

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

Department of Enforcement,

Complainant,

v.

Andrew Buckanavage
CRD No. 6207055,

Respondent.

Disciplinary Proceeding
No. 2023079147402

COMPLAINT

The Department of Enforcement alleges:

SUMMARY

1. Between November 2022 and April 2023, while registered with FINRA through Allen, Mooney & Barnes Brokerage Services, LLC (CRD No. 142619) (AMBBS), Respondent Andrew Buckanavage converted \$177,962.80 when he charged personal, non-business expenses to his corporate credit card without his employer's authorization and had his employer pay for those unauthorized personal expenses by submitting false expense reports that identified those charges as business expenses or by failing to notify his employer that the charges were for personal expenses. By converting such funds, Buckanavage violated FINRA Rule 2010.

2. Additionally, Buckanavage failed to appear for on-the-record testimony that FINRA requested pursuant to FINRA Rule 8210 as part of its investigation into Buckanavage's conversion. By failing to provide the requested testimony, Buckanavage violated FINRA Rules 8210 and 2010.

RESPONDENT AND JURISDICTION

3. Buckanavage first registered with FINRA in 2018 as an Investment Banking Representative through an association with AMBBS.

4. On June 22, 2023, AMBBS filed a Uniform Termination Notice for Securities Industry Registration (Form U5), terminating Buckanavage's registration and disclosing that Buckanavage had resigned "after being discharged from his position as an associate with a management company that is affiliated with AMBBS." The Form U5 further disclosed that Buckanavage "was discharged after the management company discovered that he made a number of personal expenditures on a corporate credit card issued to him by the management company."

5. Although Buckanavage 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 June 22, 2023, which was the effective date of termination of Buckanavage's registration with AMBBS, and (2) the Complaint charges Buckanavage with misconduct committed while he was registered or associated with a FINRA member 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.

FACTS

6. In January 2021, Buckanavage began working for a private equity firm that was affiliated with AMBBS (Affiliated Private Equity Firm). At all relevant times, Buckanavage was registered with FINRA through AMBBS and employed by both AMBBS and the Affiliated Private Equity Firm.

7. When Buckanavage joined AMBBS, he entered into an Employment Agreement with the firm that set forth the terms and conditions of his employment with the firm and any of the firm's subsidiaries, subdivisions, or affiliates, such as the Affiliated Private Equity Firm. In the Employment Agreement, Buckanavage agreed that any corporate credit card provided to him by the firm or its affiliates would be used "strictly for business purposes and in accordance with [that firm's] policies and procedures for business expenses."

8. The Affiliated Private Equity Firm's policies and procedures regarding the use of corporate credit cards did not authorize employees to use corporate credit cards issued to them by the firm for anything other than business-related transactions. Employees were required each billing cycle to provide a description explaining all charges on their corporate card, which the firm would then pay. If an employee mistakenly used a corporate credit card to pay for a personal, non-business expense, the employee was required to report the expense as being a personal expenditure. The Affiliated Private Equity Firm would then record the expense as personal, book it as a receivable to be reimbursed, and seek reimbursement from the employee either via a payroll deduction or direct payment from the cardholder.

9. In or around October 2022, the Affiliated Private Equity Firm provided Buckanavage with a credit card to pay for business expenses.

10. Also beginning in or around October 2022, the Affiliated Private Equity Firm provided Buckanavage with a report of his credit card transactions at the close of each billing cycle ("Expense Report").

11. The Affiliated Private Equity Firm required Buckanavage, pursuant to his employment agreement, to review and annotate the Expense Report with "details added as to what was purchased and why."

12. Beginning in October 2022, with respect to each Expense Report he received, Buckanavage provided an annotation for each charge, where he purported to explain the details of, and reasons for, the purported business expenses on each report.

13. The Affiliated Private Equity Firm paid for all the expenses Buckanavage charged to his corporate credit card.

A. Buckanavage converted funds from the Affiliated Private Equity Firm

14. Between November 2022 and April 2023, Buckanavage converted \$177,962.80 from the Affiliated Private Equity Firm.

15. As set out in Appendix A, on 94 occasions between November 2022 and April 2023, Buckanavage used his corporate credit card to transfer \$176,839.62 to a personal PayPal account to pay for personal, non-business related expenses.

16. In particular, Buckanavage used his corporate credit card to repeatedly transfer funds from the credit card to an intermediary PayPal account that he created using his corporate email address, and then to his personal PayPal account. He then used those funds, received from the Affiliated Private Equity Firm's credit card, to pay for personal, non-business expenses.

