capital, LLC ("Cedar Point" or the "Firm") willfully violated SEC Rule 10b-9, and violated SEC Rule 15c2-4 and FINRA Rule 2010, by reducing the minimum amount of funds required to close a private placement without first returning all escrowed funds to subscribers.

FACTS AND VIOLATIVE CONDUCT

SEC Rules 10b-9 and 15c2-4

SEC Rule 10b-9 prohibits any representation that a security is being offered on an all-or-none or part-or-none basis unless the amount due from the investor will be refunded if either the specified units of the security are not sold or the seller does not receive the specified amount of money by a specific date.

SEC Rule 15c2-4 applies to all-or-none or part-or-none offerings, and requires a Firm to segregate investor funds either in a separate bank account as agent or trustee for the investors or a bank escrow account. The purpose of Rule 15c2-4 is to ensure the return of money to investors if the issuer fails to meet the terms of the contingency.

Cedar Point's Failure to Return Investor Funds after Lowering the Minimum Contingency Amount

From November 2012 to March 2013, Cedar Point was sole private placement agent for an offering of securities in NeoChord, Inc. The private placement was exempt from registration, pursuant to Regulation D of the Securities Act of 1933. The NeoChord offering originally had a stated minimum amount required to close the offering of \$4,000,000. On March 4, 2013, Cedar Point agreed with NeoChord to amend the offering to reduce the minimum contingency amount from \$4,000,000 to \$3,000,000. The Firm mailed a reconfirmation offer to ten existing investors, disclosing the change and requesting and receiving confirmation that they were willing to proceed with their investment.

Notwithstanding its notice to and consent from existing investors as described above, Cedar Point failed to terminate the offering and return funds to existing investors when it reduced the minimum required amount in an effort to close the private placement.

As a result of the foregoing conduct, Cedar Point willfully violated SEC Rule 10b-9 and violated SEC Rule 15c2-4, as well as FINRA Rule 2010.

- B. Cedar Point also consents to the imposition of the following sanctions:

- a censure; and
- a \$10,000 fine.

Cedar Point agrees to pay the monetary sanction upon notice that this AWC has been accepted and that such payment is due and payable. Cedar Point has submitted an Election of Payment form showing the method by which the Firm proposes to pay the fine imposed.

Cedar Point specifically and voluntarily waives any right to claim that the Firm is unable to pay, now or at any time hereafter, the monetary sanction imposed in this matter.

The Firm understands that this settlement includes a finding that it willfully violated SEC Rule 10b-9 of the Securities Exchange Act of 1934, and that under Article III, Section 4 of FINRA's By-Laws, this makes the Firm subject to a statutory disqualification with respect to membership.

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

II.

WAIVER OF PROCEDURAL RIGHTS

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

- A. To have a Complaint issued specifying the allegations against Cedar Point;
- 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, Cedar Point 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.

Cedar Point 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

Cedar Point understands that:

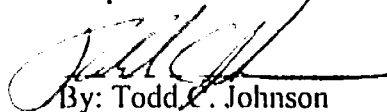
- A. Submission of this AWC is voluntary and will not resolve this matter unless and until it has been reviewed and accepted by the NAC, a Review Subcommittee of the NAC, or the Office of Disciplinary Affairs ("ODA"), pursuant to FINRA Rule 9216;
- B. If this AWC is not accepted, its submission will not be used as evidence to prove any of the allegations against Cedar Point; and
- C. If accepted:
 - 1. this AWC will become part of Cedar Point's permanent disciplinary record and may be considered in any future actions brought by FINRA or any other regulator against the Firm;
 - 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. Cedar Point 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. Cedar Point 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 Cedar Point'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. Cedar Point may attach a Corrective Action Statement to this AWC that is a statement of demonstrable corrective steps taken to prevent future misconduct. The Firm 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.

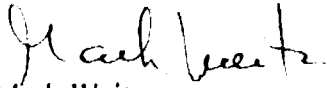
The undersigned, on behalf of the Firm, certifies that a person duly authorized to act on its behalf has read and understands all of the provisions of this AWC and has been given a full opportunity to ask questions about it; that Cedar Point has agreed to its provisions voluntarily; and that no offer, 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.

Respondent Cedar Point Capital, LLC

06/26/2015
Date (mm/dd/yyyy)


By: Todd C. Johnson
Chief Compliance Officer

Reviewed by:



Mark Weitz
Counsel for Respondent
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Telephone: (612) 335-1517
Email: mark.weitz@stinsonleonard.com

Accepted by FINRA:

08/05/15

Date

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



Seema Chawla, Senior Regional Counsel
FINRA Department of Enforcement
120 West 12th Street, Suite 800
Kansas City, MO 64105
Telephone: (816) 802-4712
Facsimile: (816) 421-4519
Email: seema.chawla@finra.org

Cedar Point Capital, LLC

Cedar Point Capital,
Corrective Action Statement regarding the
Letter of Acceptance, Waiver and Consent
NO. 2014039170201

THIS CORRECTIVE ACTION STATEMENT IS SUBMITTED BY THE RESPONDENT. IT DOES NOT CONSTITUTE A FACTUAL OR LEGAL FINDINGS BY FINRA, NOR DOES IT REFLECT THE VIEWS OF FINRA, OR ITS STAFF

Cedar Point Capital, LLC routinely updates its WSP's, with the next official update scheduled for August 2015. Section 24070000 in the Firm's WSP's is entitled "*Contingent Offerings and Escrow Accounts.*" The Firm will insert a new sub-section to the aforementioned section, entitled "*Changes to the terms of a Contingency Offering and its effects on the Escrow Account.*" It shall state the following:

"In a contingency offering, i.e. an all or none offering or min/max offering, the SEC takes the position that any of the following constitute a termination of the original offering and the beginning of a new offering:

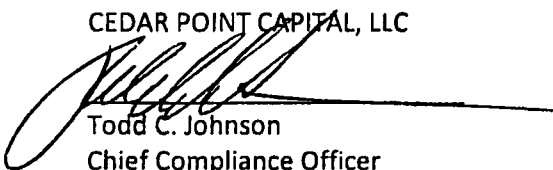
- Extension of the offering period
- Change in the offering price
- Change in the minimum purchase required of investors
- Change in the minimum offering
- Change in the application of proceeds

The SEC does permit a written reconfirmation offer, however, only in the case of an extension of the offering period. In all other cases, the funds must be returned to investors. "

Until such time as the wording above is inserted into the actual text of the Firm's WSP's, a one page amendment is kept with the current WSP's. In addition, the Firm has made its CEO and Chief Compliance Officers aware of the change, and updated its securities counsel, reminding them of the SEC's position as well.

In addition to inserting the above stated wording into the WSP's, the topic will be part of the Firm's yearly compliance meeting for 2015. The Firm has made all parties that are affected by the change, and those who are in charge of the escrow matters, aware of the change, and importance thereof.

CEDAR POINT CAPITAL, LLC



Todd C. Johnson
Chief Compliance Officer

June 26th, 2015
Date