

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER, AND CONSENT
NO. 2020068113401**

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

RE: Andrew J. Grant (Respondent)
General Securities Representative
CRD No. 2709882

Pursuant to FINRA Rule 9216, Respondent Andrew J. Grant 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

Grant first became registered with FINRA as a General Securities Representative (GS) when he became associated with a FINRA member firm in February 1997. Since then, Respondent has been associated with numerous different member firms. In November 2012, Grant registered with FINRA as a GS through an association with Laidlaw & Company (UK) LTD (CRD No. 119037). On May 5, 2022, Laidlaw filed a Form U5 disclosing that Grant had been discharged by the firm, stating that Grant “violated the Firm’s policies and procedures by effecting trades in a customer’s account using discretion without the customer’s prior written authorization and without the Firm’s prior written approval for the use of discretion in the account.” Since May 31, 2022, Grant has been associated with another member firm as a GS.

On January 17, 2020, FINRA accepted an AWC in which Grant consented to the entry of findings that he violated NASD Rule 2510(b) and FINRA Rule 2010 by effecting transactions in 13 customer accounts, using discretion without the customers’ prior written authorization and without his firm accepting the accounts as discretionary in writing. The AWC suspended Grant from associating with any FINRA member in all capacities for 15 business days and imposed a \$5,000 fine.¹

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

OVERVIEW

From October 22, 2021 through April 19, 2022, Grant exercised discretionary authority with respect to 102 trades in four customer accounts without obtaining prior written authorization from the customers and without having the accounts accepted as discretionary accounts by Laidlaw, in violation of FINRA Rules 3260(b) and 2010.

FACTS AND VIOLATIVE CONDUCT

The matter originated from FINRA's review of Grant's trading practices with respect to customer accounts.

FINRA Rule 3260(b) prohibits registered representatives from "exercis[ing] any discretionary power in a customer's account unless such customer has given prior written authorization to a stated individual or individuals and the account has been accepted by the member" in writing. A violation of FINRA Rule 3260(b) is also a violation of FINRA Rule 2010.

From October 22, 2021 through April 19, 2022, Grant exercised discretionary authority for at least 102 trades in four customers' brokerage accounts. These four customers did not provide prior written authorization for Grant to exercise discretion in their accounts. Additionally, Laidlaw did not accept any of the customer accounts as discretionary accounts.

Therefore, Grant violated FINRA Rules 3260(b) and 2010.

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

- a one-month 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 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 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 understands and acknowledges that FINRA does not represent or advise him and Respondent cannot rely on FINRA for legal advice. 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.

MARCH 3, 2023
Date


Andrew J. Grant
Respondent

Accepted by FINRA:

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

03/29/2023
Date



Jamie Stinson
Counsel
FINRA
Department of Enforcement
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