

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

Department of Enforcement,

Complainant,

v.

Stephen G. Whitman  
CRD No. 2230369,

Respondent.

Disciplinary Proceeding  
No. 2021071227301

**COMPLAINT**

The Department of Enforcement alleges:

**SUMMARY**

1. Respondent Stephen G. Whitman failed to respond to FINRA's requests for information and documents made pursuant to FINRA Rule 8210 in September and October 2021. As a result, Whitman violated FINRA Rules 8210 and 2010.

**RESPONDENT AND JURISDICTION**

2. Whitman, through his association with FINRA member Oppenheimer & Co., Inc. ("Oppenheimer") (CRD No. 249), was registered with FINRA as a General Securities Representative from November 16, 2007, to April 27, 2021.

3. On April 27, 2021, Oppenheimer filed a Uniform Termination Notice for Securities Industry Registration ("Form U5"), disclosing that it had terminated its association with Whitman due to a customer complaint alleging that Whitman had accepted a loan from the customer and did not fully repay it.

4. Although Whitman 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 27, 2021, which was the effective date of termination of Respondent's registration with Oppenheimer, and (2) the Complaint charges him 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.

### **FACTS**

5. On April 28, 2021, FINRA opened an investigation into the circumstances of Whitman's termination by Oppenheimer and his alleged acceptance of a loan from a customer.

6. For the purpose of that investigation and pursuant to FINRA Rule 8210, on September 22, 2021, FINRA sent a letter to Whitman requesting that he provide information and documents relating to the circumstances of his termination by Oppenheimer and his alleged loan from a customer ("September 22 Request").

7. The September 22 Request directed Whitman to provide the requested information and documents to FINRA no later than October 6, 2021.

8. FINRA served the September 22 Request by certified mail, return receipt requested, and first-class mail to Whitman's last known address as reflected in the Central Registration Depository ("CRD Address").

9. On October 1, 2021, the certified mailing of the September 22 Request was returned to FINRA, stamped "RETURN TO SENDER, NOT DELIVERABLE AS ADDRESSED, UNABLE TO FORWARD." The United States Postal Service ("USPS")

tracking history for the certified mailing of the September 22 Request reflects that the mailing was returned to sender because the forwarding order for the address had expired.

10. On October 13, 2021, the first-class mailing of the September 22 Request was returned to FINRA, stamped “RETURN TO SENDER, NOT DELIVERABLE AS ADDRESSED, UNABLE TO FORWARD.”

11. Whitman did not provide any information or documents to FINRA in response to the September 22 Request on or before October 6, 2021.

12. On or about October 6, 2021, FINRA staff who were responsible for issuing the September 22 Request conducted an internet-based search for addresses associated with Whitman. The search did not provide any more current address for Whitman.

13. On or about October 13, 2021, FINRA staff requested that Oppenheimer provide Whitman’s most recent home address and telephone number according to the firm’s records.

14. On October 18, 2021, Oppenheimer provided to FINRA the most recent residential address (“Alternate Address”) and telephone number for Whitman according to the firm’s records.

15. FINRA attempted to contact Whitman at the telephone number provided by Oppenheimer but received no response.

16. On October 19, 2021, FINRA sent Whitman a second letter pursuant to FINRA Rule 8210, requesting the same information and documents as the September 22 Request (“October 19 Request”).

17. The October 19 Request directed Whitman to provide the requested information and documents to FINRA no later than November 2, 2021.

18. FINRA served the October 19 Request by certified mail, return receipt requested, and first-class mail to the CRD Address and the Alternate Address.

19. On November 1, 2021, the certified mailing to the CRD Address was returned to FINRA, stamped “RETURN TO SENDER, NOT DELIVERABLE AS ADDRESSED, UNABLE TO FORWARD.” The USPS tracking history for the certified mailing to the CRD Address reflects that the mailing was returned to sender because the forwarding instructions for the address had expired.

20. On December 20, 2021, the certified mailing to the Alternate Address was returned to FINRA, stamped “RETURN TO SENDER, NOT DELIVERABLE AS ADDRESSED, UNABLE TO FORWARD.” The USPS tracking history for the certified mailing to the Alternate Address reflects that the mailing was returned to sender because the intended recipient (Whitman) had moved and left no forwarding address.

21. The first-class mailings to the CRD Address and the Alternate Address were not returned to FINRA.

22. Whitman did not respond to the October 19 Request by November 2, 2021, or anytime thereafter.

23. As of the date of the filing of this Complaint, Whitman has not provided any information or documents to FINRA in response to the September 22 Request or the October 19 Request.

24. As of the date of the filing of this Complaint, FINRA has received no communication of any nature from Whitman.

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

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

26. FINRA Rule 8210(a)(1) provides that FINRA staff may require a “person subject to FINRA’s jurisdiction to provide information orally, in writing, or electronically . . . with respect to any matter involved in [an] investigation.”

27. FINRA Rule 8210(a)(2) authorizes FINRA staff to request records in the possession, custody, or control of a person subject to FINRA’s jurisdiction.

28. FINRA Rule 8210(c) provides that “[n]o member or person shall fail to provide information . . . or to permit an inspection and copying of . . . records . . . pursuant to this Rule.”

29. 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.”

30. While Whitman was subject to FINRA’s jurisdiction, FINRA requested information and documents from him in the September 22 Request and the October 19 Request.

31. The September 22 and October 19 requests were made pursuant to FINRA Rule 8210 and sought information and documents that were material to FINRA’s investigation into whether Whitman had accepted a loan from a customer in violation of FINRA rules.

32. By failing to provide the information and documents requested in the September 22 and October 19 requests, Whitman violated FINRA Rules 8210 and 2010.

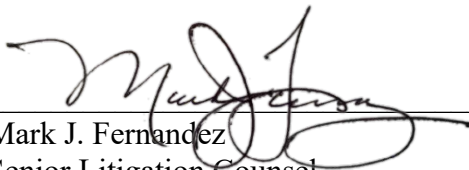
## RELIEF REQUESTED

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

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

## FINRA DEPARTMENT OF ENFORCEMENT

Date: March 8, 2022



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