

**FINANCIAL INDUSTRY REGULATORY AUTHORITY  
LETTER OF ACCEPTANCE, WAIVER AND CONSENT  
NO. 2020067011901**

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

RE: James Couture, Respondent  
Former Registered Representative  
CRD No. 4406284

Pursuant to FINRA Rule 9216 of FINRA's Code of Procedure, Respondent James Couture 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 herein.

**I.**

**ACCEPTANCE AND CONSENT**

- A. Respondent hereby accepts and consents, 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**

Couture became registered in 2001 as a General Securities Representative. From February 27, 2009, until July 16, 2020, Couture was registered through an association with LPL Financial LLC. LPL terminated his registration in a Form U5, dated July 16, 2020, disclosing that he had been discharged because he allegedly "[a]ltered identifying information, account balances and distributions in customer account statement; maintained comingled customer funds; [and used] an unapproved email address."

Couture is not currently associated with a FINRA member firm. However, he remains subject to FINRA's jurisdiction pursuant to Article V, Section 4, of FINRA's By-Laws.

**RELEVANT DISCIPLINARY HISTORY**

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

## OVERVIEW

Couture refused to provide a complete production of documents and information requested pursuant to FINRA Rule 8210. As a result, he violated FINRA Rules 8210 and 2010.

## FACTS AND VIOLATIVE CONDUCT

In June 2020, FINRA began investigating the allegations that formed the basis of Couture's termination as reported in the July 16, 2020 Form U5 referenced above.

FINRA Rule 8210 requires "a member, person associated with a member, or any other person subject to FINRA's jurisdiction to provide information orally, in writing, or electronically (if the requested information is, or is required to be, maintained in electronic form) and to testify at a location specified by FINRA staff, under oath or affirmation administered by a court reporter or a notary public if requested, with respect to any matter involved in the investigation, complaint, examination, or proceeding."

On June 25, 2020, FINRA sent Couture a request for the production of documents and information pursuant to FINRA Rule 8210 and a second request on July 20, 2020. FINRA received a response to its requests from Couture on August 7, 2020; however, Couture's production was substantially incomplete. FINRA issued a third request pursuant to FINRA Rule 8210 on August 25, 2020. On September 14, 2020, Couture's counsel informed FINRA that "[a]fter speaking with Mr. Couture last week and giving him some time to think about his options, he has decided to cease complying with the 8210 inquiry and to move forward with signing an AWC." By this agreement, Couture acknowledges that he received FINRA's requests and declines to produce the remaining information and documents.

By refusing to produce all of the information and documents as requested pursuant to FINRA Rule 8210, Couture violated FINRA Rules 8210 and 2010.

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

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

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 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**

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 acceptance or rejection of this AWC.

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 the subject matter thereof 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: (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.

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 herein and the prospect of avoiding the issuance of a Complaint, has been made to induce him to submit this AWC.

16 October 2020

Date

  
James Couture  
Respondent

Reviewed by:



Benjamin Winograd  
Counsel for Respondent  
AdvisorLaw LLC  
9737 Wadsworth Parkway, Suite 205  
Westminster, CO 80021

Accepted by FINRA:

10/21/2020

Date

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



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Mark S. Geiger  
Counsel  
FINRA  
Department of Enforcement  
Brookfield Place  
200 Liberty Street—11th Floor  
New York, NY 10281