

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER, AND CONSENT
NO. 2020068211001**

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

RE: Joel D. Plasco (Respondent)
Former General Securities Representative
CRD No. 3220164

Pursuant to FINRA Rule 9216, Respondent Joel D. Plasco 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

Plasco entered the securities industry in 1999. From October 2015 through November 2020, he was associated with Dalmore Group LLC as a general securities representative and general securities principal, among other registrations. Plasco is not currently registered or associated with a FINRA member firm but remains subject to FINRA's jurisdiction until November 15, 2022 pursuant to Article V, Section 4 of FINRA's By-Laws.¹

OVERVIEW

In April 2019 and July 2020, Joel Plasco participated in two private securities transactions totaling \$275,000 in his personal account without providing prior written notice to his firm in violation of FINRA Rules 3280 and 2010. Additionally, between February 2020 and July 2020, Plasco opened three outside brokerage accounts away from Dalmore Group without notifying his firm in writing in violation of FINRA Rules 3210 and 2010. Finally, between August 2016 and November 2020, Plasco engaged in five outside businesses without providing prior written notice to Dalmore Group in the manner specified by the firm in violation of FINRA Rules 3270 and 2010.

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

FACTS AND VIOLATIVE CONDUCT

Private Securities Transactions

FINRA Rule 3280(b) states that prior to participating in any private securities transaction, an associated person shall provide written notice to his broker-dealer employer detailing the proposed transaction and the person's proposed role therein and whether selling compensation has been or may be received in connection with the transaction at issue. FINRA Rule 3280(e)(1) defines a private securities transaction as "any securities transaction outside the regular course or scope of an associated person's employment with a member." A violation of FINRA Rule 3280 is also a violation of FINRA Rule 2010, which requires associated persons in the conduct of their business to observe high standards of commercial honor and just and equitable principles of trade.

In April 2019, Plasco loaned \$200,000 to a company for one month and expected to receive a 100 percent return at maturity. The loan was a security. After the company defaulted on the loan, the parties entered into a settlement agreement, pursuant to which Plasco received shares of a thinly-traded stock of a different company that he sold in a private transaction for \$75,000. Plasco did not provide Dalmore Group with written notice or obtain the firm's written approval prior to participating in these private securities transactions. Therefore, Plasco violated FINRA Rules 3280 and 2010.

Outside Securities Accounts

FINRA Rule 3210(a) provides that "[n]o person associated with a member ('employer member') shall, without the prior written consent of the member, open or otherwise establish at a member other than the employer member ('executing member'), or at any other financial institution, any account in which securities transactions can be effected and in which the associated person has a beneficial interest." A violation of FINRA Rule 3210 also constitutes a violation of FINRA Rule 2010.

Between February 2020 and July 2020, Plasco opened outside brokerage accounts at three firms without the prior written consent of Dalmore Group. One of the firms held the account through which he effected the second private securities transaction described above. Therefore, Plasco violated FINRA Rules 3210 and 2010.

Outside Business Activities

FINRA Rule 3270 provides that no 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 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.

From 2016 until his departure from the firm in November 2020, Plasco served as a senior executive with and, in some instances, received compensation from six related businesses in the aviation industry. Plasco did not provide Dalmore Group with prior written notice of five of the six businesses and therefore violated FINRA Rules 3270 and 2010.

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

- a \$10,000 fine and
- a six-month suspension from associating with any FINRA member in all capacities.

The fine shall be due and payable either immediately upon reassociation with a member firm or prior to any application or request for relief from any statutory disqualification resulting from this or any other event or proceeding, whichever is earlier. 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

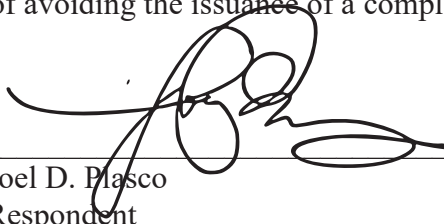
Respondent understands that:

- 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 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.

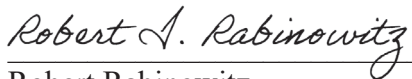
October 21, 2022

Date



Joel D. Plasco
Respondent

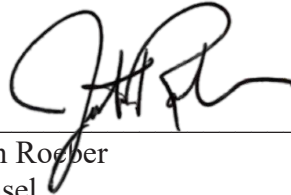
Reviewed by:



Robert Rabinowitz
Counsel for Respondent
Becker & Poliakoff
45 Broadway, 17th Floor
New York, NY 10006

Accepted by FINRA:

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



Justin Roerber
Counsel
FINRA
Department of Enforcement
4600 Syracuse Street, Suite 1400
Denver, CO 80237

November 7, 2022

Date