

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2019064149701**

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

RE: Jason Lee Ballor ("Ballor" or "Respondent")
Associated Person of a Funding Portal Member
CRD No. 6853439

Pursuant to FINRA Rule 9216 of FINRA's Code of Procedure, Respondent Jason Lee Ballor 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 Respondent alleging violations based on the same factual findings described herein.

I.

ACCEPTANCE AND CONSENT

- A. Respondent 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

Ballor has been the sole member and an officer of FINRA funding portal member SeedingVR, LLC ("SeedingVR" or the "Firm") from at least December 19, 2017 through the present. Ballor currently serves as the Chief Executive Officer of SeedingVR. Pursuant to Article V, Section 4 of FINRA's By-Laws and FINRA Funding Portal Rule 100(a), Ballor is an associated person of a FINRA funding portal member, and is thus subject to FINRA's jurisdiction.

RELEVANT DISCIPLINARY HISTORY

Respondent does not have any disciplinary history with the Securities and Exchange Commission, any state securities regulators, FINRA, or any other self-regulatory organization.



OVERVIEW

In October 2019, Ballor violated FINRA Rule 8210 and FINRA Funding Portal Rules 800(a) and 200(a) by refusing to appear for testimony and provide documents and information requested by FINRA staff.

FACTS AND VIOLATIVE CONDUCT

On August 23, 2019, FINRA began an investigation of SeedingVR.

Funding Portal Rule 800(a) provides, with exceptions not relevant here, that all funding portal members shall be subject to the FINRA Rule 8000 Series.¹ FINRA Rule 8210(a)(1), in turn, provides that FINRA staff shall, for purposes of an investigation, complaint, examination, or proceeding, have the right to require any "member, person associated with a member, or any other person subject to FINRA's jurisdiction to provide information orally, in writing, or electronically . . . and to testify at a location specified by FINRA staff . . . with respect to any matter involved in the investigation . . ." FINRA Rule 8210(a)(2) provides that FINRA may "inspect and copy the books, records, and accounts of such . . . person with respect to any matter involved in the investigation . . ." FINRA Rule 8210(c) states that "[n]o member or person shall fail to provide information or testimony . . . or to permit an inspection and copying of books, records, or accounts pursuant to this Rule."

A violation of Rule 8210 by an associated person of a funding portal also establishes a violation of Funding Portal Rule 200(a), which requires adherence to high standards of commercial honor and just and equitable principles of trade.

On October 2, 2019, FINRA, in connection with its investigation, sent Ballor a request for documents and information pursuant to FINRA Rule 8210. A response was requested by October 16, 2019. On October 4, 2019, FINRA sent Ballor a request for his on-the-record testimony to be held on October 10, 2019 pursuant to FINRA Rule 8210. As stated during Ballor's counsel's phone call with FINRA staff on October 4, 2019, Ballor acknowledges receipt of FINRA's requests but will not produce the requested documents or information or appear for on-the-record testimony at any time.

By virtue of the foregoing, Ballor violated FINRA Rule 8210 and Funding Portal Rules 800(a) and 200(a).

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

- A bar from associating with any FINRA funding portal member in all capacities.

¹ FINRA Funding Portal Rule 100(a) provides that associated persons of funding portals "have the same duties and obligations as a funding portal member under the Funding Portal Rules."

Respondent 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.

II.

WAIVER OF PROCEDURAL RIGHTS

Respondent 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, Respondent 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.

Respondent 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

Respondent 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 Respondent(s); and

C. If accepted:

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

Respondent 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; Respondent has agreed to the AWC's provisions voluntarily; and 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 this AWC.

10/10/2019
Date


Jason Lee Ballor
Respondent

Reviewed by:



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Counsel for Respondent
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Accepted by FINRA:

10/15/2019
Date

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



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