

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2017053382301**

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

RE: Francine Ann Lanaia, Respondent
CRD No. 1415689

Pursuant to FINRA Rule 9216 of FINRA's Code of Procedure, I, Francine Ann Lanaia ("Respondent" or "Lanaia"), 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

Lanaia first registered with a FINRA member firm in April 1986. Relevant to this matter, from April 2015 to November 2017, Lanaia was registered with FINRA through Windsor Street Capital, LP (BD No. 34171) (f/k/a Meyers Associates, L.P.) ("Windsor Street") in the following capacities: General Securities Representative, General Securities Principal, Investment Banking Representative, and Operations Professional. During this time, Lanaia also served as Windsor Street's acting Chief Compliance Officer. By Uniform Termination Notice for Securities Industry Registration ("Form U5") dated November 15, 2017, Windsor Street reported that it had terminated Lanaia's registration with the Firm. Lanaia is not currently registered or associated with a FINRA member.

RELEVANT DISCIPLINARY HISTORY

In 2009, while registered through a FINRA member ("Firm A"), Lanaia submitted an AWC in which she agreed to the entry of findings that she failed to supervise a registered representative of Firm A, who engaged in unsuitable trading in two

customer accounts, thereby violating NASD Rules 3010(a) and 2110. Lanaia was suspended for 20 business days and fined \$5,000.

In 2000, while registered through another FINRA member ("Firm B"), Lanaia submitted an AWC in which she agreed to the entry of findings that (i) she permitted an individual to function as a registered representative and paid commissions to another individual during periods that they were "inactive" due to failure to complete the Regulatory Element of FINRA's Continuing Education Program; and (ii) she failed to report customer complaints to FINRA as required. Lanaia was censured and fined \$10,500 jointly and severally with Firm B.

OVERVIEW

Lanaia willfully failed to disclose (or timely disclose) three judgments on her Uniform Application for Securities Industry Registration or Transfer ("Form U4") in violation of Article V, Section 2(c) of the FINRA By-Laws, and FINRA Rules 1122 and 2010.

FACTS AND VIOLATIVE CONDUCT

Article V, Section 2(c) of FINRA's By-Laws requires that every application for registration filed with FINRA be kept current at all times by supplementary amendments, which must be filed with FINRA 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."

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

At all times relevant herein, Question 14M of the Form U4 asked: "Do you have any unsatisfied judgments or liens against you?" If the answer is yes, the registered person is required to provide details about each outstanding judgment or lien.

While Lanaia was registered through Windsor Street, the following three civil judgments entered against her were outstanding:

Judgment Holder	Amount ¹	Entry Date
CM	\$146,627.00	July 19, 2013
VEL	\$37,674.00	Oct. 9, 2012
JAP	\$102,143.97	May 27, 2011

Lanaia was aware of these outstanding judgments but failed to update her Form U4 to disclose them within 30 days of receiving notice of each. Specifically:

- Lanaia became aware of CM's judgment against her by September 2015, at the latest, but she did not disclose it on her Form U4.
- Lanaia became aware of VEL's judgment against her by September 2016, at the latest, but she did not disclose it on her Form U4 until April 21, 2017.
- Lanaia initially disclosed JAP's judgment but caused it to be removed from her Form U4 in April 2012, due to a temporary stay of enforcement of the judgment. Lanaia became aware that the stay was lifted by September 2017, at the latest, but she never disclosed the judgment on her Form U4 after the stay was removed.

By virtue of the foregoing, Lanaia willfully failed to disclose (or timely disclose) the above-referenced judgments on her Form U4, in violation of 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 suspension of three months from associating with any FINRA member firm in any capacity.²

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

¹ The amounts listed below do not include post-judgment interest.

² On September 8, 2017, Respondent Lanaia filed a Chapter 13 bankruptcy petition pursuant to Title 11, United States Code. Accordingly, no monetary sanction is being assessed in this matter.

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 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

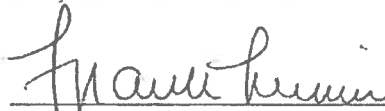
C. If accepted:

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.

12/19/2017
Date (mm/dd/yyyy)


Respondent Francine Ann Lanaia

Reviewed by:


Lawrence R. Gelber

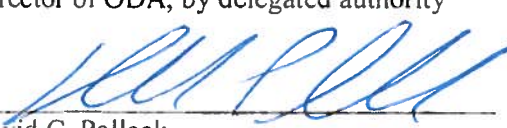
Lawrence R. Gelber
Counsel for Respondent
Lawrence R. Gelber, Attorney At Law
The Vanderbilt Plaza
34 Plaza Street, Suite 1107
Brooklyn, NY 11238
Phone: (718) 638-2383

Accepted by FINRA:

January 16, 2018

Date

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


David C. Pollack
Senior Regional Counsel
FINRA Department of Enforcement
Brookfield Place
200 Liberty Street
New York, NY 10281-1003
Phone: (212) 858-4126
Fax: (301) 527-4999