

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2014039865701**

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

RE: David Randolph Haase
General Securities Representative
CRD No. 2534907

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

David Randolph Haase ("Haase") entered the securities industry in July 1994 when he became registered with a FINRA member firm. From January 1996 to April 2010, Haase held various registered and non-registered positions with FINRA member firms, or was unemployed. From April 2010 through June 2011, Haase was registered with BMO Capital Markets Corp. ("BMO"). In September 2011, he became registered with Suntrust Robinson Humphrey, Inc. ("Suntrust"), where he remained until February 2012. Haase was then registered with White Oak Merchant Partners LLC ("White Oak") from June 2012 to January 14, 2014, when he was terminated. On January 16, 2014, White Oak filed a Uniform Termination Notice for Securities Industry Registration reporting that Haase was discharged for "failure to adequately inform the firm regarding certain material non-firm related events." Haase has not been employed in the securities industry since January 14, 2014.

Although he is not currently employed in the securities industry, FINRA retains jurisdiction over Haase pursuant to Article V, Section 4(a) of the FINRA By-Laws until at least January 15, 2016.

RELEVANT DISCIPLINARY HISTORY

In AWC No. 2011028452902, issued on December 17, 2013, Haase consented to findings that, while employed at BMO, he improperly charged personal expenses to his firm-issued credit card and improperly used BMO's car service account for personal travel, in violation of FINRA Rule 2010. For this conduct, Haase consented to a six-week suspension, a \$20,000 fine and an undertaking that he remain current with monthly payments of \$1,000 to BMO totaling \$40,000.¹

OVERVIEW

Between 2010 and 2014, Haase failed to timely amend his Uniform Application for Securities Industry Registration ("Form U4") to disclose three unsatisfied judgments and a personal bankruptcy. Haase was aware of the judgments and personal bankruptcy and his obligation to report them on his Form U4. Haase's willful failure to timely amend his Form U4 violated Article V, Section 2(c) of the FINRA By-Laws and FINRA Rules 1122 and 2010.

In addition, from March 2014 to the present, Haase violated FINRA Rule 2010 by failing to comply with an undertaking requirement in a prior FINRA action.

FACTS AND VIOLATIVE CONDUCT

A. Haase Failed to Timely Amend His Form U4 to Disclose Judgments and a Bankruptcy

Article V, Section 2 of the FINRA By-Laws requires that a person applying for registration with FINRA disclose certain information, including whether the individual has unsatisfied judgments or has filed for bankruptcy. The applicant is required to keep his application current at all times by filing amendments within 30 days of learning of facts that are required to be disclosed. FINRA Rule 1122 prohibits individuals from filing incomplete or inaccurate registration information. Failure to timely disclose all information required by the Form U4, including bankruptcies and unsatisfied judgments, constitutes a violation of Article V, Section 2(c) of the FINRA By-Laws, as well as FINRA Rules 1122 and 2010.

Between February 2010 and January 2014, Haase failed to timely amend his Form U4 to disclose the following three unsatisfied judgments and personal bankruptcy:

¹ See AWC No. 2011028452902.

- On January 14, 2010, Haase filed for Chapter 11 bankruptcy. Although Haase was aware of the bankruptcy at the time it was filed, he failed to report it on his Form U4 until April 20, 2010, or sixty-three days after the time period required by FINRA's rules.
- On January 7, 2011, creditor A filed a \$238,000 judgment against Haase. Although Haase received notice of the judgment on or about the date it was filed, he failed to report it on his Form U4 until January 10, 2014, or approximately two years and eleven months after the time period required by FINRA's rules.
- On March 12, 2012, creditor B filed a \$71,960 judgment against Haase. Although Haase received notice of the judgment on or about the date it was filed, he failed to report it on his Form U4 until January 10, 2014, or approximately two years and nine months after the time period required by FINRA's rules.
- On February 12, 2013, creditor C filed a \$70,321 judgment against Haase. Although Haase received notice of the judgment on or about the date it was filed, he failed to report it on his Form U4 until January 10, 2014, or approximately ten months after the time period required by FINRA's rules.

At all times between 2010 and 2014, Haase knew he was required to amend his Form U4 to disclose these judgments and the bankruptcy and his failure to report them was therefore willful.

In addition, between 2011 and 2013, Haase falsely attested on annual compliance questionnaires at BMO, Suntrust and White Oak that he did not have any unsatisfied judgments.

By willfully failing to amend his Form U4 to disclose the foregoing judgments and bankruptcy, Haase violated Article V, Section 2(c) of the FINRA By-Laws and FINRA Rules 1122 and 2010.

B. Failure to Comply With an Undertaking in a FINRA AWC

In FINRA AWC No. 2011028452902, Haase consented to findings that he improperly charged personal expenses to his firm-issued credit card and improperly used BMO's car service account for personal travel. As part of the sanction for this conduct, Haase consented to an undertaking that he would remain current with the terms of a written agreement with BMO, which required him to repay the firm \$40,000 in monthly installments of \$1,000, beginning in October 2013.

Although Haase remained current with the first five monthly installments and

repaid the firm \$5,000, he has not made any payments to BMO since February 2014 and still owes the firm \$35,000. Haase has therefore failed to comply with the undertaking in AWC No. 2011028452902.

By failing to comply with the undertaking requirement in a FINRA AWC, Haase violated FINRA Rule 2010.

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

A bar from association with any FINRA member 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).

I understand that this settlement includes a finding that I willfully omitted to state 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 omission makes me subject to a statutory disqualification with respect to association with a member.

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 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.

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.

12.10.14
Date

David Randolph Haase
David Randolph Haase
Respondent

Accepted by FINRA:

2.18.15
Date

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

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