

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2014040737401**

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

RE: Richard Ernest Griffin, Respondent
General Securities Representative
CRD No. 2429099

Pursuant to FINRA Rule 9216 of FINRA's Code of Procedure, Richard Ernest Griffin ("Griffin") 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 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

Griffin entered the securities industry in November 1993 with a FINRA member firm and was approved as a General Securities Representative ("GSR") in June 1994. Griffin remained associated as a GSR with that entity until September 1995. Between September 1995 and December 2012, Griffin was associated as a GSR with at least four different FINRA member firms. In December 2012, Griffin joined Hennion & Walsh, Inc. ("Hennion" or the "Firm"), where he remained until he was discharged in January 2014. In February 2014, Griffin joined another FINRA member firm where he served as a GSR until October 2014. On October 15, 2014, that entity filed a Uniform Notice for Securities Industry Registration ("Form U5") reporting the termination of Griffin's employment.

Although he is not currently employed in the securities industry, FINRA retains jurisdiction over Griffin pursuant to Article V, Section 4(a) of the FINRA By-Laws until at least October 14, 2016.

RELEVANT DISCIPLINARY HISTORY

Respondent has no relevant disciplinary history.

OVERVIEW

Between May 2012 and January 2014, while employed as a registered representative with the Firm, Griffin failed to provide prior written notice to the Firm that he engaged in three outside business activities for which he received compensation or had a reasonable expectation of compensation. Griffin's failure to provide written notice to the Firm regarding these outside business activities violated FINRA Rules 3270 and 2010. Griffin also violated FINRA Rules 8210 and 2010 by failing to appear and provide testimony requested pursuant to FINRA Rule 8210.

FACTS AND VIOLATIVE CONDUCT

1. Griffin Failed to Provide Prior Written Notice of Outside Business Activities

FINRA Rule 3270 provides that "[n]o registered person may be an employee, independent contractor, sole proprietor, officer, director or partner of another person, or to 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 written notice to the member, in such form as specified by the member." A violation of FINRA Rule 3270 is also a violation of FINRA Rule 2010.

Between May 2012 and January 2014, Griffin engaged in three outside business activities. In January 2013, Griffin became a vice president and sales agent of Chief Wireless Officer ("CWO"), a wireless cellular telephone carrier. During 2013, CWO compensated Griffin approximately \$23,000 in referral and professional fees. Griffin failed to disclose his involvement with CWO to the Firm.

In May 2012, Griffin became a vice president and partner in Eco Lumens LLC ("Eco Lumens"), a company involved in the design and sale of LED lighting products to small businesses. According to an Eco Lumens operating agreement, Griffin was a member of the company and was entitled to share in the company's profits and losses. A business card identified Griffin as vice president of Eco Lumens and listed his personal cell number and email as his contact information. Griffin did not disclose his involvement with Eco Lumens to the Firm.

In August 2012, Griffin became a partner and marketer of a funding program for non-profits called "Epoch," which was affiliated with MAF Companies, which cross-sells annuities and other insurance products. A partnership agreement dated August 22, 2012 between Griffin and members of MAF Companies shows that Griffin was a partner of Epoch, and earned 33.3% on sales he generated of Epoch products. Griffin did not disclose his involvement with Epoch/MAF Companies to the Firm.

By engaging in outside business activities without providing prior written notice to the Firm, Griffin violated FINRA Rules 3270 and 2010.

**2. Griffin Failed to Appear and Provide Testimony
Requested Pursuant to FINRA Rule 8210**

FINRA Rule 8210 authorizes FINRA, in the course of its investigations, to require persons associated with a FINRA member, or person subject to FINRA's jurisdiction to "provide information orally, in writing, or electronically ... and to testify at a location specified by FINRA Staff, under oath or affirmation ... with respect to any matter involved in the investigation." Failure to comply with requests for information and requests to appear and provide testimony pursuant to FINRA Rules 8210 is also a violation of FINRA Rule 2010.

In connection with Enforcement's investigation, on February 18, 2015, Enforcement sent Griffin a written request pursuant to FINRA Rule 8210 to appear for on-the-record testimony on March 3, 2015. By letter dated February 18, 2015 and during discussions with his attorney, Griffin informed Enforcement that he received Enforcement's written request but would not appear for testimony on the scheduled date or at any time thereafter.

By failing to provide testimony requested by FINRA staff, Griffin violated FINRA Rules 8210 and 2010.

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

- A bar from association in any and all capacities with any FINRA regulated entity.

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.

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).

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.

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.

April 13, 2015
Date

Richard Ernest Griffin
Richard Ernest Griffin
Respondent

Reviewed by:



David C. Weiner, Esq.
Counsel for Respondent
Dinn Hochman and Potter, LLC
5910 Landerbrook Drive, Suite 200
Cleveland, OH 44124

Accepted by FINRA:

5-1-15
Date

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



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