

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
OFFICE OF HEARING OFFICERS**

Department of Enforcement,

Complainant,

v.

Jeffrey S. Cederberg
(CRD No. 4557771),

Respondent.

DISCIPLINARY PROCEEDING
No. 2014040815101

Hearing Officer - DRS

**ORDER ACCEPTING OFFER OF
SETTLEMENT**

Date: March 21, 2017

INTRODUCTION

Disciplinary Proceeding No. 2014040815101 was filed on October 10, 2016, by the Department of Enforcement of the Financial Industry Regulatory Authority (FINRA) (Complainant). Respondent Jeffrey S. Cederberg submitted an Offer of Settlement (Offer) to Complainant dated March 13, 2017. Pursuant to FINRA Rule 9270(e), the Complainant and the National Adjudicatory Council (NAC), a Review Subcommittee of the NAC, or the Office of Disciplinary Affairs (ODA) have accepted the uncontested Offer. Accordingly, this Order now is issued pursuant to FINRA Rule 9270(e)(3). The findings, conclusions and sanctions set forth in this Order are those stated in the Offer as accepted by the Complainant and approved by the NAC.

Under the terms of the Offer, Respondent has consented, without admitting or denying the allegations of the Complaint (as amended by the Offer of Settlement) 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, to the entry of findings and violations consistent with the allegations of the Complaint (as amended by the Offer of Settlement), and to the imposition of the sanctions set

forth below, and fully understands that this Order will become part of Respondent's permanent disciplinary record and may be considered in any future actions brought by FINRA.

BACKGROUND

In 2002, Cederberg first became registered with FINRA as a Direct Participation Programs Representative. Since May 2008, Cederberg has been registered in that capacity through an association with Primex (BD No. 29394).

In light of his current registration with a FINRA member firm, Cederberg remains subject to FINRA's jurisdiction pursuant to Article V of FINRA's By-Laws.

FINDINGS AND CONCLUSIONS

It has been determined that the Offer be accepted and that findings be made as follows:

1. While registered with FINRA through a member firm, Respondent Jeffrey S. Cederberg failed to timely amend his Uniform Application for Securities Industry Registration ("Form U4") to disclose a federal tax lien and two state tax liens totaling approximately \$70,000 that were filed against him.
2. By reason of the foregoing, Cederberg violated (i) Article V, Section 2(c) of the FINRA By-Laws, (ii) NASD Interpretive Material ("IM") 1000-1 (for the conduct before August 17, 2009), (iii) FINRA Rule 1122 (for the conduct on or after August 17, 2009), and (iv) FINRA Rule 2010.

**Failure to Amend Form U4 to Disclose Material Information
(Article V, Section 2(c) of the FINRA By-Laws, NASD IM-1000-1,
and FINRA Rules 1122 and 2010)**

3. Article V, Section 2(c) of the FINRA By-Laws requires that registrations filed with FINRA be kept current at all times and that amendments must be filed with FINRA “not later than 30 days after learning of the facts or circumstances giving rise to the amendment.”
4. NASD IM-1000-1 provided, “The filing with the Association of information with respect to membership or registration as a Registered Representative which is incomplete or inaccurate so as to be misleading, or which could in any way tend to mislead, or the failure to correct such filing after notice thereof, may be deemed to be conduct inconsistent with just and equitable principles of trade and when discovered may be sufficient cause for appropriate disciplinary action.”
5. FINRA Rule 1122, which superseded NASD IM-1000-1 effective August 17, 2009, provides, “No member or person associated with a member shall file with FINRA information with respect to membership or 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.”
6. FINRA Rule 2010 requires the observance of high standards of commercial honor and just and equitable principles of trade.
7. At all times relevant to this Complaint, Question 14M of the Form U4 asked: “Do you have any unsatisfied judgments or liens against you?” If the answer is yes, the registered person is required to provide details about the judgment or lien.

8. In 2009 and 2010, federal and state tax authorities filed three tax liens against Cederberg, as follows:
 - a. On or about April 14, 2009, the Internal Revenue Service recorded a tax lien against Cederberg in the amount of \$33,152. This lien was released in July 2016.
 - b. On or about May 4, 2009, the State of California recorded a tax lien against Cederberg in the amount of \$35,093. This lien remains unsatisfied.
 - c. On or about January 20, 2010, the State of California recorded a tax lien against Cederberg in the amount of \$1,958. This lien remains unsatisfied.
9. Cederberg was aware of each of the above liens and listed them in a Chapter 7 bankruptcy filing made in June 2012 in the United States Bankruptcy Court.
10. The three tax liens constituted material information that Cederberg was obligated to timely disclose on his Form U4.
11. Nevertheless, Cederberg failed to disclose the three tax liens on his Form U4 until April 2, 2015, following an inquiry from FINRA staff.
12. By this misconduct, Cederberg failed to timely amend his Form U4 to disclose a federal tax lien and two state tax liens in violation of Article V, Section 2(c) of FINRA's By-Laws, NASD IM-1000-1 (for the conduct on or before August 16, 2009), FINRA Rule 1122 (for the conduct on or after August 17, 2009), and FINRA Rule 2010.

Based on these considerations, the sanctions hereby imposed by the acceptance of the Offer are in the public interest, are sufficiently remedial to deter Respondent from any future misconduct, and represent a proper discharge by FINRA, of its regulatory responsibility under the Securities Exchange Act of 1934.

SANCTIONS

It is ordered that Respondent be:

- Suspended from association with any FINRA member in any capacity for four months; and
- Fined \$5,000.

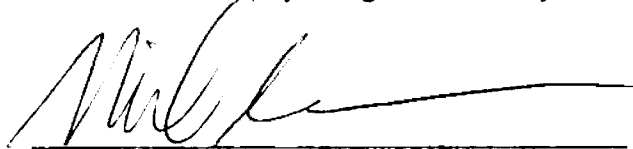
Respondent agrees to pay the monetary sanction upon notice that this Offer has been accepted and that such payment is due and payable, and has submitted an Election of Payment form showing the method by which he proposes to pay the fine imposed.

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

SO ORDERED.

FINRA

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



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