

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2015044908301**

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

RE: Bryan Carnahan, Respondent
Former Registered Representative
CRD No. 3103811

Pursuant to FINRA Rule 9216 of FINRA's Code of Procedure, Bryan Carnahan ("Carnahan" 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 Carnahan alleging violations based on the same factual findings described herein.

I.

ACCEPTANCE AND CONSENT

- A. Carnahan 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

Carnahan entered the securities industry in August 1998 when he became registered through a FINRA-registered firm as an Investment Company Products/Variable Contracts Representative. In December 1998, Carnahan became registered through The Huntington Investment Company ("Huntington" or the "Firm") and remained registered through Huntington until his employment was terminated in March 2015. Carnahan is not currently associated with any FINRA-registered firm. Pursuant to FINRA By-Laws, Article V, Section 4, however, he remains subject to FINRA jurisdiction.

RELEVANT DISCIPLINARY HISTORY

Carnahan does not have any relevant disciplinary history.

OVERVIEW

Between September 2013 through March 2015 (the "Relevant Period"), Carnahan misappropriated approximately \$169,500 from a Huntington customer. Carnahan deposited approximately \$149,000 of the converted funds into the accounts of certain of his customers who had suffered investment losses. He converted the remainder of the funds to his own personal benefit. As a result of this conduct, Carnahan violated FINRA Rules 2150 and 2010.

FACTS AND VIOLATIVE CONDUCT

FINRA Rule 2150 prohibits any person associated with a FINRA member from making "improper use of a customer's securities or funds." FINRA Rule 2010 requires persons associated with a FINRA member to observe high standards of commercial honor and just and equitable principles of trade in connection with their business. An associated person's conversion of customer funds violates both FINRA Rules 2150 and 2010.

During the Relevant Period, Carnahan converted approximately \$169,500 from one of his customers by causing fund transfers to be made on five occasions from the customer's brokerage account to her bank account at the Firm's affiliated bank. Once the funds were in the customer's bank account, Carnahan instructed the customer to withdraw the funds and obtain cashier's checks for purported investment opportunities. After Carnahan took possession of the cashier's checks, he fraudulently caused them to be re-issued in the form of multiple cashier's checks (totaling approximately \$169,500) that were payable to his own accounts and to the accounts of at least 13 of his other customers who had suffered investment losses. As a result of the foregoing conduct, Carnahan violated FINRA Rules 2150 and 2010.

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

A bar from associating with any FINRA-registered firm in all capacities.

Carnahan understands that if he is barred or suspended from associating with any FINRA member, he 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, he 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. Pursuant to FINRA Rule 8313(e), a bar or expulsion shall become effective upon approval or acceptance of this AWC.

II.

WAIVER OF PROCEDURAL RIGHTS

Carnahan specifically and voluntarily waives the following rights granted under FINRA's Code of Procedure:

- A. To have a Complaint issued specifying the allegations against him;
- 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, Carnahan 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.

Carnahan 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

Carnahan 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 him; and

C. If accepted:

1. this AWC will become part of Carnahan's permanent disciplinary record and may be considered in any future actions brought by FINRA or any other regulator against him;
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. Carnahan 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. He 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 Carnahan'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.

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

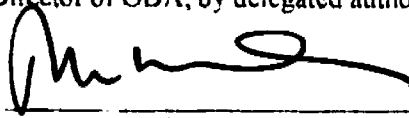
04/23/2015
Date (mm/dd/yyyy)


Bryan Carnahan, Respondent

Accepted by FINRA:

5/1/15
Date

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



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