

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER, AND CONSENT
NO. 2021070418202**

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

RE: Quint Capital Corporation (Respondent)
Member Firm
BD No. 26586

Alexander Quint (Respondent)
General Securities Principal
CRD No. 1012135

Pursuant to FINRA Rule 9216, Respondents Quint Capital Corporation (QCC) and Alexander Quint (Quint) submit 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 Respondents alleging violations based on the same factual findings described in this AWC.

I.

ACCEPTANCE AND CONSENT

A. Respondents accept and consent to the following findings by FINRA without admitting or denying them:

BACKGROUND

QCC was approved as a FINRA member firm in November 1990. Approximately 20 individuals are registered with FINRA through QCC. The firm is mainly engaged in a retail securities business.

Quint first became registered with FINRA in 1981 as a General Securities Representative (GSR) through association with a former member firm. From 1981 until September 2013, Quint was registered as a GSR through several member and former member firms. Quint also became registered as a General Securities Principal (GSP) beginning in October 2007 and as an Operations Professional (OS) beginning in October 2011.

In April 2014, Quint became registered as a GSR, GSP and OS through QCC. In October 2018, Quint also became registered as a Compliance Officer through QCC.

Quint has been QCC's Chief Executive Officer since 2014.¹

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

OVERVIEW

During the period of January 2020 to March 2020, QCC and Quint permitted an individual who was subject to a statutory disqualification to associate with QCC in violation of FINRA By-Laws Article III, Section 3(b), FINRA Rules 8311 and 2010, and MSRB Rules G-4 and G-5. During that same period, QCC and Quint further permitted the individual to engage in activities requiring registration as a Municipal Securities Representative in violation of MSRB Rules G-2 and G-3.

FACTS AND VIOLATIVE CONDUCT

This matter originated from an arbitration filing.

Article III, Section 3(b) of FINRA's By-Laws provides that no person shall continue to be associated with a FINRA member firm if the person becomes subject to statutory disqualification.

In addition, FINRA Rule 8311(a) provides in part that:

If a person is subject to a suspension, revocation, cancellation of registration, bar from association with a member (each a "sanction") or other disqualification, a member shall not allow such person to be associated with it in any capacity that is inconsistent with the sanction imposed or disqualified status, including a clerical or ministerial capacity.

FINRA Rule 2010 provides that associated persons shall, in the conduct of their business, observe high standards of commercial honor and just and equitable principles of trade.

MSRB Rule G-4(a) provides, in part, that:

no broker, dealer or municipal securities dealer or natural person shall be qualified for purposes of rule G-2 if, by action of a national securities exchange or registered securities association, such broker, dealer or municipal securities dealer has been and is expelled or suspended from membership or participation in such exchange or association, or such natural person has been and is barred or suspended from being associated with a member of such exchange or association.... (ii) by reason of any statutory disqualification of the character described in subparagraphs (C), (D), (E) or (F) of section 3(a)(39) of the [Exchange] Act.

MSRB Rule G-5(a) provides, in part, that:

no natural person shall be associated with a broker, dealer or municipal securities dealer in contravention of any effective restrictions imposed upon such person by the [U.S. Securities and Exchange] Commission pursuant to sections 15(b)(6) or 15B(c)(4) of the Act or by an appropriate regulatory

agency pursuant to section 15B(c)(5) of the Act or by a registered securities association pursuant to rules adopted under section 15A(b)(7) of the Act.

MSRB Rule G-2 provides that:

No broker, dealer or municipal securities dealer shall effect any transaction in, or induce or attempt to induce the purchase or sale of, any municipal security, and no municipal advisor shall engage in municipal advisory activities, unless such broker, dealer, municipal securities dealer or municipal advisor and every natural person associated with such broker, dealer, municipal securities dealer or municipal advisor is qualified in accordance with the rules of the Board.

MSRB Rule G-3(a)(i) defines the term “municipal securities representative” to mean:

a natural person associated with a broker, dealer or municipal securities dealer, other than a person whose functions are solely clerical or ministerial, whose activities include one or more of the following:

- (1) underwriting, trading or sales of municipal securities;
- (2) financial advisory or consultant services for issuers in connection with the issuance of municipal securities;
- (3) research or investment advice with respect to municipal securities; or
- (4) any other activities which involve communication, directly or indirectly, with public investors in municipal securities;

provided, however, that the activities enumerated in subparagraphs (3) and (4) above shall be limited to such activities as they relate to the activities enumerated in subparagraphs (1) and (2) above.

MSRB Rule G-3 further states that a Municipal Securities Representative is not qualified for purposes of Rule G-2 until the individual has taken and passed, among others, the Municipal Securities Representative Qualification Examination (the Series 52).

Quint was the principal at QCC responsible for supervising QCC’s compliance with licensing and registration matters, including matters relating to statutory disqualification. In February 2018, Quint signed and submitted on behalf of QCC a Membership Continuance Application (“MC-400 Application”) seeking to permit Individual A to associate with the firm despite Individual A being statutorily disqualified under Section 3(a)(39) of the Securities Exchange Act of 1934 due to an SEC bar and a federal district court order enjoining Individual A from violating various federal securities laws and regulations.²

² The SEC bar fell within, among others, MSRB Rule G-5. The federal district court order fell within subparagraph (F) of section 3(a)(39) of the Exchange Act and thus MSRB Rule G-4 also applied.

