

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

Department of Enforcement,

Complainant,

v.

Keith Todd Ashley
CRD No. 4096004,

Respondent.

Disciplinary Proceeding
No. 2020068470002

Hearing Officer—MC

**ORDER ACCEPTING OFFER OF
SETTLEMENT**

Date: October 21, 2022

INTRODUCTION

Disciplinary Proceeding No. 2020068470002 was filed on December 10, 2021, by the Department of Enforcement of the Financial Industry Regulatory Authority (FINRA or Complainant). Respondent Keith Todd Ashley submitted an Offer of Settlement (Offer) to Complainant dated October 13, 2022. Pursuant to FINRA Rule 9270(e), the Complainant and the National Adjudicatory Council (NAC), a Review Subcommittee of the NAC, or the Office of Disciplinary Affairs (ODA) have accepted the uncontested Offer. Accordingly, this Order now is issued pursuant to FINRA Rule 9270(e)(3). The findings, conclusions and sanctions set forth in this Order are those stated in the Offer as accepted by the Complainant and approved by the NAC.

Under the terms of the Offer, Respondent has consented, without admitting or denying the allegations of the Complaint (as amended by the Offer), 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, to the entry of findings and violations consistent with the allegations of the Complaint (as amended by the Offer), and to the imposition of the sanctions set forth below, and fully

understands that this Order will become part of Respondent's permanent disciplinary record and may be considered in any future actions brought by FINRA.

BACKGROUND

Ashley first registered with FINRA as an Investment Company and Variable Contracts Products Representative in 2000.

From February 2002 through October 27, 2020, Ashley was registered with FINRA as an Investment Company and Variable Contracts Products Representative through an association with Parkland Securities.

On October 27, 2020, Parkland Securities filed a Form U5 stating that the firm had discharged Ashley for cause.

Although Ashley 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 October 27, 2020, which was the effective date of termination of Ashley's registration with Parkland Securities, and (2) the Complaint charges Ashley with failing to respond to FINRA requests for information during the two-year period after the date on which he ceased to be registered or associated with a FINRA member.

FINDINGS AND CONCLUSIONS

It has been determined that the Offer be accepted and that findings be made as follows:

SUMMARY

Respondent Keith Ashley failed to respond to requests for information that FINRA made pursuant to FINRA Rule 8210 on January 22, 2021 and February 23, 2021, in connection with an

investigation into, among other issues, the circumstances of his termination by Parkland Securities. As a result, Ashley violated FINRA Rules 8210 and 2010.

FACTS

In October 2020, following Parkland Securities' termination of Ashley, FINRA began investigating the circumstances of Ashley's termination.

In November 2020, a federal grand jury indicted Ashley on six counts of wire fraud.

Ashley was arrested in November 2020 and then was detained in the Bowie County Correctional Center in Texarkana, Texas pending trial.

In November 2020, FINRA began investigating the allegations set forth in the federal indictment.

FINRA's First Request for Information

On January 22, 2021, in connection with its investigation, FINRA staff sent a request for information pursuant to FINRA Rule 8210 (First 8210 Request) by both first-class mail and certified mail to Ashley's residential address listed in FINRA's Central Registration Depository (CRD).

FINRA staff also sent the First 8210 Request by both first-class mail and certified mail to Ashley at the Bowie County Correctional Center.

The First 8210 Request asked Ashley to provide written information in response to questions relating to FINRA's investigation.

Also enclosed in the certified mail envelope containing the First 8210 Request sent to Ashley at the Bowie County Correctional Center were blank sheets of paper and a prepaid return FedEx envelope addressed to FINRA staff.

The certified mailing containing the First 8210 Request that was sent to Ashley at the Bowie County Correctional Center was hand-delivered to Ashley by personnel of the jail.

The first-class mailing containing the First 8210 Request that was sent to Ashley at the Bowie County Correctional Center was not returned to FINRA.

