

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 20160520920-01**

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

RE: Andrew B. Kramer, Respondent
CRD No. 1896558

Pursuant to FINRA Rule 9216 of FINRA's Code of Procedure, I, Andrew B. Kramer ("Respondent"), submit 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 me alleging violations based on the same factual findings described herein.

I.

ACCEPTANCE AND CONSENT

- A. I hereby accept and consent, without admitting or denying the findings, and solely for the purposes of this proceeding and any other proceeding brought by or on behalf of FINRA, or to which FINRA is a party, prior to a hearing and without an adjudication of any issue of law or fact, to the entry of the following findings by FINRA:

BACKGROUND

Respondent entered the securities industry in November 1988 when he became registered with FINRA as a General Securities Representative ("GSR") through an association with a FINRA member. He became registered as a General Securities Principal ("GSP") through another FINRA member in July 1997. Subsequently, he was associated with various FINRA members as a GSR and a GSP. He was associated as a GSR and GSP with Capitol Securities Management, Inc. ("CSM" or the "Firm") from September 11, 2014 through May 12, 2016. By Uniform Termination Notice for Securities Industry Registration ("Form U5"), dated May 16, 2016, CSM reported that it had terminated the Respondent's registration with the Firm. Respondent is not currently associated with a FINRA member.

RELEVANT DISCIPLINARY HISTORY

Respondent does not have any disciplinary history with the Securities Exchange Commission, FINRA, any other self-regulatory organization or any state securities regulator.

FACTS AND VIOLATIVE CONDUCT

FINRA Rule 8210(a)(1) states, in relevant part, that FINRA has the right 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. . . ." FINRA Rule 8210(c) states that "[n]o member or person shall fail to provide information or testimony or to permit inspection and copying of books, records, or accounts pursuant to this Rule."

On December 12, 2016, FINRA staff sent Respondent, by regular and certified mail to his last known residential address as reflected on Central Registration Depository, a letter requesting pursuant to FINRA Rule 8210, that Respondent provide certain documents and information related to an examination concerning a customer complaint. The response was due on or before December 26. On December 21, counsel for Respondent requested an extension of time to respond. FINRA staff granted the request and set a new due date of January 16, 2017. Respondent did not request any further extension and failed to respond by January 16, 2017. On January 18, FINRA was informed through Respondent's counsel that Respondent would not be responding to FINRA's requests for documents and information.

By virtue of the foregoing, Respondent violated FINRA Rules 8210 and 2010.

B. I also consent to the imposition of the following sanctions:

- A bar from association with any FINRA member in any capacity.

I understand that if I am barred or suspended from associating with any FINRA member, I become 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, I 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 herein shall be effective on a date set by FINRA staff. A bar or expulsion shall become effective upon approval or acceptance of this AWC.

II.

WAIVER OF PROCEDURAL RIGHTS

I specifically and voluntarily waive the following rights granted under FINRA's Code of Procedure:

- A. To have a Complaint issued specifying the allegations against me;

- 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, I specifically and voluntarily waive 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 acceptance or rejection of this AWC.

I further specifically and voluntarily waive 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

I understand 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 me; and
- C. If accepted:
 - 1. this AWC will become part of my permanent disciplinary record and may be considered in any future actions brought by FINRA or any other regulator against me;
 - 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 the subject matter thereof in accordance with FINRA Rule 8313, and
4. I 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. I 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 my (i) testimonial obligations, or (ii) right to take legal or factual positions in litigation or other legal proceedings in which FINRA is not a party.

I certify that I have read and understand all of the provisions of this AWC and have been given a full opportunity to ask questions about it, that I have agreed to its provisions voluntarily, and that no offer, threat, inducement, or promise of any kind, other than the terms set forth herein and the prospect of avoiding the issuance of a Complaint, has been made to induce me to submit it.

2/28/2017
Date (mm/dd/yyyy)


Andrew B. Kramer, Respondent

Reviewed by


Barry M. Bordetsky

Counsel for Respondent
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