

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER, AND CONSENT
NO. 2020068533001**

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

RE: Joel Christopher Riedel (Respondent)
Former General Securities Representative
CRD No. 2788408

Pursuant to FINRA Rule 9216, Respondent Joel Christopher Riedel 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 in this AWC.

I.

ACCEPTANCE AND CONSENT

- A.** Respondent accepts and consents to the following findings by FINRA without admitting or denying them:

BACKGROUND

Riedel was registered with FINRA from 1996 through 2010 as an Investment Company and Variable Contracts Products Representative (IR) through consecutive associations with several different member firms. He became registered as a General Securities Representative (GSR) in 2000. From January 2011 to November 20, 2020, he was registered with FINRA as a GSR and IR through NY Life Securities (the firm).

On August 11, 2021, the firm filed an amended Uniform Termination Notice for Securities Industry Registration (Form U5), which reported for the first time a written complaint the firm received from a Riedel customer alleging that she did not authorize a transaction in her account.¹

Although Riedel is no longer associated with a FINRA member, FINRA retains jurisdiction over him pursuant to Article V, Section 4 of the FINRA By-Laws.²

OVERVIEW

From May 2018 to September 2020, Riedel caused approximately 190 Unit Investment Trust (UIT) transactions to be mismarked as unsolicited, thereby violating FINRA Rules

¹ The amended Form U5 is not related to the customer referenced below.

² For more information about the respondent, visit BrokerCheck® at www.finra.org/brokercheck.

4511 and 2010. In 2018 and 2019, Riedel engaged in four UIT trades (two sells and two buys) without first obtaining authorization from the customer, thereby violating FINRA Rule 2010.

FACTS AND VIOLATIVE CONDUCT

This matter originated from a statement of claim filed by Riedel with FINRA's Dispute Resolution department.

Riedel Caused UIT Trades To Be Mismarked

FINRA Rule 4511 states that each member shall make and preserve books and records as required under the FINRA rules, the Exchange Act and the applicable Exchange Act rules. Exchange Act Rule 17a-3 requires that firms make and keep current certain books and records relating to its business, including memoranda of each brokerage order. The obligation to make and keep records current embodies the requirement that such records be accurate. A registered representative who creates inaccurate books and records causes the firm to maintain inaccurate books and records in violation of FINRA Rule 4511. A violation of FINRA Rule 4511 also violates FINRA Rule 2010, which requires associated persons, in the conduct of their business, to "observe high standards of commercial honor and just and equitable principles of trade."

From May 2018 to September 2020, Riedel caused approximately 190 solicited UIT transactions in 32 accounts to be marked by the trade desk as unsolicited even though they were solicited. Riedel's conduct continued despite being warned by the firm in 2019 that solicited transactions in UITs were not permitted. By causing the mismarking of the trades, Riedel caused his firm to maintain inaccurate books and records.

Therefore, Riedel violated FINRA Rules 4511 and 2010.

Riedel Made Unauthorized Trades

FINRA Rule 2010 requires associated persons, in the conduct of their business, to "observe high standards of commercial honor and just and equitable principles of trade." Unauthorized trading violates that requirement.

On July 26, 2018, and again on February 19, 2019, Riedel sold a UIT and purchased a different UIT in a customer's account without first getting authorization from the customer.³ The customer complained to the firm in February 2019.⁴ In June 2019, the firm disciplined Riedel by issuing him a Severe Reprimand.

Therefore, Riedel violated FINRA Rule 2010.

³ Riedel earned sales charges of \$2,094 on the transactions.

⁴ The firm settled with the customer.

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

- a four-month suspension from associating with any FINRA member in all capacities;
- a \$10,000 fine; and
- disgorgement of \$2,094.

The fine shall be due and payable either immediately upon reassociation with a member firm or prior to any application or request for relief from any statutory disqualification resulting from this or any other event or proceeding, whichever is earlier.

Disgorgement of financial benefits received is ordered to be paid to FINRA in the amount of \$2,094. Disgorgement shall be due and payable either immediately upon reassociation with a member firm or prior to any application or request for relief from any statutory disqualification resulting from this or any other event or proceeding, whichever is earlier.

Respondent specifically and voluntarily waives any right to claim an inability to pay, now or at any time after the execution of this AWC, the monetary sanctions imposed in this matter.

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.

The sanctions imposed in this AWC shall be effective on a date set by FINRA.

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 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 its acceptance or rejection.

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:

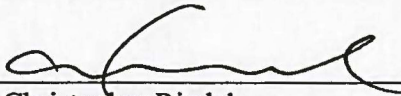
- A. Submission of this AWC is voluntary and will not resolve this matter unless and until it has been reviewed and accepted by the NAC, a Review Subcommittee of the NAC, or the Office of Disciplinary Affairs (ODA), pursuant to FINRA Rule 9216;
- B. If this AWC is not accepted, its submission will not be used as evidence to prove any of the allegations against Respondent; 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 its subject matter 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 right to take legal or factual

positions in litigation or other legal proceedings in which FINRA is not a party. Nothing in this provision affects Respondent's testimonial obligations in any litigation or other legal proceedings.

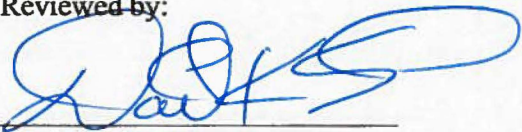
- D. Respondent may attach a corrective action statement to this AWC that is a statement of demonstrable corrective steps taken to prevent future misconduct. Respondent understands that he may not deny the charges or make any statement that is inconsistent with the AWC in this statement. This statement does not constitute factual or legal findings by FINRA, nor does it reflect the views of FINRA.

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 in this AWC and the prospect of avoiding the issuance of a complaint, has been made to induce him to submit this AWC.

12/19/2022
Date


Joel Christopher Riedel
Respondent

Reviewed by:

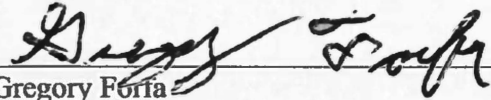

David Silverberg
Counsel for Respondent
Law Offices of Silverberg & Silverberg, LLP
8205 Main Street, Suite 6
Williamsville, New York 14221

Accepted by FINRA:

12/29/2022

Date

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



Gregory Foria
Senior Attorney
FINRA
Department of Enforcement
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Rockville, MD 20850-3241