In November 2019, FINRA's National Adjudicatory Council issued a Notice Pursuant to Exchange Act Rule 19h-1 approving the application for Individual A to associate with the firm as a GSR. However, as stated in the Notice and in FINRA's letter to Quint and QCC accompanying the Notice, under FINRA Rule 9524(b)(3) the Notice would become effective only after the issuance of an order from the SEC stating that the SEC would not institute proceedings pursuant to Section 15(b) of the Exchange Act and that it will not direct otherwise pursuant to Exchange Act Section 15A(g)(2). The SEC never issued such an order, and the Notice never became effective.

From January 2020 to March 2020, at a time when the Notice was not effective and Individual A was not registered as a Municipal Securities Representative, QCC and Quint nevertheless permitted Individual A to associate with the firm and to engage in activities requiring registration as a Municipal Securities Representative. Specifically, Quint and QCC provided Individual A with passwords and access to electronic systems and platforms at QCC to trade municipal bonds. With QCC and Quint's knowledge, Individual A referred four customers, including a married couple, to open accounts at QCC, discussed municipal securities transactions with those customers and effected approximately 25 municipal securities purchase and sale transactions for the accounts of those customers.

In March 2021, Quint caused QCC to withdraw the MC-400 Application for Individual A, and to file a Uniform Termination Notice for Securities Industry Registration (Form U5) terminating Individual A's association with the firm.³

By permitting Individual A to engage in the activities described above, Quint and QCC permitted a barred and statutorily disqualified individual to associate with the firm. Therefore, Quint and QCC violated Article III, Section 3(b) of FINRA's By-Laws, FINRA Rules 8311 and 2010, and MSRB Rules G-4 and G-5.

In addition, QCC and Quint permitted Individual A to engage in activity requiring registration as a Municipal Securities Representative. Therefore, QCC and Quint violated MSRB Rules G-2 and G-3.

B. Respondents also consent to the imposition of the following sanctions:

For QCC:

- a censure and
- a \$35,000 fine (\$26,250 of which pertains to violations of MSRB Rules).

³ Individual A was barred from associating with any FINRA member in 2022 for failing to provide testimony requested pursuant to FINRA Rule 8210 in violation of FINRA Rules 8210 and 2010.

For Quint:

- a five-month suspension in all principal capacities and
- a \$10,000 fine (\$7,500 of which pertains to violations of MSRB Rules).

Respondents agree to pay the monetary sanctions upon notice that this AWC has been accepted and that such payments are due and payable. Respondents submitted Election of Payment forms showing the method by which they propose to pay the fines imposed.

Respondents specifically and voluntarily waive any right to claim an inability to pay, now or at any time after the execution of this AWC, the monetary sanctions imposed in this matter.

Respondent Quint understands that if he is barred or suspended from associating with any FINRA member in a principal capacity, 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, Respondent Quint may not be associated with any FINRA member in a principal capacity, 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

Respondents specifically and voluntarily waive the following rights granted under FINRA's Code of Procedure:

- A. To have a complaint issued specifying the allegations against them;
- 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, Respondents specifically and voluntarily waive 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.

Respondents further specifically and voluntarily waive 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

Respondents understand that:

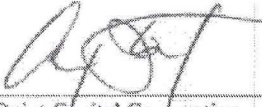
- A. Submission of this AWC is voluntary and will not resolve this matter unless and until it has been reviewed and accepted by the NAC, a Review Subcommittee of the NAC, or the Office of Disciplinary Affairs (ODA), pursuant to FINRA Rule 9216;
- B. If this AWC is not accepted, its submission will not be used as evidence to prove any of the allegations against Respondents; and
- C. If accepted:
 - 1. this AWC will become part of Respondents' permanent disciplinary records and may be considered in any future action brought by FINRA or any other regulator against Respondents;
 - 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. Respondents 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. Respondents 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 Respondents' 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 Respondents' testimonial obligations in any litigation or other legal proceedings.
- D. Respondents may attach a corrective action statement to this AWC that is a statement of demonstrable corrective steps taken to prevent future misconduct. Respondents understand that they 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.

The undersigned, on behalf of Respondent QCC, certifies that a person duly authorized to act on Respondent QCC's behalf has read and understands all of the provisions of this AWC and has been given a full opportunity to ask questions about it; that Respondent has agreed to the AWC's provisions voluntarily; and that 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 Respondent to submit this AWC.

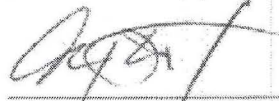
Respondent Quint certifies that he has read and understands all of the provisions of this AWC and has been given a full opportunity to ask questions about it; Respondent has agreed to the AWC's provisions voluntarily; and no offer, threat, inducement, or promise of any kind, other than the terms set forth in this AWC and the prospect of avoiding the issuance of a complaint, has been made to induce him to submit this AWC.


02/12/2023
Date


Quint Capital Corporation
Respondent

Print Name: ALEXANDER N. QUINT
Title: PRESIDENT

02/12/2023
Date


Alexander Quint
Respondent

Reviewed by:

Gary Carleton, Esq.
Counsel for Respondents
Carleton Law PLLC
2001 Massachusetts Avenue NW
Washington, DC 20036

Accepted by FINRA:

February 14, 2023

Date

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



Frank M. Weber
Senior Counsel
FINRA
Department of Enforcement
Two Jericho Plaza
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Jericho, NY 11753