

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
OFFICE OF HEARING OFFICERS**

Department of Enforcement,

Complainant,

v.

Adam Gerard Belardino
CRD No. 5221927,

Respondent.

Disciplinary Proceeding
No. 2019062347102

COMPLAINT

The Department of Enforcement alleges:

SUMMARY

1. Respondent Adam Gerard Belardino failed on two occasions to appear for on-the-record (“OTR”) testimony requested by FINRA staff pursuant to FINRA Rule 8210. As a result, Belardino violated FINRA Rules 8210 and 2010.

RESPONDENT AND JURISDICTION

2. Belardino first registered with FINRA in 2007. Belardino, through his association with MML Investors Services, LLC (CRD No. 10409) (“MML”), was registered with FINRA as a general securities representative from March 25, 2017 to April 16, 2019.

3. On April 16, 2019, MML filed a Uniform Termination Notice for Securities Industry Registration (“Form U5”), disclosing that it discharged Belardino “in connection with [an] investigation into a customer complaint.” The Form U5 also disclosed a complaint from customers alleging that, “beginning in November of 2018 . . . the representative [Belardino]

misrepresented [the customers'] account values, engaged in excessive levels of trading, and failed to comply with requests to have their accounts liquidated and the proceeds distributed.”

4. Following the initial Form U5, MML filed five Form U5 amendments that disclosed new complaints from customers.

5. The last Form U5 amendment, filed on March 9, 2021, disclosed a new complaint from a customer alleging that “the REITs that were sold to him [by Belardino] beginning in or around 2014 were unsuitable for his conservative portfolio.”

6. Although Belardino is no longer registered with FINRA or associated with any FINRA member, he remains subject to FINRA’s jurisdiction for purposes of this proceeding, pursuant to Article V, Section 4 of FINRA’s By-Laws, because (1) the Complaint was filed within two years after March 9, 2021, which was the date of an amendment to Respondent’s notice of termination that was filed within two years of his original notice of termination and that disclosed that Respondent may have engaged in conduct actionable under any applicable statute, rule, or regulation, and (2) the Complaint charges him with failing to appear for OTR testimony during the two-year period after the filing of an amendment to Form U5.

FACTS

7. In April 2019, FINRA began investigating the circumstances of Belardino’s termination from MML.

8. For the purpose of that investigation and pursuant to FINRA Rule 8210, on July 23, 2019, FINRA requested that Belardino provide a signed statement addressed to FINRA in response to certain allegations customers made against him, documents related to those allegations, a description of the circumstances of his termination from MML, and whether there were any other customer complaints made against him.

9. On August 20, 2019, through counsel, Belardino provided a response to FINRA's July 23, 2019 Rule 8210 Request in which he stated, among other things, that he was unable to respond to the allegations related to three of the four customer complaints because he did not have access to any of the relevant documents.

10. On or about August 26, 2020, in furtherance of its investigation, including to show Belardino relevant documents and obtain complete responses from Belardino regarding the customer allegations made against him, FINRA staff asked Belardino's counsel to provide dates when he was available to provide OTR testimony.

11. On August 27, 2020, Belardino's counsel stated that Belardino was available to provide OTR testimony on either October 12 or October 14, 2020.

12. On August 28, 2020, FINRA staff served Belardino, through counsel, with a FINRA Rule 8210 letter scheduling Belardino's OTR testimony for October 14, 2020 to be conducted by videoconference through Zoom.

13. FINRA staff served its Rule 8210 request seeking Belardino's OTR by email and certified mail to Belardino's counsel.

14. Both Belardino and his counsel participated in a videoconference technology check via Zoom on October 8, 2020.

15. On October 12, 2020, Belardino's counsel provided a letter to FINRA staff claiming—for the first time—that Belardino was unable to proceed with the scheduled OTR testimony due to medical reasons that had purportedly been ongoing since June 2020.

16. On October 13, 2020, FINRA staff informed Belardino's counsel that it would agree to an adjournment of no more than thirty days.

17. Belardino did not propose an alternative date for his OTR, ask for any accommodation, or otherwise respond to FINRA staff's October 13, 2020 communication.

18. On October 29, 2020, FINRA staff sent Belardino's counsel a letter pursuant to FINRA Rule 8210, scheduling Belardino's OTR testimony for November 12, 2020 and offering as an accommodation to spread out Belardino's testimony over two days.

19. FINRA staff served its Rule 8210 request rescheduling Belardino's OTR testimony to November 12, 2020 by email and certified mail to Belardino's counsel, who received it on November 2, 2020.

20. On November 10, 2020, FINRA staff called Belardino's counsel to see whether Belardino was planning to appear at the OTR, but did not receive a response.

21. Neither Belardino nor his counsel contacted FINRA staff prior to Belardino's OTR testimony scheduled for November 12, 2020.