17. As set out in Appendix B, on 12 occasions between December 2022 and March 2023, Buckanavage also directly charged personal, non-business expenses to his corporate credit card, totaling \$1,123.18. Those expenditures included 10 personal meals, a personal hotel stay, and medication for his wife.

18. When Buckanavage detailed these expenditures on Expense Reports to the Affiliated Private Equity Firm, he failed to disclose that the expenditures were personal, non-business related transactions.

19. In addition to failing to disclose that these expenditures were personal, Buckanavage also falsely indicated on Expense Reports that certain of the expenditures were for business purposes, when, in fact, they were personal expenses, including falsely indicating that some personal expenses were for corporate marketing-related apparel.

20. The Affiliated Private Equity Firm paid the outstanding balances on Buckanavage's corporate credit card, including for each of the expenses identified on Appendices A and B.

21. Beginning in late April 2023, a financial analyst working for the Affiliated Private Equity Firm questioned Buckanavage regarding some PayPal transactions on his corporate credit card. Buckanavage initially falsely told the analyst that the transactions were for purchasing marketing apparel. Buckanavage then falsely told the analyst that his PayPal account had been hacked and he was working with PayPal to reverse certain charges.

22. On or about May 4, 2023, Buckanavage finally disclosed to the Affiliated Private Equity Firm that, in or around November 2022, he "made the decision to transfer money from a PayPal account that was created under [a firm] email address and send [the money] to an account linked to [his] personal email account" in order to "create a buffer personally to satisfy obligations [he] had until the end of the year." He further disclosed that he "fell into a similar pattern" beginning on "March 15th, 2023 and continuing until April 23rd, 2023" and that he "intended to make [the Affiliated Private Equity Firm] whole."

23. Buckanavage intentionally took the Affiliated Private Equity Firm's funds, and acted without authorization and in contravention of his employment agreement and the Affiliated Private Equity Firm's policies and procedures for business expenses. Buckanavage resigned from both AMBBS and the Affiliated Private Equity Firm on May 23, 2023.

B. Buckanavage refused to appear for testimony requested pursuant to FINRA Rule 8210.

24. In June 2023, FINRA opened an investigation into the circumstances giving rise to Buckanavage's termination from AMBBS and the Affiliated Private Equity Firm.

25. In August 2023, in connection with its investigation and pursuant to FINRA Rule 8210, FINRA requested documents and information from Buckanavage related to his termination from AMBBS and the Affiliated Private Equity Firm. Buckanavage did not comply at all with those requests until November 2023, after FINRA initiated an expedited proceeding pursuant to FINRA Rule 9552.

26. In January 2024, FINRA sent Buckanavage an additional Rule 8210 request for documents and information in furtherance of its investigation. Buckanavage complied with the January 2024 request by the set deadline.

27. On April 2, 2024, in connection with its investigation, FINRA requested, pursuant to FINRA Rule 8210, that Buckanavage appear for testimony on May 8, 2024.

28. FINRA sent the April 2 request by first-class U.S. Mail and first-class certified mail, return receipt requested, to Buckanavage's last known residential address listed in FINRA's Central Registration Depository (CRD) (the CRD Address) and to another potentially current address for Buckanavage that FINRA had identified in April 2024 through a LexisNexis SmartLinx search (SmartLinx Address).

29. On April 2, 2024, FINRA also sent a copy of the April 2 request to Buckanavage at his personal email address.

30. According to the United States Postal Service (USPS) website, USPS attempted to deliver the April 2 request that was sent by first-class, certified mail to Buckanavage's CRD

Address on April 19, 2024, but no authorized recipient was available to receive the mailing and it was later returned to FINRA.

31. According to the USPS website, USPS attempted to deliver the April 2 request that was sent by first-class, certified mail to the SmartLinx Address on April 24, 2024, but no authorized recipient was available to receive the mailing and it was later returned to FINRA.

32. FINRA did not receive any notification that the copy of the April 2 request that was sent to Buckanavage via email was undeliverable.

33. Although properly served, Buckanavage did not appear for testimony on May 8, 2024, nor did he request an extension of that deadline.

34. On May 13, 2024, in connection with its investigation, FINRA sent Buckanavage a second letter pursuant to FINRA Rule 8210, requesting that he appear for testimony on June 11, 2024.

35. FINRA sent the May 13 request to Buckanavage's CRD Address and the SmartLinx Address by first-class U.S. Mail, first-class certified mail, return receipt requested, and FedEx.

36. On May 13, 2024, FINRA also sent a copy of the May 13 request to Buckanavage at his personal email address.

37. According to the USPS website, USPS attempted to deliver the May 13 request that was sent by first-class, certified mail to Buckanavage's CRD Address and the SmartLinx Address on May 17, 2024, but no authorized recipients were available to receive the mailings and they were later returned to FINRA.

