

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2014041059301**

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

RE: Brian J. Harte, Respondent
Registered Representative
CRD No. 4780629

Pursuant to FINRA Rule 9216 of FINRA's Code of Procedure, Brian J. Harte ("Harte" or "Respondent") 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 Respondent 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

Respondent first became registered with FINRA through an association with E1 Asset Management, Inc. (BD No. 46872) ("E1") in April 2004 as a General Securities Representative, and currently remains registered through E1. After his initial registration as a GSR he was subsequently registered as a General Securities Principal in November 2005; a Registered Options Principal in March 2007; and a Financial and Operations Principal in October 2013 through E1.

RELEVANT DISCIPLINARY HISTORY

Harte has no disciplinary history.

OVERVIEW

Harte failed to timely amend his Uniform Application for Securities Industry Registration or Transfer ("Form U4") to report a lien. As a result of this misconduct, Harte violated Article V, Section 2(c) of the FINRA By-Laws and

FINRA Rules 1122 and 2010.

FACTS AND VIOLATIVE CONDUCT

Article V, Section 2(c) of the FINRA By-Laws requires that registered representatives keep their Forms U4 current. Additionally, most amendments to Forms U4 must be made no later than 30 days after learning of the event triggering the requirement to amend.

FINRA Rule 1122 requires persons associated with member firms to ensure that Form U4 filings made on their behalf are accurate and complete. In addition, the rule requires associated persons to correct inaccurate filings.

FINRA Rule 2010 requires that associated persons observe high standards of commercial honor and just and equitable principles of trade. Failure to comply with Rule 1122 and with the FINRA By-Laws constitutes violations of FINRA Rule 2010.

On or about August 24, 2010, the New York State Department of Taxation and Finance ("NYS Tax Department") issued a tax warrant against Harte in the amount of approximately \$3,051 which resulted in the creation of a lien of the same date. Harte became aware of the lien on November 30, 2010. Harte entered into an installment payment agreement with the NYS Tax Department in order to satisfy the lien, which he satisfied on or about March 25, 2011. The lien required disclosure on Harte's Form U4 beginning 30 days after learning of the facts and circumstances giving rise to the amendment; however he did not disclose the lien on his Form U4 until April 17, 2014.

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

- A 10-business day suspension from association with any FINRA member firm in any capacity; and
- A fine of \$2,500.

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

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

Respondent understands that if Respondent is barred or suspended from associating with any FINRA member, Respondent becomes 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, Respondent 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).

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

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 Respondent;
- 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:

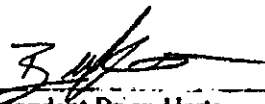
- A. Submission of this AWC is voluntary and will not resolve this matter unless and until it has been reviewed and accepted by the NAC, a Review Subcommittee of

the NAC, or the Office of Disciplinary Affairs ("ODA"), pursuant to FINRA Rule 9216;

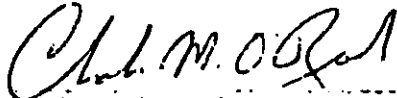
- B. If this AWC is not accepted, its submission will not be used as evidence to prove any of the allegations against Respondent; and
- C. If accepted:
1. this AWC will become part of Respondent's permanent disciplinary record and may be considered in any future actions brought by FINRA or any other regulator against Respondent;
 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 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.
- 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 Respondent 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.

Respondent certifies that Respondent has read and understands all of the provisions of this AWC and has been given a full opportunity to ask questions about it; that Respondent 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 Respondent to submit it.

4/17/2015
Date (mm/dd/yyyy)


Respondent Brian Harte

Reviewed by:



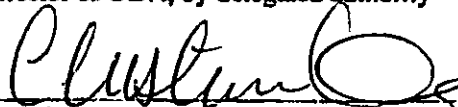
Charles M. O'Rourke, Esq.
Counsel for Respondent
2 Swenson Drive
Tel: 516-677-9785
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Accepted by FINRA:

May 28, 2015

Date

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



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