22. Belardino failed to appear for his OTR testimony on November 12, 2020.

23. On November 18, 2020, FINRA staff sent Belardino's counsel a letter pursuant to FINRA Rule 8210, scheduling Belardino's OTR testimony for December 7, 2020.

24. FINRA staff served its Rule 8210 request rescheduling Belardino's OTR testimony to December 7, 2020 by email, first-class mail, and certified mail on Belardino's counsel, who received it on November 23, 2020.

25. On November 30, 2020, FINRA staff sent an email to Belardino's counsel inquiring whether Belardino would appear for OTR testimony on December 7, 2020. FINRA staff received no response to its November 30, 2020 communication.

26. Neither Belardino nor his counsel contacted FINRA staff prior to Belardino's OTR testimony scheduled for December 7, 2020.

27. Belardino failed to appear for his OTR testimony on December 7, 2020.
28. FINRA sent a letter to Belardino on December 23, 2020 pursuant to FINRA Rule 9552, notifying him that on January 19, 2021, he would be suspended from associating with any FINRA member in any capacity for failing to appear for his OTR on November 12, 2020 and on December 7, 2020 (“Notice of Suspension”).
29. FINRA staff served the Notice of Suspension on Belardino via certified and first-class mail to Belardino’s residential address, as reflected in FINRA’s Central Record Depository (“CRD”), and to an address associated with Belardino’s company.
30. The Notice of Suspension was received at the address associated with Belardino’s company on December 29, 2020.
31. On December 29, 2020, FINRA staff provided a copy of the Notice of Suspension to Belardino’s counsel via email.
32. On January 15, 2021 Belardino’s counsel requested a hearing with the Office of Hearing Officers under FINRA Rule 9559 in response to the Notice of Suspension.
33. On February 15, 2021, Belardino withdrew his January 15, 2021 request for a hearing on the Notice of Suspension.
34. On February 16, 2021, the assigned Hearing Officer issued an order granting the withdrawal of Belardino’s hearing request and deeming the Notice of Suspension final.
35. Belardino is currently suspended from associating in any capacity with any FINRA member.

CAUSE OF ACTION
Failure to Appear for Testimony
(FINRA Rules 8210 and 2010)

36. The Department of Enforcement realleges and incorporates by reference all preceding paragraphs.

37. FINRA Rule 8210(a)(1) provides that FINRA staff may “require a . . . person subject to FINRA’s jurisdiction . . . to testify at a location specified by FINRA staff, under oath or affirmation administered by a court reporter or a notary public if requested, with respect to any matter involved in the investigation”

38. FINRA Rule 8210(c) provides that “[n]o member or person shall fail to provide . . . testimony . . . pursuant to this Rule.”

39. A violation of FINRA Rule 8210 also constitutes a violation of FINRA Rule 2010, which requires associated persons to “observe high standards of commercial honor and just and equitable principles of trade.”

40. While subject to FINRA’s jurisdiction, Belardino failed to appear on:
(a) November 12, 2020 for OTR testimony requested pursuant to FINRA Rule 8210 in a letter dated October 29, 2020; and (b) December 7, 2020 for OTR testimony requested pursuant to FINRA Rule 8210 in a letter dated November 18, 2020.

41. Belardino’s OTR testimony was material to FINRA staff’s investigation into customer allegations that Belardino, among other things, misrepresented products, engaged in unauthorized transactions, misrepresented customers’ account values, and engaged in excessive trading, and necessary to obtain complete response from Belardino regarding his termination from MML and the customer allegations FINRA staff were investigating.

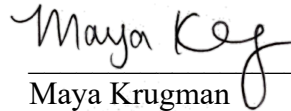
42. By virtue of the foregoing, Belardino violated FINRA Rules 8210 and 2010.

RELIEF REQUESTED

WHEREFORE, the Department of Enforcement respectfully requests that the Panel:

- A. make findings of fact and conclusions of law that Belardino committed the violations charged and alleged herein;
- B. order that one or more of the sanctions provided under FINRA Rule 8310(a), including monetary sanctions, be imposed; and
- C. order that Belardino bears such costs of proceeding as are deemed fair and appropriate under the circumstances in accordance with FINRA Rule 8330.

Date: May 11, 2021



Maya Krugman
Principal Counsel
FINRA Department of Enforcement
Brookfield Place
200 Liberty Street
New York, New York 10281
(646) 315-8327
Maya.Krugman@finra.org

Brody Weichbrodt
Senior Litigation Counsel
Financial Industry Regulatory Authority
FINRA Department of Enforcement
4600 S. Syracuse Street, Suite 1400
Denver, Colorado 80237
(303) 446-3177
Brody.Weichbrodt@finra.org

Loyd Gattis
Litigation Director
Financial Industry Regulatory Authority
FINRA Department of Enforcement
120 West 12th Street, Suite 800
Kansas City, Missouri 64104
(816) 802-4710
Loyd.Gattis@finra.org