38. According to FedEx's tracking information, the May 13 requests were delivered to the CRD and SmartLinx Addresses on May 15, 2024.

39. FINRA did not receive any notification that the copy of the May 13 request that was sent to Buckanavage via email was undeliverable.

40. Although properly served, Buckanavage did not appear for testimony on June 11, 2024, nor did he request an extension of that deadline.

41. As a result of Buckanavage's failure to respond to FINRA's request for his testimony, FINRA was unable to investigate fully Buckanavage's conduct.

FIRST CAUSE OF ACTION
Conversion
(Violation of FINRA Rule 2010)

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

43. FINRA Rule 2010 requires members and associated persons, in the conduct of their business, to "observe high standards of commercial honor and just and equitable principles of trade."

44. Conversion is an intentional and unauthorized taking of and/or exercise of ownership over property by one who neither owns the property nor is entitled to possess it. Conversion is inconsistent with high standards of commercial honor and just and equitable principles of trade.

45. Conversion of funds is a violation of FINRA Rule 2010.

46. As alleged above, and as set out in Appendix A, on 94 occasions between November 2022 and April 2023, Buckanavage used his firm-provided credit card to transfer a total of \$176,839.62 from his firm-provided credit card to an intermediary PayPal account that he created using his corporate email address, and then to his personal PayPal account, in order to pay for personal, non-business expenses.

47. As alleged above, and as set out in Appendix B, on 12 occasions between December 2022 and March 2023, Buckanavage directly charged personal, non-business expenses to his corporate credit card, totaling \$1,123.18. Those expenditures included 10 personal meals, a personal hotel stay, and medication for his wife.

48. Buckanavage misrepresented to the Affiliated Private Equity Firm the nature of these expenses, either by affirmatively representing that they were business expenses or by failing to identify them as personal, non-business expenses.

49. Buckanavage intentionally and without authorization took the Affiliated Private Equity Firm's funds for his own personal benefit.

50. The Affiliated Private Equity Firm retained financial responsibility for Buckanavage's corporate credit and therefore made payments of \$177,962.80 to satisfy these unauthorized expenses that Buckanavage incurred using the corporate credit card.

51. Buckanavage neither owned the funds he took from the Affiliated Private Equity Firm nor was he entitled to possess them.

52. By virtue of this conduct, Buckanavage converted the Affiliated Private Equity Firm's funds, thereby violating FINRA Rule 2010.

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

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

54. FINRA Rule 8210(a)(1) provides that FINRA may "require a . . . person subject to FINRA's jurisdiction . . . to testify at a location specified by FINRA staff . . . with respect to any matter involved in [an] investigation, complaint, examination, or proceeding[.]"

55. FINRA Rule 8210(c) provides that “[n]o member or person shall fail to provide . . . testimony . . . pursuant to this Rule.”

56. Failing to appear for testimony requested pursuant to FINRA Rule 8210 is a violation of FINRA Rules 8210 and 2010.

57. While subject to FINRA’s jurisdiction, Buckanavage failed to appear and provide testimony requested pursuant to FINRA Rule 8210.

58. Buckanavage’s testimony was material to FINRA’s investigation concerning whether Buckanavage had converted funds from his employer. His failure to provide on-the-record testimony impeded FINRA’s investigation.

59. By failing to appear for testimony as requested pursuant to FINRA Rule 8210, Buckanavage violated FINRA Rules 8210 and 2010.

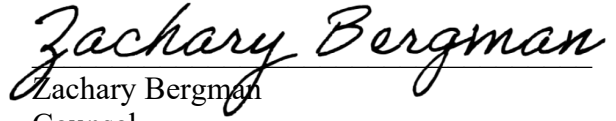
RELIEF REQUESTED

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

- A. make findings of fact and conclusions of law that Buckanavage 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 Buckanavage 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: June 9, 2025


