

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2015046756901**

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

RE: David L. Thomas Jr., Respondent
Former Registered Representative
CRD No. 1250208

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

David L. Thomas Jr. ("Thomas" or "Respondent") first associated with a FINRA member firm in February 1984. Thomas obtained his Series 6 in April 1984, his Series 63 in April 1988, his Series 22 in February 1989, his Series 12 in March 1999, his Series 7 in May 2006, and his Series 66 in November 2007.

On August 27, 2015, Northwestern Mutual Investment Services, LLC (the "Firm") filed a Form U5 terminating Thomas' registration. Although Thomas is not currently registered or associated with a FINRA member firm, FINRA retains jurisdiction over him pursuant to Article V, Section 4 of the FINRA By-Laws.

RELEVANT DISCIPLINARY HISTORY

Thomas' Pennsylvania insurance licenses were revoked pursuant to a Consent Order issued by the Insurance Department of the Commonwealth of Pennsylvania (the "Insurance Department") on April 12, 2016. The Insurance Department found that Thomas falsified his state license renewals when he stated that he had paid state income taxes when he had not in violation of 40 P.S. §310.11(1), (7), (13) and (20).

OVERVIEW

Between October 2009 and July 31, 2015 when Thomas was permitted to resign, Thomas willfully failed to timely amend his Uniform Application for Securities Industry Registration or Transfer ("Form U4") to disclose six federal tax liens and five state tax liens. As a result, Thomas willfully violated Article V, Section 2(c) of FINRA's By-Laws and FINRA Rules 1122 and 2010.

FACTS AND VIOLATIVE CONDUCT

Article V, Section 2(c) of FINRA's By-Laws requires a registered representative to keep his or her Form U4 "current at all times" and amendments to the Form U4 must be filed not later than 30 days after learning of the facts or circumstances giving rise to the amendment. FINRA Rule 1122 provides that "[n]o member or person associated with a member shall file with FINRA information with respect to membership or registration which is incomplete or inaccurate so as to be misleading, or which could in any way tend to mislead, or fail to correct such filing after notice thereof." A violation of Article V, Section 2(c) of FINRA's By-Laws and FINRA Rule 1122 also constitutes a violation of FINRA Rule 2010, which requires an associated person to observe high standards of commercial honor and just and equitable principals of trade.

Thomas received notice of six federal tax liens which were filed in October 2009, January 2010, April 2010, May 2010, November 2010, and June 2011, respectively. In addition, Thomas received notice of at least five state tax liens from the State of Pennsylvania which were filed in December 2009, March 2011, December 2011, January 2013, and April 2014. Thomas received notice of the federal and state tax liens at or around the time that the liens were filed.

Between October 2009 and July 2015, Thomas willfully failed to timely disclose the above tax liens. Moreover, Thomas submitted inaccurate annual compliance questionnaires regarding his unsatisfied tax liens.

Based upon his failure to timely disclose six federal tax liens and five state tax liens on his Form U4, Thomas willfully violated Article V, Section 2(c) of FINRA's By-Laws and FINRA Rules 1122 and 2010.

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

A one-year suspension in any and all capacities from any FINRA member.¹

I understand that if I am barred or 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 bar or suspension (see FINRA Rules 8310 and 8311).

I understand that this settlement includes a finding that I willfully omitted to state a material fact on a Form U4, and that under Section 3(a)(39)(F) of the Securities Exchange Act of 1934 and Article III, Section 4 of FINRA's By-Laws, this omission makes me subject to a statutory disqualification with respect to association with a member.

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

¹ On August 17, 2016, Thomas filed a Chapter 13 bankruptcy petition pursuant to Title 11 of the United States Code. On November 30, 2016, the bankruptcy was converted to a Chapter 11 bankruptcy. Accordingly, no monetary sanction is being assessed against Thomas in this matter.

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

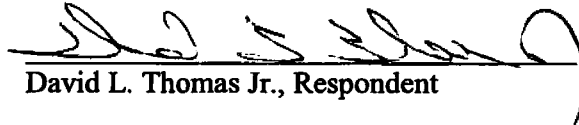
I understand that:

- 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 understand and acknowledge that FINRA does not represent or advise me and I cannot rely on FINRA or FINRA staff members for legal advice; 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.

2/23/2017
Date (mm/dd/yyyy)


David L. Thomas Jr., Respondent

Accepted by FINRA:

3/24/2017
Date

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


Carolyn Craig
Senior Director
FINRA – Department of Enforcement
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