

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

Department of Enforcement,

Complainant,

v.

KA KIERTONKAYSY LOR
(CRD No. 4761591),

Respondent.

Disciplinary Proceeding
No. 2014041073501

Hearing Officer LOM

**ORDER ACCEPTING
OFFER OF SETTLEMENT**

Date: September 6, 2016

INTRODUCTION

Disciplinary Proceeding No. 2014041073501 was filed on April 7, 2016, by the Department of Enforcement of the Financial Industry Regulatory Authority (FINRA) (Complainant). Respondent Ka Kiertonkaysy Lor (Lor or Respondent) submitted an Offer of Settlement (Offer) to Complainant dated August 31, 2016. 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

Respondent entered the securities industry during February 2004 when she became associated with a FINRA member firm. During August 2008, she became associated with Farmers Financial Solutions, LLC (Farmers Financial or the Firm). Between 2004 and 2005, Respondent obtained the following securities licenses: Series 6 (Investment Company Products/Variable Contracts Representative); Series 63 (Uniform Securities Agent); and Series 26 (Investment Company Products/Variable Contracts Principal. Respondent was registered with FINRA in those capacities during her association with the Firm.

While associated with Farmers Financial, Respondent was also an insurance agent with Farmers Insurance Group (Farmers Insurance), an affiliate of Farmers Financial. From approximately 2008 through 2009, Respondent worked in Farmers Insurance's district office in Elk Grove, California. Subsequently, Respondent worked out of her own location that she called the Ka Lor Agency in Sacramento, California. Respondent sold property, casualty, and life insurance products.

On May 1, 2014, Farmers Financial filed a Form U5 terminating Respondent's association with the Firm as of May 1, 2014 and reporting that Respondent "in her capacity as an insurance agent, allegedly used property and casualty insurance premiums for office/business expenses." Respondent has not been registered with FINRA or associated with any FINRA member since her termination from Farmers Financial.

Although Respondent is no longer registered or associated with a FINRA member firm, she remains subject to FINRA's jurisdiction for the purposes of this proceeding, pursuant to Article V, Section 4 of FINRA's By-Laws, because (1) the Complaint was filed within two years after the effective date of termination of Respondent's registration with Farmers Financial and (2) the Complaint charges her with misconduct committed while she was registered or associated with a FINRA member and with failing to provide testimony and documents in response to FINRA requests during the two-year period after the date upon which she ceased to be registered or associated with a FINRA member.

FINDINGS AND CONCLUSIONS

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

Conversion of Funds

During in or about October 2013, Respondent converted certain Farmers Insurance customers' cash to pay members of the staff Respondent retained for the Ka Lor Agency and to pay other business and office expenses of the Ka Lor Agency. The customers intended those monies for their insurance premium payments. Respondent used those monies for her own business expenses, rather than making those premium payments. Subsequently, during January 2014, Respondent collected additional cash insurance premium payments, totaling more than \$4,700, from approximately 34 additional Farmers Insurance customers, but failed to apply those funds for the customer's benefit.

Instead, Respondent converted the funds by using them to make premium payments for other insurance customers whose funds she had previously converted.

As a result of the foregoing conduct, Respondent violated FINRA Rule 2010.

Failure to Provide Documents

On August 25, 2015, pursuant to FINRA Rule 8210, the FINRA Enforcement Staff (the Staff) sent a letter to the attorney acting as Respondent's counsel of record at the time, NA, requesting, among other information and documents, Respondent's federal and state tax returns for tax year 2013. Respondent's deadline to provide the documents was September 14, 2015.

In emails dated August 25, 2015 and August 30, 2015, Respondent, through NA, refused to provide her federal or state tax returns for 2013. Respondent never provided her federal or state tax returns for 2013.

By failing to provide documents and information pursuant to FINRA Rule 8210, Respondent violated FINRA Rules 8210 and 2010.

Failure to Appear and Testify

On December 2, 2015, pursuant to Rule 8210, the Staff sent a written request (the December 2 Request) to NA, requesting that Respondent provide investigative testimony at FINRA's Los Angeles, California offices on January 14, 2016. The December 2 Request was sent by certified mail and email to NA's office located in Beverly Hills, California and at NA's business email address. The United States Postal Service's certified Domestic Return Receipt Form was signed and returned indicating delivery of the December 2nd Request.

In a letter dated December 2, 2015, NA acknowledged receipt of the request and stated that Respondent would not appear for testimony on January 14, 2016, or on any other date during January 2016 or February 2016.

On December 11, 2015, pursuant to Rule 8210, the Staff sent a second written request (the December 11 Request) to NA, requesting that Respondent provide investigative testimony at

FINRA's Los Angeles, California offices on January 14, 2016. The December 11 Request was sent by certified mail, first class mail, and email to NA's office located in Beverly Hills, California and at NA's business email address. The United States Postal Service's certified Domestic Return Receipt Form was signed and returned indicating delivery of the December 11 Request.

In an email dated December 12, 2015, NA acknowledged receipt of the request and stated that Respondent would not appear for testimony on January 14, 2016.

On December 16, 2015, in an email to NA's business email address, the Staff stated that the December 2, 2015 Request and the December 11, 2015 Request remained outstanding.

Respondent failed to appear for and provide testimony on January 14, 2016. Nor has she provided testimony on any other date since. By virtue of the foregoing, Respondent violated FINRA Rules 8210 and 2010.

Based on the foregoing, Respondent violated FINRA Rules 2010 and 8210.

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 barred from associating with any FINRA-registered firm in any and all capacities.

Respondent understands that if she is barred or suspended from associating with any FINRA member, she 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

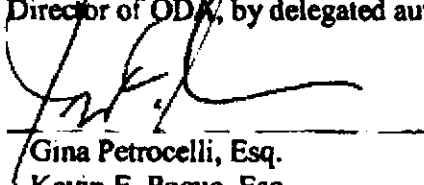
Exchange Act of 1934. Accordingly, Respondent may not be associated with any FINRA member in any capacity, including clerical or ministerial functions, during the period of the bar or suspension. (See FINRA Rules 8310 and 8311.)

The sanctions herein shall be effective on a date set by FINRA staff. A bar is effective upon approval or acceptance of this Offer.

SO ORDERED.

FINRA

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



Gina Petrocelli, Esq.

Kevin E. Pogue, Esq.

Jeffrey F. Manzella, Esq.

FINRA Department of Enforcement

Brookfield Place

200 Liberty Street

New York, NY 10281-1003

Phone: 646.315.7386

Facsimile: 301.527.4854

E-mail: jeffrey.manzella@finra.org