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Appendix A

Appendix A

Buckanavage's Use of His Corporate Credit Card to Transfer Money from an Intermediary PayPal Account That He Created to His Personal PayPal	
Date of Transaction	Transaction Amount
November 20, 2022	\$ 2,469.90
November 21, 2022	\$ 1,044.74
November 21, 2022	\$ 1,393.57
November 23, 2022	\$ 1,286.55
November 23, 2022	\$ 1,466.63
December 5, 2022	\$ 4,891.50
December 9, 2022	\$ 656.04
December 10, 2022	\$ 508.47
December 13, 2022	\$ 503.48
December 14, 2022	\$ 372.80
December 14, 2022	\$ 547.73
December 14, 2022	\$ 874.95
December 16, 2022	\$ 514.80
December 16, 2022	\$ 514.80
December 17, 2022	\$ 514.80
December 18, 2022	\$ 514.80
December 22, 2022	\$ 1,029.30
December 27, 2022	\$ 1,791.69
December 27, 2022	\$ 2,834.17
December 28, 2022	\$ 2,367.00
December 30, 2022	\$ 4,630.80
January 4, 2023	\$ 2,294.97
January 4, 2023	\$ 2,294.97
January 4, 2023	\$ 2,294.97
January 5, 2023	\$ 2,025.37
January 8, 2023	\$ 7,512.00
January 13, 2023	\$ 1,801.05
January 13, 2023	\$ 2,017.14
January 14, 2023	\$ 1,903.95
January 14, 2023	\$ 2,058.30
January 14, 2023	\$ 2,778.60
January 15, 2023	\$ 2,264.10
January 18, 2023	\$ 1,518.08
January 24, 2023	\$ 856.43

January 24, 2023	\$ 979.91
January 25, 2023	\$ 720.60
January 25, 2023	\$ 874.95
January 28, 2023	\$ 715.46
January 29, 2023	\$ 293.57
March 15, 2023	\$ 501.42
March 15, 2023	\$ 700.02
March 15, 2023	\$ 718.54
March 16, 2023	\$ 206.10
March 16, 2023	\$ 669.15
March 16, 2023	\$ 874.95
March 16, 2023	\$ 1,029.30
March 16, 2023	\$ 1,852.50
March 17, 2023	\$ 604.32
March 17, 2023	\$ 1,235.10
March 18, 2023	\$ 2,006.85
March 18, 2023	\$ 720.60
March 20, 2023	\$ 597.12
March 21, 2023	\$ 2,264.10
March 22, 2023	\$ 2,521.35
March 22, 2023	\$ 2,932.95
March 22, 2023	\$ 823.50
March 23, 2023	\$ 2,881.50
March 23, 2023	\$ 2,624.25
March 24, 2023	\$ 1,852.50
March 24, 2023	\$ 720.60
March 24, 2023	\$ 1,132.20
March 24, 2023	\$ 772.05
March 25, 2023	\$ 849.23
March 25, 2023	\$ 5,145.30
March 27, 2023	\$ 1,646.70
March 28, 2023	\$ 1,852.50
March 28, 2023	\$ 1,235.10
March 29, 2023	\$ 3,601.80
March 29, 2023	\$ 1,338.00
March 29, 2023	\$ 677.38
March 30, 2023	\$ 3,190.20
March 31, 2023	\$ 1,235.10
April 1, 2023	\$ 926.40
April 1, 2023	\$ 2,675.70
April 1, 2023	\$ 5,145.30

April 3, 2023	\$ 1,132.20
April 3, 2023	\$ 2,058.30
April 4, 2023	\$ 1,029.30
April 4, 2023	\$ 6,174.30
April 5, 2023	\$ 823.50
April 5, 2023	\$ 1,801.05
April 5, 2023	\$ 3,087.30
April 5, 2023	\$ 4,116.30
April 6, 2023	\$ 3,293.10
April 9, 2023	\$ 514.80
April 10, 2023	\$ 720.60
April 18, 2023	\$ 1,852.50
April 19, 2023	\$ 3,344.55
April 19, 2023	\$ 3,601.80
April 19, 2023	\$ 4,630.80
April 20, 2023	\$ 4,116.30
April 21, 2023	\$ 2,058.30
April 22, 2023	\$ 4,116.30
April 23, 2023	\$ 2,675.70
Total	\$ 176,839.62

Appendix B

Appendix B

Personal Expenses Charged to Buckanavage's Corporate Credit Card Which Were Not Identified as Such			
Transaction Date	Transaction Amount	Details Added	Transaction Type
December 6, 2022	\$ 17.00	Dinner working late	Meals
December 8, 2022	\$ 6.59	Dinner working late	Meals
December 8, 2022	\$ 55.73	Dinner working late	Meals
December 9, 2022	\$ 391.85	Paper, binders and presentation materials	Office Expense
December 10, 2022	\$ 32.19	Dinner working late	Meals
December 11, 2022	\$ 157.15	FHP group lunch order	Meals
December 30, 2022	\$ 42.89	Dinner working late	Meals
January 3, 2023	\$ 39.35	Dinner working late	Meals
January 29, 2023	\$ 18.52	Dinner working late	Meals
March 5, 2023	\$ 47.78	Dinner working late	Meals
March 5, 2023	\$ 152.32	Hotel PHX	Lodging
March 5, 2023	\$ 161.81	Dinner w/ FHP team	Meals
Total	\$1,123.18		