

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2014042572801**

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

RE: James H. Van Epps, Respondent
Investment Company and Variable Contracts Products Representative
CRD No. 844958

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

James H. Van Epps ("Van Epps" or "Respondent") has been registered as an Investment Company and Variable Contracts Products Representative ("IR") with a FINRA member firm since November 1977. From November 1977 through September 2005, Van Epps was registered as an IR with nine different FINRA member firms. On January 20, 2006, Van Epps became registered as an IR with FINRA member FPCM Securities, LLC ("FPCM"). On August 31, 2015, FPCM filed a Form U5 voluntarily terminating the Respondent's registration. Since August 25, 2015, he has been registered as an IR with another FINRA member firm. Van Epps has no relevant disciplinary history.

OVERVIEW

From April 2014 through August 2014, Van Epps, while registered with FPCM, purchased shares in eight initial public offerings ("IPO") in a disclosed personal brokerage account he held at Merrill Lynch, Pierce, Fenner & Smith Incorporated ("Merrill"). By purchasing shares in eight IPOs while registered with a FINRA member firm, Van Epps violated FINRA Rules 5130 and 2010.

FACTS AND VIOLATIVE CONDUCT

In relevant part, FINRA Rule 5130 prohibits a person associated with a member from purchasing a new issue in any account in which such person associated with a member has a beneficial interest.

Van Epps purchased the following eight IPOs in a personal brokerage account he held at Merrill while registered with FPCM:

On April 16, 2014, Van Epps purchased 500 shares of Sabre Corp. stock at the IPO price of \$16 per share;

On May 22, 2014, Van Epps purchased 1,000 shares of JD Com Inc. CL A ADR stock at the IPO price of \$19 per share;

On June 26, 2014, Van Epps purchased 500 shares of Nextera Energy Partners stock at the IPO price of \$25 per share;

On July 17, 2014, Van Epps purchased 500 shares of Tubemogul, Inc. stock at the IPO price of \$7 per share;

On July 30, 2014, Van Epps purchased 1,000 shares of Catalent Inc. stock at the IPO price of \$20.50 per share;

On July 31, 2014, Van Epps purchased 50 shares of Transocean Partners LLC Com Unit REPSTG Ltd stock at the IPO price of \$22 per share;

On August 1, 2014, Van Epps purchased 500 shares of FCB FINL Holdings Inc stock at the IPO price of \$22 per share: and,

On August 8, 2014, Van Epps purchased 500 shares of Ryerson Holding Corp stock at the IPO price of \$11 per share.

Van Epps earned a total profit of \$11,117.31 on the eight IPO transactions.

As a result of the foregoing conduct, Van Epps violated FINRA Rules 5130 and 2010.

- B. I also consent to the imposition of a censure, a fine of \$10,000, and payment of \$11,117.31 in disgorgement, plus interest on the disgorgement amount at the rate set forth in Section 6621(a)(2) of the Internal Revenue Code, 26 U.S.C. 6621(a)(2), from September 15, 2014, until the date this AWC is accepted by the National Adjudicatory Council ("NAC").

I agree to pay the monetary sanctions upon notice that this AWC has been accepted and that such payments are due and payable. I have submitted an Election of Payment form showing the method by which I propose to pay the fine imposed.

I specifically and voluntarily waive any right to claim that I am unable to pay, now or at any time hereafter, the monetary sanctions imposed in this matter.

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

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 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 prejudice 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.

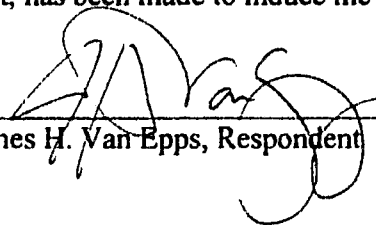
OTHER MATTERS

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.
- D. I may attach a Corrective Action Statement to this AWC that is a statement of demonstrable corrective steps taken to prevent future misconduct. I understand that I 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.

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.

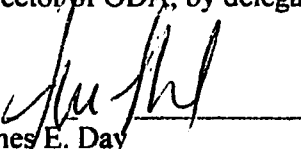
1/8/2016
Date (mm/dd/yyyy)


James H. Van Epps, Respondent

Accepted by FINRA:

1/14/16
Date

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


James E. Day
Vice President and Chief Counsel
FINRA Department of Enforcement
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Rockville, MD 20850
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