

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER, AND CONSENT
NO. 2023077908201**

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

RE: John Aloysius Dougherty (Respondent)
Former General Securities Representative
CRD No. 3018615

Pursuant to FINRA Rule 9216, Respondent John Aloysius Dougherty (Dougherty) 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

Dougherty entered the securities industry in December 1997. In January 2021, Dougherty became associated with LPL Financial LLC (LPL), a FINRA member firm, as a General Securities Representative. In a Uniform Termination Notice for Securities Industry Registration (Form U5) dated August 11, 2023, the firm reported that it terminated Dougherty because he “[e]ngaged in outside business activity without Firm approval, in violation of Firm policy” and “[p]articipated in private investments without Firm approval, in violation of Firm policy.”

Although Dougherty is not currently registered or associated with any FINRA member firm, he remains subject to FINRA’s jurisdiction pursuant to Article V, Section 4 of FINRA’s By-Laws.¹

OVERVIEW

Dougherty violated FINRA Rules 8210 and 2010 by failing to provide information and documents requested pursuant to FINRA Rule 8210 in connection with FINRA’s examination into whether Dougherty engaged in undisclosed outside business activities and private securities transactions.

¹ For more information about the respondent, visit BrokerCheck® at www.finra.org/brokercheck.

FACTS AND VIOLATIVE CONDUCT

This matter originated from a disclosure made by LPL pursuant to FINRA Rule 4530.

FINRA Rule 8210(a)(1) and (2) state, in relevant part, that FINRA has the right to “require a . . . person associated with a member, or any person subject to FINRA’s jurisdiction to provide information orally, in writing, or electronically . . . 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.”

FINRA Rule 2010 requires an associated person, in the conduct of their business, to “observe high standards of commercial honor and just and equitable principles of trade.” A violation of FINRA Rule 8210 also violates FINRA Rule 2010.

On June 14, 2023, in connection with its examination, FINRA staff sent a letter to Dougherty pursuant to FINRA Rule 8210 requesting the production of information and documents by June 29, 2023. Dougherty’s counsel acknowledged receipt of the letter and was granted two extensions of the deadline to respond until August 7, 2023. Dougherty did not provide any of the requested information or documents by the August 7, 2023 deadline.

On August 14, 2023, FINRA staff sent a letter to Dougherty requesting for a second time, pursuant to FINRA Rule 8210, that Dougherty provide the information and documents requested on June 14, 2023 by August 28, 2023. On August 28, 2023, Dougherty’s counsel acknowledged receipt of the letter and was granted an extension of the deadline to respond until August 29, 2023. On August 29, 2023, Dougherty was granted a second extension of the deadline to respond until September 7, 2023. On September 7, 2023, Dougherty’s counsel informed FINRA staff that Dougherty has determined not to provide the information and documents requested pursuant to Rule 8210.

To date, Dougherty has not provided the requested information and documents to FINRA. As stated during his counsel’s phone call with FINRA staff on September 7, 2023, and by this agreement, Dougherty acknowledges that he received FINRA’s requests and will not produce the information and documents requested. By refusing to provide the information and documents as requested pursuant to FINRA Rule 8210, Dougherty violated FINRA Rules 8210 and 2010.

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

- a bar from associating with any FINRA member in all capacities.

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. A bar or expulsion shall become effective upon approval or acceptance of this AWC.

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 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.

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.

11/28/2023
Date

John A. Dougherty
John Aloysius Dougherty
Respondent

Reviewed by:

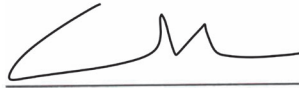
Scott M. Andersen
Scott Andersen
Counsel for Respondent
Andersen, P.C.
1350 Avenue of the Americas, 2nd Fl.
New York, NY 10019

Accepted by FINRA:

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

12/1/2023

Date

A handwritten signature in black ink, appearing to be 'Christopher Miles', written over a horizontal line.

Christopher Miles
Counsel
FINRA
Department of Enforcement
200 Liberty Street, Fl. 11
New York, NY 10281