

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER, AND CONSENT
NO. 2025085030301**

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

RE: Jacob Lee Harper (Respondent)
Former General Securities Representative
CRD No. 4258319

Pursuant to FINRA Rule 9216, Respondent Jacob Lee Harper 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

Harper first became registered with FINRA in 2004 as a General Securities Representative (GS) through an association with a FINRA member firm. Harper was subsequently registered with FINRA through associations with various member firms. From September 2023 until March 2025, Harper was registered with FINRA as a GS through an association with D.A. Davidson & Co. (CRD No. 199). From March 2025 until October 2025, Harper was registered with FINRA as a GS through an association with LPL Financial, LLC (CRD No. 6413). On October 22, 2025, LPL Financial filed a Uniform Termination Notice for Securities Industry Registration (Form U5) terminating Harper's registration as a GS.

Harper is not currently associated with a FINRA member but remains subject to FINRA's jurisdiction pursuant to Article V, Section 4 of FINRA's By-Laws.¹

OVERVIEW

Between November 2024 and January 2025, Harper violated FINRA Rules 3240 and 2010 by borrowing \$50,000 from two customers without seeking or obtaining prior written approval from his firm. In April and May 2025, Harper violated FINRA Rules

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

8210 and 2010 by initially providing false, misleading, and incomplete responses to FINRA about these loans.

From May 2024 through May 2025, Harper violated FINRA Rules 3210 and 2010 by partially funding and effecting trades in three securities accounts at another member firm without obtaining prior written consent from his firms.

For these violations, Harper is suspended 22 months in all capacities and fined \$17,500.

FACTS AND VIOLATIVE CONDUCT

Harper borrowed money from his customers without seeking or obtaining his firm's approval.

FINRA Rule 3240 prohibits a registered person from borrowing or lending money to his or her customer unless: (1) the member has written procedures allowing the borrowing and lending of money between such registered persons and customers of the member and (2) the borrowing or lending arrangement meets at least one of five conditions specified in the rule. Even if those requirements are satisfied, the registered representative must seek and obtain prior written approval of the loan from the member firm, except that the firm's procedures may provide otherwise where the customer is a lending-related financial institution or a member of the representative's immediate family.² A violation of FINRA Rule 3240 also violates FINRA Rule 2010, which requires associated persons to observe high standards of commercial honor and just and equitable principles of trade in the conduct of their business.

During the relevant period, D.A. Davidson's procedures generally prohibited its representatives from borrowing from customers unless the loan was from (1) an immediate family member, (2) a financial institution in the business of providing credit, financing, or loans offering loan terms available to the general public, (3) another registered employee of the firm, (4) someone with whom the representative has a personal relationship from which the lending arrangement arises, or (5) someone having a business relationship with the representative outside the brokerage relationship. Except for loans from an immediate family member or a financial institution in the business of lending, D.A. Davidson's procedures required prior approval of any loan.

In November 2024, Harper borrowed a total of \$20,000 from his friend and customer (Customer A) who was neither a member of Harper's immediate family nor a lending-related financial institution. In January 2025, Harper borrowed a total of \$30,000 from another friend and customer (Customer B) who similarly was neither a member of Harper's immediate family nor a lending-related financial institution. The loans, which were obtained in part to support Harper's outside business activity, were not documented

² FINRA Rule 3240 was amended effective April 28, 2025. Because Harper obtained the loans at issue prior to April 28, 2025, the version of Rule 3240 in effect through April 27, 2025 applies to the conduct here.

in writing and had no specified duration, repayment schedule, or interest rate. Harper did not notify D.A. Davidson or seek the firm's prior approval of either loan.

In March 2025, Harper returned \$3,000 to Customer A. To date, Harper has not made any other principal or interest payments to Customer A or Customer B.

After obtaining the loans from Customers A and B, Harper completed a D.A. Davidson compliance certification that falsely stated that he did not have a borrowing or lending arrangement with a customer who was not a member of his immediate family or a financial institution in the business of financing.

Therefore, Harper violated FINRA Rules 3240 and 2010.

Harper initially provided false, misleading, and incomplete responses to FINRA Rule 8210 requests.

FINRA Rule 8210(a) permits FINRA staff to “require a member, person associated with a member, or any other 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” and to “inspect and copy the books, records, and accounts of such member or person with respect to any matter involved in the investigation, complaint, examination, or proceeding that is in such member’s or person’s possession, custody or control.” Rule 8210(c) states that “[n]o member or person shall fail to provide information or testimony or to permit an inspection and copying of books, records, or accounts pursuant to this Rule.” Providing false, misleading, or incomplete information to FINRA in response to a Rule 8210 request violates FINRA Rule 8210. A violation of FINRA Rule 8210 is also a violation FINRA Rule 2010.