As of the date of the filing of the Complaint, the certified mailing containing the First 8210 Request that was sent to Ashley's CRD address was still listed as "in transit" according to the certified mail tracking website maintained by the United States Postal Service.

The first-class mailing containing the First 8210 Request that was sent to Ashley's CRD address was not returned to FINRA.

Ashley was required to respond to the First 8210 Request by February 12, 2021.

Ashley did not respond to the First 8210 Request or obtain an extension of the response deadline from FINRA staff.

FINRA's Second Request for Information

FINRA staff sent Ashley a second request for information pursuant to FINRA Rule 8210 (Second 8210 Request) on February 23, 2021, by both first-class mail and certified mail to Ashley's CRD address.

FINRA staff also sent the Second 8210 Request by both first-class mail and certified mail to Ashley at the Bowie County Correctional Center.

The information requested in the Second 8210 Request was identical to that requested in the First 8210 request.

Also enclosed in the certified mail envelope containing the Second 8210 Request sent to Ashley at the Bowie County Correctional Center were blank sheets of paper and a prepaid return FedEx envelope addressed to FINRA staff.

The certified mailing containing the Second 8210 Request that was sent to Ashley at the Bowie County Correctional Center was hand-delivered to Ashley by personnel of the jail.

The first-class mailing containing the Second 8210 Request that was sent to Ashley at the Bowie County Correctional Center was not returned to FINRA.

As of the date of the filing of the Complaint, the certified mailing containing the Second 8210 Request that was sent to Ashley's CRD address was still listed as "in transit" according to the certified mail tracking website maintained by the United States Postal Service.

The first-class mailing containing the Second 8210 Request that was sent to Ashley's CRD address was not returned to FINRA.

Ashley was required to respond to the Second 8210 Request by March 17, 2021.

Ashley did not respond to the Second 8210 Request or obtain an extension of the response deadline from FINRA staff.

CAUSE OF ACTION
Failing to Provide Information
(FINRA Rules 8210 and 2010)

FINRA Rule 8210(a)(1) provides that, for the purpose of an investigation, complaint, examination, or proceeding authorized by FINRA's By-Laws or rules, FINRA staff have the right to require any person subject to FINRA's jurisdiction to provide information in writing "with respect to any matter involved in the investigation, complaint, examination, or proceeding[.]"

FINRA Rule 8210(c) provides that "[n]o member or person shall fail to provide information ... pursuant to this Rule."

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

On January 22, 2021, FINRA staff served Ashley with a request for information pursuant to FINRA Rule 8210.

On February 23, 2021, FINRA staff served Ashley with a second request for that same information pursuant to FINRA Rule 8210.

Ashley has not provided any of the information requested in these requests.

The information FINRA sought from Ashley was material to FINRA’s investigation of the circumstances surrounding Ashley’s termination from Parkland Securities.

Ashley’s failure to answer FINRA’s requests for information impeded and delayed FINRA’s investigation.

Based on the foregoing, Ashley violated FINRA Rules 8210 and 2010.

Based on these considerations, the sanctions hereby imposed by the acceptance of the Offer are in the public interest, are sufficiently remedial to deter Respondent from any future misconduct, and represent a proper discharge by FINRA, of its regulatory responsibility under the Securities Exchange Act of 1934.

SANCTIONS

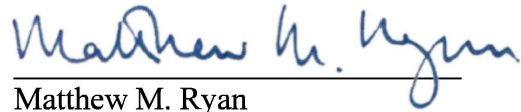
It is ordered that Respondent be barred from associating with any FINRA member in all capacities.

The sanctions imposed herein shall be effective on a date set by FINRA staff. A bar or expulsion shall become effective upon approval or acceptance of this Order.

SO ORDERED.

FINRA

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

A handwritten signature in blue ink, reading "Matthew M. Ryan", is positioned above a horizontal line.

Matthew M. Ryan
Principal Counsel
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