

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER, AND CONSENT
NO. 2019063686207**

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

RE: Ronald Morse (Respondent)
General Securities Principal and General Securities Representative
CRD No. 341008

Pursuant to FINRA Rule 9216, Respondent Ronald Morse 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

Morse first registered with FINRA as a General Securities Representative in 1971 through his association with a FINRA member firm. From 1971 through 2000, Morse was registered through associations with a series of member firms. In June 2002, Morse became registered as a General Securities Representative through his association with David Lerner Associates, Inc. (DLA). In September 2009, Morse became registered as a General Securities Principal through his association with DLA.¹

OVERVIEW

In May 2019, Morse created an updated customer profile document for a senior customer and included inaccurate information about the customer. Morse also affixed the customer's signature to the customer profile without the customer's permission. As a result, Morse violated FINRA Rules 4511 and 2010.

FACTS AND VIOLATIVE CONDUCT

FINRA Rule 2010 requires associated persons to observe "high standards of commercial honor and just and equitable principles of trade" in the conduct of their business. Falsifying documents occurs when a person creates a document or entry in a firm's

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

system that creates a false appearance by including altered or untrue information. Forgery occurs when one person signs another person's name or initials on a document without the other person's prior permission. Falsification and forgery are inconsistent with just and equitable principles of trade and violate FINRA Rule 2010.

FINRA Rule 4511 requires members to "make and preserve books and records as required under the FINRA rules, the [Securities Exchange Act of 1934] and the applicable Exchange Act rules." Exchange Act Rule 17a-3 requires firms to maintain customer account records. Inherent in the obligation to make and preserve books and records is the requirement that they be accurate. A violation of FINRA Rule 4511 is also a violation of FINRA Rule 2010.

Morse works as a sales assistant to a producing broker at DLA. In April 2019, a senior customer of that producing broker complained to DLA that information on her customer profile, including her investment objectives, risk tolerance, and liquid net worth, were inaccurate. In May 2019, following communications with the customer, Morse created a revised customer profile document. The revised customer profile document contained some of the changes the customer requested, but was inaccurate with respect to aspects of the customer's stated investment needs. After revising the customer profile document, Morse affixed the customer's signature without her permission.

By falsifying a customer profile document and forging the customer's signature, Morse violated FINRA Rule 2010. In addition, by causing DLA to maintain inaccurate books and records, Morse violated FINRA Rules 4511 and 2010.

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

- a 20-business-day suspension from associating with any FINRA member in all capacities and
- a \$5,000 fine.

Respondent agrees to pay the monetary sanction upon notice that this AWC has been accepted and that such payment is due and payable. Respondent has submitted an Election of Payment form showing the method by which he proposes to pay the fine imposed.

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.

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 prejudice 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; 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 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 17, 2023

Date

Ronald Morse

Ronald Morse
Respondent



Statement of Corrective Action

I will take corrective action to ensure the above-described good faith steps to facilitate client account paperwork in an effort to expedite fulfilment of the client's request to update her profile do not occur going forward, including by double-checking the accuracy of important account information with the client and firm Investment Counselor (IC), discussing any material changes requested by the client with the IC, and obtaining original signatures from the client as needed.

This Corrective Action Statement is submitted by the Respondent. It does not constitute factual or legal findings by FINRA, nor does it reflect the views of FINRA, or its staff.