

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2015044591701**

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

RE: Edward R. Segur III (CRD No. 3040824),
Respondent

Pursuant to FINRA Rule 9216 of FINRA's Code of Procedure, I, Edward R. Segur III (CRD No. 3040824) ("Segur" or "Respondent"), 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

Segur has been registered with FINRA since April 1998. From November 2013 to April 2015, he was registered with FINRA as a General Securities Representative through an association with Four Points Capital Partners LLC (BD No. 43149) ("Four Points").

On May 1, 2015, Four Points filed a Uniform Termination Notice for Securities Industry Registration ("Form U5") stating that Segur's registration was voluntarily terminated effective April 22, 2015. The Form U5 also disclosed that at the time of his termination Segur was under internal review for "undisclosed brokerage accounts of spouse maintained at another broker dealer."

Since April 2015, Segur has been registered with FINRA through an association with another FINRA member firm.

RELEVANT DISCIPLINARY HISTORY

In July 2014, the Arkansas Securities Commissioner ("ASC") entered a Consent Order that fined Segur \$4,000 for his violation of ASC Rule 308.01(b) by

representing on a “cold call” to an Arkansas resident, without reasonable justification, that a particular stock would experience a dramatic increase in value.

In January 2012, the New Hampshire Bureau of Securities Regulation entered a Consent Order that fined Segur \$17,500 for “cold-calling” a New Hampshire resident whose telephone number was on the National Do Not Call Registry.

OVERVIEW

Segur opened and traded in an outside securities account without giving written notice to his member firm in violation of NASD Conduct Rule 3050(c) and FINRA Rule 2010. He also accepted orders from a third party without the account holder’s written authorization in violation of NASD Conduct Rule 2510(b) and FINRA Rule 2010.

FACTS AND VIOLATIVE CONDUCT

Outside Securities Accounts

NASD Conduct Rule 3050(c) requires that a person associated with a FINRA broker-dealer, before opening an account or placing an initial order for the purchase or sale of securities with another member firm, notify both the employer member and the executing member, in writing, of his or her association with the other member.

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

In September 2014, while registered at Four Points, Segur opened an online trading account at another member firm on behalf of his wife. The account was opened in Segur’s wife’s name. Thereafter, and while registered at Four Points, Segur accessed the account and made his own trades. Segur never provided written notice of the account to Four Points, notwithstanding that the firm’s written supervisory procedures required its registrants to notify the firm, in writing, before opening an outside securities account. By this conduct, Segur violated NASD Conduct Rule 3050(c) and FINRA Rule 2010.

Discretion Without Written Authorization

NASD Conduct Rule 2510(b) prohibits registered representatives from exercising discretion without written authorization:

No member or registered representative shall exercise any discretionary power in a customer’s account unless such customer has given prior written authorization to a stated individual or individuals and the account has been accepted by the member, as evidenced in writing by the member . . . in accordance with [NASD Conduct] Rule 3010.

While registered at Four Points, Segur and DI's husband opened an account for customer DI. DI's husband's name was not on the account, and DI never provided written authorization for Segur to accept trading instructions from her husband. Further, Four Points never accepted DI's account as a discretionary account.

From January to June 2014, Segur exercised discretion without written authorization in DI's account by taking instructions from DI's husband to trade in the account. Segur thereby violated NASD Conduct Rule 2510(b) and FINRA Rule 2010.

B. I also consent to the imposition of the following sanctions:

- A \$7,500 fine, and
- A suspension for 30 calendar days from associating with any FINRA member firm in any capacity.

I agree to pay the monetary sanction upon notice that this AWC has been accepted and that such payment is 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 sanction imposed in this matter.

I understand that if I am suspended from associating with any FINRA member, I become 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, I may not be associated with any FINRA member in any capacity, including clerical or ministerial functions, during the period of the 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

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 National Adjudicatory Council (“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 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.

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; and

- 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.

[REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK]

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.

5/10/16.
Date (mm/dd/yyyy)

Edward R. Segur III
Edward R. Segur III (CRD No. 3040824),
Respondent

Reviewed by:

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Accepted by FINRA:

May 20, 2016
Date

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

Matthew M. Ryan
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