

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

Department of Enforcement,

Complainant,

v.

Hugues Guirand
(CRD No. 3045595),

Respondent.

Disciplinary Proceeding
No. 2020068395801

COMPLAINT

The Department of Enforcement alleges:

SUMMARY

1. Respondent Hugues Guirand (“Guirand” or “Respondent”) failed to provide information and documents FINRA requested pursuant to FINRA Rule 8210, and further failed to appear and provide testimony FINRA requested pursuant to FINRA Rule 8210 on two occasions. As a result, Guirand violated FINRA Rules 8210 and 2010.

RESPONDENT AND JURISDICTION

2. Guirand entered the securities industry in 1997. In July 2007, Guirand became registered as a Corporate Securities Representative through an association with FINRA member Woodstock Financial Group Inc. (the “firm”). On April 23, 2019, the firm filed a Uniform Termination Notice for Securities Industry Registration (“Form U5”), stating that Guirand had been discharged on April 23, 2019.

3. Although Guirand is no longer registered or associated with a 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 April 23, 2019, which was the effective date of termination of Guirand's registration with the firm, and (2) the Complaint charges him with failing to provide information and documents and with failing to appear for on-the-record testimony during the two-year period after the date on which he ceased to be registered or associated with a FINRA member.

CAUSE OF ACTION
Failure to Provide Information and Documents and
to Appear for On-The-Record Testimony
(FINRA Rules 8210 and 2010)

4. The Department re-alleges and incorporates all previous paragraphs.

5. FINRA Rule 8210(a)(1) requires a "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, complaint, examination, or proceeding" FINRA Rule 8210(c) similarly provides 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."

6. 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."

7. On October 19, 2020, one of Guirand's former customers (the "Customer") filed a statement of claim with FINRA Dispute Resolution Services alleging that Guirand solicited the Customer's investment in real estate transactions (the "Subject Transactions") without the firm's

approval. FINRA commenced an investigation into Guirand's conduct in connection with the Subject Transactions.

8. On November 13, 2020, in connection with its investigation, FINRA staff sent Guirand a letter, pursuant to FINRA Rule 8210, requesting information relating to allegations that he solicited the Customer's investment in the Subject Transactions. FINRA staff sent this letter to Guirand's last known residential address of record in the Central Registration Depository (the "CRD Address").

9. On November 23, 2020, Guirand, through counsel, sent a written response to FINRA's November 13, 2020 Rule 8210 request denying that he participated in the Subject Transactions.

10. On February 4, 2021, FINRA staff sent Guirand, through his counsel, another letter, pursuant to FINRA Rule 8210 (the "February 4 8210 Request"), requesting that he produce additional information and documents to FINRA staff by February 25, 2021.

11. FINRA staff sent the February 4 8210 Request via first class mail and certified mail, return receipt requested, to Guirand's counsel. FINRA staff also sent a copy of the February 4 8210 Request to Guirand's counsel's email address.

12. On February 9, 2021, Guirand's counsel acknowledged receipt of the February 4 8210 Request via email to FINRA staff.

13. The information and documents FINRA requested in the February 4 8210 Request were material to FINRA's investigation. Specifically, in light of Guirand's denial that he participated in the Subject Transactions, the February 4 8210 Request sought (i) copies of Guirand's tax returns and bank account statements; (ii) communications between Guirand and the Customer; (iii) a statement regarding Guirand's involvement in the entities that the Customer

alleged were involved in the Subject Transactions (the “Subject Entities”); and (iv) documents related to the Subject Entities.

14. On February 24, 2021, FINRA staff sent a letter to Guirand, through his counsel, pursuant to FINRA Rule 8210, requesting that he appear and provide on-the-record testimony on March 8, 2021 (the “First Testimony Request”).

15. The First Testimony Request enclosed a document titled “Supplemental Information for Testimony Requests Pursuant to FINRA Rule 8210” which stated, in relevant part: “[f]ailure to appear on the date scheduled for your testimony . . . could violate Rule 8210 and could be the basis for the initiation of a disciplinary proceeding and could lead to disciplinary action and the imposition of sanctions, including a bar from associating with any FINRA member in all capacities, suspension, censure and/or fine.”

16. FINRA sent the First Testimony Request via first class mail and certified mail, return receipt requested, to Guirand’s counsel. FINRA staff also sent a copy of the First Testimony Request to Guirand’s counsel’s email address.

17. On February 26, 2021, after Guirand failed to provide any of the information or documents requested in the February 4 8210 Request on or before the February 25, 2021 deadline, Enforcement staff sent Guirand, through his counsel, a second written request, pursuant to FINRA Rule 8210, requesting the information and documents Enforcement previously requested in the February 4 8210 Request (the “February 26 8210 Request”).

