

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER, AND CONSENT
NO. 2020065163003**

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

RE: Wei Donald Tang (Respondent)
Registered Representative and Registered Principal
CRD No. 1805501

Pursuant to FINRA Rule 9216, Respondent Wei Donald Tang 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

Respondent entered the securities industry in 1988. In July 2015, Respondent became registered as a General Securities Representative, a General Securities Principal, and an Investment Banking Representative through an association with Roselaine Securities LLC, a FINRA member. In October 2018, Respondent became registered as an Investment Banking Principal and a Compliance Officer. Respondent remains registered in the above-referenced capacities through his association with the firm.¹

OVERVIEW

From July 2015 to May 2020, Respondent violated FINRA Rules 3270 and 2010 by engaging in four outside business activities (OBAs) without providing written notice to the firm.

FACTS AND VIOLATIVE CONDUCT

This matter originated from a routine cycle examination of the firm.

FINRA Rule 3270 states that “[n]o registered person may be an employee, independent contractor, sole proprietor, officer, director or partner of another person, or be compensated, or have the reasonable expectation of compensation, from any other person

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

as a result of any business activity outside the scope of the relationship with his or her member firm, unless he or she has provided prior written notice to the member, in such form as specified by the member.” A violation of FINRA Rule 3270 is also a violation of FINRA Rule 2010, which requires that members and associated persons observe high standards of commercial honor and just and equitable principles of trade in the conduct of their business.

Since the formation of the firm in July 2015, its written supervisory procedures required its representatives to provide written notice to a designated principal prior to engaging in OBAs.

During the period February 2004 to May 2020, Respondent served as the managing member and owner of four limited liability companies (the LLCs) that each owned an investment property. Respondent hired property managers to manage three of the properties as rentals, from which he received combined annual income ranging from \$100,000 to \$200,000. Respondent also expected to profit from appreciation on the value of the fourth investment property.

Respondent did not notify the firm that he was engaging in this business, which did not involve firm customers, until May 2020, after the firm received inquiries about the business from FINRA.

Therefore, Respondent violated FINRA Rules 3270 and 2010.

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

- a 30-calendar-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.

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 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:

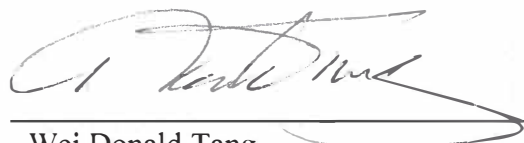
1. this AWC will become part of Respondent's permanent disciplinary record and may be considered in any future action brought by FINRA or any other regulator against Respondent;
2. this AWC will be made available through FINRA's public disclosure program in accordance with FINRA Rule 8313;
3. FINRA may 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.

4/12/22

Date



Wei Donald Tang
Respondent

Reviewed by:

James H. Ellis

James Ellis
Counsel for Respondent
Ellis Law Partners, LLP
1515 Palisades Drive, Suite K
Pacific Palisades, CA 90272

Accepted by FINRA:

7/6/2022

Date

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



Robert Fair
Principal Counsel
FINRA
Department of Enforcement
200 Liberty Street, 11th floor
New York, NY 10281-1003

ELECTION OF PAYMENT FORM

Respondent intends to pay the fine set forth in the attached Letter of Acceptance, Waiver, and Consent by the following method (check one):

- A check for the full amount;
- Wire transfer for the full amount;
- Credit card authorization for the full amount;² or
- The installment payment plan (only if approved by the Department of Enforcement and the Office of Disciplinary Affairs).³

Respectfully submitted,



Wei Donald Tang
Respondent

4/12/22

Date

² Credit card payment is only available for fines of \$50,000 or less. Only Mastercard, Visa, and American Express are accepted. If this method is chosen, the appropriate forms will be mailed to Respondent by FINRA's Finance Department. Credit card information should not be included on this Election of Payment Form.

³ The installment payment plan is only available for fines of \$5,000 or more. Certain interest payments, minimum initial and monthly payments, and other requirements apply. Respondent must discuss these requirements with the Department of Enforcement prior to requesting this method of payment. If this method is chosen and approved, the appropriate forms will be mailed to Respondent by FINRA's Finance Department.