

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2015043310801**

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

RE: E.J. Sterling, LLC (now known as Allied Millennial Partners, LLC) (BD No 16569)
Respondent

Pursuant to FINRA Rule 9216 of FINRA's Code of Procedure, Respondent E.J. Sterling, LLC (now known as Allied Millennial Partners, LLC) ("EJS" or the "Firm") 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 EJS alleging violations based on the same factual findings described herein.

I.

ACCEPTANCE AND CONSENT

- A. EJS 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

E.J. Sterling, LLC, now known as Allied Millennial Partners, LLC, has been a member of FINRA since 1985. The Firm is headquartered in New York, New York, and employs approximately 28 registered personnel.

RELEVANT DISCIPLINARY HISTORY

The Firm has no relevant disciplinary history.

OVERVIEW

From January 2014 through June 2015 (the "Relevant Period"), EJS failed to establish, maintain and enforce a supervisory system and written supervisory procedures reasonably designed to identify and prevent unsuitable excessive trading in customer accounts. Based on the foregoing, EJS violated NASD Rule 3010 and FINRA Rules 3110 and 2010.

FACTS AND VIOLATIVE CONDUCT

FINRA Rule 3110 and its predecessor, NASD Rule 3010, require that each member establish and maintain a system, and establish, maintain and enforce written supervisory procedures, to supervise the activities of each registered representative, registered principal, and other associated person that is reasonably designed to achieve compliance with applicable securities laws and regulations, and with applicable NASD and FINRA Rules.

FINRA Rule 2010 provides that “[a] member, in the conduct of its business, shall observe high standards of commercial honor and just and equitable principles of trade.”

FINRA examination staff (“Staff”) conducted a review of the Firm’s trading activity for the period January 2014 through July 2015. Staff identified at least 33 accounts that appeared to have been excessively traded. The turnover rates in these accounts ranged from 20 to 140 and the cost-to-equity ratios ranged from 20% to 154%.

According to the Firm’s Chief Compliance Officer during the Relevant Period, SC, in order to detect potentially unsuitable excessive trading, he reviewed a monthly exception report provided to the Firm by its clearing firm. SC testified that if he noticed potential excessive trading, he would sometimes send an “activity letter” to the customer advising the customer of the level of trading in his or her account. However, SC could not articulate when and under what circumstances he would send an activity letter, and the Firm had no procedures or other guidance addressing this issue.

The activity letters that SC sent during the Relevant Period asked customers to sign the letters, indicating their understanding of, and consent to, the level of trading in their accounts, and send them back to the Firm. In addition, the activity letters stated that if the customer did not return the signed activity letter to the Firm, the Firm “may” restrict the account to liquidation transactions. According to SC, if the Firm did not receive a signed activity letter from the customer within 30 days, he would restrict the account to liquidation transactions only. Staff reviewed a sample of 41 accounts for which the Firm had sent activity letters to a customer. With respect to 21 of those accounts, the customers failed to return the signed activity letter within 30 days, and in 10 instances, the Firm failed to place the account on “liquidation only” status.

Finally, although the Securities and Exchange Commission specifically cited the Firm in December 2013 for failing to have adequate written procedures addressing the Firm’s supervision of actively traded accounts, the Firm did not add any such written procedures until April 2016, more than two years later.

At least in part as a result of these supervisory failures, the Firm failed to detect excessive trading in certain customer accounts during the Relevant Period.

By virtue of the foregoing, EJS violated NASD Rule 3010 and FINRA Rules 3110 and 2010.

B. AMP consents to the imposition of the following sanctions:

- Censure; and
- Partial restitution to affected customers in the total amount of \$35,000, plus interest.¹

Partial restitution is ordered to be paid to the customers listed on Attachment A hereto in the total amount of \$35,000, plus interest at the rate set forth in Section 6621(a)(2) of the Internal Revenue Code, 26 U.S.C. 6621(a)(2), from January 1, 2014, until the date this AWC is accepted by the NAC.

A registered principal on behalf of the Firm shall submit satisfactory proof of payment of restitution or of reasonable and documented efforts undertaken to effect restitution. Such proof shall be submitted to Aismara J. Casanova, Senior Regional Counsel, FINRA Department of Enforcement, 581 Main Street, 7th Floor, Suite 710, Woodbridge, New Jersey 07095, either by letter that identifies AMP and case number 20150433108 or by email from a work-related account of the registered principal of AMP to EnforcementNotice@FINRA.org. This proof shall be provided to the FINRA staff member listed above no later than 120 days after acceptance of the AWC.

If for any reason the Firm cannot locate any customer identified in Attachment A after reasonable and documented efforts within 120 days from the date the AWC is accepted, or such additional period agreed to by a FINRA staff member in writing, AMP shall forward any undistributed restitution and interest to the appropriate escheat, unclaimed property or abandoned property fund for the state in which the customer is last known to have resided. AMP shall provide satisfactory proof of such action to the FINRA staff member identified above and in the manner described above, within 14 days of forwarding the undistributed restitution and interest to the appropriate state authority.

The imposition of a restitution order or any other monetary sanction herein, and the timing of such ordered payments, does not preclude customers from pursuing their own actions to obtain restitution or other remedies.

AMP agrees to pay the monetary sanction upon notice that this AWC has been accepted and that such payment is due and payable.

¹ In the interest of maximizing restitution to customers, FINRA imposed no fine after considering, among other things, the Firm's financial resources.

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

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 it;
- 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;
- 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 it;
 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 Respondent's: (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; and
- 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 they 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.

The undersigned, on behalf of the Firm, certifies that a person duly authorized to act on its behalf has read and understands all of the provisions of this AWC and has been given a full opportunity to ask questions about it; that the Firm 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 the Firm to submit it.

Allied Millennial Partners, LLC

04/02/2018
Date (mm/dd/yyyy)

By: 
John Parmigiani,
Chief Executive Officer/President

Reviewed by:

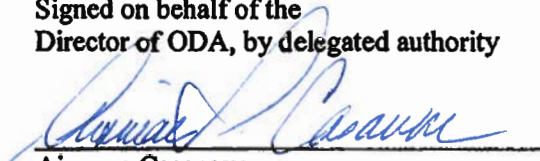


Mark D. Knoll
Counsel for Respondent Allied Millennial Partners, LLC
Bressler, Amery & Ross, P.C.
17 State Street, 34th Floor
New York, New York 10004
(585) 263-1558

Accepted by FINRA:

4/27/18
Date

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



Aismara Casanova
Senior Regional Counsel
FINRA Department of Enforcement
581 Main Street – Room 710
Woodbridge, NJ 07095
732-596-2079 (telephone)
202-721-6558 (facsimile)
Email: aismara.casanova@finra.org

ATTACHMENT A
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Customer Number	Restitution Amount
1	\$15,216.29
2	\$580.23
3	\$13,695.95
4	\$3,942.04
5	\$1,565.50
Total	\$35,000