

**FINANCIAL INDUSTRY REGULATORY AUTHORITY  
LETTER OF ACCEPTANCE, WAIVER AND CONSENT  
NO. 2015046501101**

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

**RE: Johnathan M. Lo, Respondent  
Registered Representative  
CRD No. 4838748**

Pursuant to FINRA Rule 9216 of FINRA's Code of Procedure, I, Johnathan M. Lo ("Respondent" or "Lo"), 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**

In April 2006, Lo first became registered with FINRA as a General Securities Representative ("GSR") through an association with former FINRA member firm Morgan Stanley DW Inc. (BD No. 7556). From 2006 until 2015, Lo was associated with seven different FINRA member firms. Between September 2013 and July 2015, Lo was registered as a GSR with NYLife Securities LLC (BD No. 5167) ("NYLife" or the "Firm"). From December 2014 to July 2015, Lo was associated with Eagle Strategies LLC ("Eagle Strategies"), an investment adviser affiliate of NYLife, as an Investment Adviser Representative.

On August 7, 2015, NYLife filed a Uniform Termination Notice for Securities Industry Registration ("Form U5") disclosing that Lo was permitted to resign from the Firm and Eagle Strategies on July 8, 2015 "after a review of his business identified a pattern of unsuitable mutual fund switches." Lo is not currently registered with FINRA or associated with a FINRA member firm.

## **OVERVIEW**

This matter concerns Lo's failure to cooperate with a FINRA investigation.

## **FACTS AND VIOLATIVE CONDUCT**

FINRA Rule 8210 authorizes FINRA, in the course of its investigations, to require persons associated with a FINRA member to "provide information orally, in writing, or electronically . . . with respect to any matter involved in the investigation . . . ."

FINRA Rule 2010 requires that member firms and associated persons "observe high standards of commercial honor and just and equitable principles of trade." A violation of Rule 8210 also constitutes a violation of FINRA Rule 2010.

On March 1, 2017, FINRA staff sent Lo a request to appear on March 21 and March 22, 2017 for an on-the-record interview ("OTR") pursuant to FINRA Rule 8210. On March 10, 2017, at Respondent's request, FINRA staff agreed to postpone the testimony.

On March 13, 2017, FINRA staff sent a letter to Lo, pursuant to FINRA Rule 8210, requesting that he appear for an OTR on April 18 and April 19, 2017. As stated in his counsel's email to FINRA staff on March 27, 2017, and by this agreement, Lo acknowledges that he received FINRA's requests and will not appear for an OTR at any time. By refusing to appear for an OTR as requested pursuant to FINRA Rule 8210, Lo violates FINRA Rules 8210 and 2010.

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

- A bar from associating 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.

4/13/07  
Date

Johnathan M. Lo  
Respondent Johnathan M. Lo

Reviewed by:

Brian Neville  
Brian Neville, Esq.  
Counsel for Respondent  
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Accepted by FINRA:

May 1, 2017

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Date

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



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