

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2016048854301**

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

RE: Cornelius Joseph Sullivan, Respondent
General Securities Representative and Principal
CRD No. 2094448

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

Cornelius Joseph Sullivan ("Sullivan" or "Respondent") first became registered as a General Securities Representative (Series 7) with a FINRA member firm in December 1990. He became registered as a General Securities Principal (Series 24) in October 1992. Since July 28, 2011, Sullivan has been registered as a Series 7 and Series 24 with FINRA member TSC Distributors, LLC ("TSC").

OVERVIEW

From May 17, 2012 through March 18, 2015, Sullivan, while registered with TSC, purchased shares in 15 initial public offerings ("IPO") in two disclosed personal brokerage accounts he held at Merrill Lynch, Pierce, Fenner & Smith Incorporated ("Merrill"). By purchasing shares in 15 IPOs while registered with a FINRA member firm, Sullivan 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.

Sullivan, while registered with TSC, purchased the following 15 IPOs in two personal brokerage accounts he held at Merrill. Both of these personal brokerage accounts were fully disclosed to TSC at the time of the transactions.

- On May 17, 2012, Sullivan purchased 1,100 shares of Facebook, Inc. stock at \$38 per share during its IPO. On May 22, 2012, Sullivan sold all of the shares for a loss.
- On January 31, 2014, Sullivan purchased 200 shares of Intrawest Resorts Holdings Inc. stock at \$12 per share during its IPO. On May 5, 2014, Sullivan sold all of the shares for a loss.
- On March 26, 2014, Sullivan purchased 100 shares of King Digital Entertainment PLC stock at \$22.50 per share during its IPO. On April 1, 2014, Sullivan sold all of the shares for a loss.
- On April 10, 2014, Sullivan purchased 200 shares of Phibro Animal Health Corporation stock at \$15 per share during its IPO. On October 7, 2015, Sullivan sold all of the shares for a profit of \$3,001.
- On July 30, 2014, Sullivan purchased 100 shares of Catalent Inc. stock at \$20.50 per share during its IPO. On May 6, 2015, Sullivan sold all of the shares for a profit of \$625.
- On August 1, 2014, Sullivan purchased 100 shares of FCB Financial Holdings, Inc. stock at \$22 per share during its IPO. FCB Financial Holdings, Inc. stock opened at \$20.50 in the immediate aftermarket resulting in an imputed loss to Sullivan.
- On August 7, 2014, Sullivan purchased 100 shares of Hoegh LNG Partners LP stock at \$20 per share during its IPO. On December 1, 2014, Sullivan sold all of the shares for a loss.
- On August 8, 2014, Sullivan purchased 200 shares of Ryerson Holding Corporation stock at \$11 per share during its IPO. On November 14, 2014, Sullivan sold all of the shares for a loss.
- On September 17, 2014, Sullivan purchased 600 shares of Civitas Solutions, Inc. stock at \$17 per share during its IPO. On October 22, 2014, Sullivan sold all of the shares for a loss.

- On October 2, 2014, Sullivan purchased 100 shares of Atento S.A. stock at \$15 per share during its IPO. On January 29, 2015, Sullivan sold all of the shares for a loss.
- On October 2, 2014, Sullivan purchased 200 shares of VWR Corporation stock at \$21 per share during its IPO. VWR Corporation stock opened at \$21 in the immediate aftermarket resulting in no imputed profit to Sullivan.
- On October 2, 2014, Sullivan purchased 100 shares of Wayfair, Inc. stock at \$29 per share during its IPO. On October 10, 2014, Sullivan sold all of the shares for a loss.
- On October 8, 2014, Sullivan purchased 300 shares of OM Asset Management PLC stock at \$14 per share during its IPO. On August 24, 2015, Sullivan sold all of the shares for a profit of \$431.
- On November 13, 2014, Sullivan purchased 500 shares of Navios Maritime Midstream Partners LP stock at \$15 per share during its IPO. On July 6, 2015, Sullivan sold all of the shares for a loss.
- On March 18, 2015, Sullivan purchased 400 shares of Goldman Sachs BDC, Inc. stock at \$20 per share during its IPO. On August 24, 2015, Sullivan sold all of the shares for a loss.

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

- B. I also consent to the imposition of a suspension from association with any FINRA member firm in any capacity of 10 business days, a fine of \$10,000, and payment of \$4,057 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 March 19, 2015, until the date this AWC is accepted by the National Adjudicatory Council ("NAC").

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.

The sanction 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

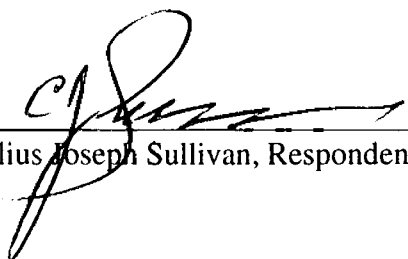
C. If accepted:

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.

- 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.

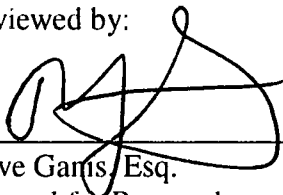
I certify that I have read and understand all of the provisions of this AWC and have been given a full opportunity to ask questions about it; that I have agreed to its provisions voluntarily; and that no offer, threat, inducement, or promise of any kind, other than the terms set forth herein and the prospect of avoiding the issuance of a Complaint, has been made to induce me to submit it.

8/5/16
Date (mm/dd/yyyy)



Cornelius Joseph Sullivan, Respondent

Reviewed by:



Steve Gams, Esq.

Counsel for Respondent

Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C.

One Financial Center

Boston, MA 02111

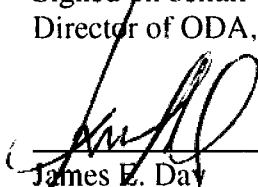
617-348-1672

Accepted by FINRA:

10/4/11

Date

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



James E. Day

Vice President and Chief Counsel

FINRA Department of Enforcement

15200 Omega Drive, Third Floor

Rockville, MD 20850

301-258-8520