In April 2025, in connection with an examination, FINRA issued a request to Harper, pursuant to FINRA Rule 8210, to identify all items of value that were gifted, loaned, transferred, paid, or otherwise provided to him by any of his brokerage customers. Harper submitted a written response to FINRA falsely stating that Customer A had paid him for a vehicle that he sold to Customer A. Harper’s response also omitted any reference to the money he borrowed from Customer B.

Later in April 2025, FINRA issued another request to Harper, in connection with the examination and pursuant to FINRA Rule 8210, to provide documents and information relating to the purported sale of Harper’s vehicle. In May 2025, Harper submitted a written response to FINRA containing multiple false statements relating to the claimed vehicle transaction about events and discussions that never occurred.

In June 2025, Harper submitted a written response to FINRA admitting that no vehicle transaction had occurred with Customer A and that the \$20,000 received from Customer A in November 2024 was a loan. Harper also disclosed for the first time the loan he received from Customer B.

By submitting false, misleading, and incomplete responses to requests made pursuant to FINRA Rule 8210, Harper violated FINRA Rules 8210 and 2010.

Harper established three outside securities accounts without obtaining prior written consent from his firms.

FINRA Rule 3210(a) provides that “[n]o person associated with a member (‘employer member’) shall, without the prior written consent of the member, open or otherwise establish at a member other than the employer member (‘executing member’), or at any other financial institution, any account in which securities transactions can be effected and in which the associated person has a beneficial interest.” FINRA Rule 3210 Supplementary Material .01 provides that if an account was opened prior to the person’s association with the employer member, the associated person must, within 30 calendar days of becoming associated, “obtain the written consent of the employer member to maintain the account and notify in writing the executing member or other financial institution of his or her association with the employer member.” Under FINRA Rule 3210 Supplementary Material .02, an associated person is presumed to have a beneficial interest in, and to have established, any account that is held by certain persons, including any individual over whose account the associated person has control and to whose financial support the associated person materially contributes.

A violation of Rule 3210 is also a violation of Rule 2010.

From May 2024 to December 2024, Harper partially funded three brokerage accounts held in his fiancée’s name at another FINRA member firm (the Outside Accounts). Harper materially contributed to his fiancée’s financial support, including through the loans he obtained from Customers A and B, which were obtained partly to provide financial support to their joint business. Harper had control over the Outside Accounts. From May 2024 through May 2025, Harper placed over 1,000 trades in the Outside Accounts, including in two securities on D.A. Davidson’s restricted list. Harper had a beneficial interest in the Outside Accounts, which he partially funded and used for personal financial transactions, including the \$3,000 partial loan repayment to Customer A.

Harper failed to disclose the Outside Accounts to or obtain prior written consent from D.A. Davidson. In January 2025, Harper completed a D.A. Davidson compliance certification that falsely stated that his list of outside securities accounts, which did not include the Outside Accounts, was complete and accurate. When Harper joined LPL Financial in March 2025, he failed to disclose the Outside Accounts or obtain the firm’s written consent within 30 days of becoming associated. In March 2025, Harper completed a compliance questionnaire for LPL Financial in which he falsely stated that there were no outside securities accounts in which he had a beneficial interest. Harper belatedly disclosed the Outside Accounts to LPL Financial in July 2025.

By this conduct, Harper violated FINRA Rules 3210 and 2010.

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

- a 22-month suspension from associating with any FINRA member in all capacities and
- a \$17,500 fine.

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.

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 sanction 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 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;
 - 4. this AWC may be taken into consideration by employers and other regulatory or licensing entities or authorities in their hiring, retention, licensing, or other decisions. This AWC may also have other adverse collateral consequences outside of FINRA's control; and
 - 5. 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.

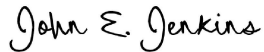
November 4, 2025

Date



Jacob Lee Harper
Respondent

Reviewed by:



John E. Jenkins
Counsel for Respondent
Lubiner, Schmidt & Palumbo
123 North Union Ave., Ste. 305
Cranford, NJ 07016

Accepted by FINRA:

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

November 10, 2025

Date



Robert A. Lawner
Principal Counsel
FINRA
Department of Enforcement
300 South Grand Avenue, Suite 1600
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