18. The February 26 8210 Request referenced and enclosed a copy of the February 4 8210 Request and required Guirand to provide the information and documents requested therein on or before March 5, 2021.

19. FINRA sent the February 26 8210 Request via first class mail and certified mail, return receipt requested, to Guirand's counsel. FINRA staff also sent a copy of the February 26 8210 Request to Guirand's counsel's email address.

20. On February 26, 2021, Guirand's counsel acknowledged receipt of the First Testimony Request and the February 26 8210 Request via email to FINRA staff.

21. On March 3, 2021, Guirand's counsel informed FINRA staff via email that, as of that date, he no longer represented Guirand.

22. Later the same day, Guirand informed FINRA staff via telephone that he had retained new counsel in connection with FINRA's investigation and provided FINRA staff contact information for his new counsel.

23. Also on March 3, 2021, Guirand's new counsel informed FINRA staff via a telephone call that she represented Guirand. During this call, FINRA staff informed Guirand's new counsel of the February 26 8210 Request and First Testimony Request. FINRA staff also sent the February 26 8210 Request and First Testimony Request to Guirand's new counsel via email on March 3, 2021.

24. Guirand did not provide any response to the February 26 8210 Request by the March 5, 2021 deadline.

25. To date, Guirand has not provided any documents or information in response to the February 4 or February 26 8210 Requests.

26. Guirand also did not appear for his scheduled testimony on March 8, 2021, nor did FINRA staff agree to postpone the testimony.

27. On March 8, 2021, after Guirand failed to appear and provide testimony as scheduled, Guirand's new counsel informed FINRA staff via telephone that she did not represent Guirand in connection with FINRA's investigation.

28. On March 8, 2021, FINRA staff sent a letter to Guirand, pursuant to FINRA Rule 8210, requesting that he appear and provide on-the-record testimony on March 15, 2021 (the "Second Testimony Request").

29. The Second Testimony Request enclosed a copy of the First Testimony Request and the document enclosed therein titled "Supplemental Information for Testimony Requests Pursuant to FINRA Rule 8210" which stated, in relevant part: "[f]ailure to appear on the date scheduled for your testimony . . . could violate Rule 8210 and could be the basis for the initiation of a disciplinary proceeding and could lead to disciplinary action and the imposition of sanctions, including a bar from associating with any FINRA member in all capacities, suspension, censure and/or fine."

30. FINRA sent the Second Testimony Request via first class mail and certified mail, return receipt requested, to Guirand's CRD Address. FINRA staff also sent a copy of the Second Testimony Request to Guirand's email address.

31. On March 12, 2021, during a telephone call with FINRA staff, Guirand stated that he had received the Second Testimony Request and that he planned to appear and provide testimony on March 15, 2021.

32. Guirand did not appear for his scheduled testimony on March 15, 2021, nor did FINRA staff agree to postpone the testimony.

33. Guirand's failure to (1) provide documents and information in response to the February 4 and February 26 8210 Requests; and (2) appear and provide testimony on two

occasions, impeded FINRA's investigation and deprived it of material information in Guirand's possession.

34. Specifically, Guirand's failure to provide the requested information, documents, and testimony prevented FINRA from investigating allegations that Guirand had engaged in outside business activities or private securities transactions by soliciting the Customer's investment in the Subject Transactions without firm approval, and evaluating Guirand's denial that he had done so.

35. By failing to provide information and documents in response to the February 4 and February 26 8210 Requests, and by failing to appear and provide testimony requested pursuant to Rule 8210 on two occasions, Guirand violated FINRA Rules 8210 and 2010.

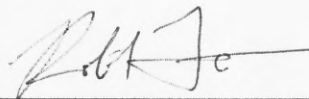
RELIEF REQUESTED

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

- A. make findings of fact and conclusions of law that Respondent 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;
- C. order that Respondent bear such costs of proceeding as are deemed fair and appropriate under the circumstances in accordance with FINRA Rule 8330.

FINRA DEPARTMENT OF ENFORCEMENT

Date: April 12, 2021



Gina Petrocelli, Chief Counsel
Daniel Hibshoosh, Director
Robert Fair, Principal Counsel
FINRA Department of Enforcement
Brookfield Place
200 Liberty Street, 11th Floor
New York, NY 10281-1003
646.315.7310 (Petrocelli)
212.416.0681 (Hibshoosh)
646.430.7056 (Fair)
gina.petrocelli@finra.org
daniel.hibshoosh@finra.org
robert.fair@finra.org