

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER, AND CONSENT
NO. 2021072841801**

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

RE: Ellen Gayle Reynard (Respondent)
Former General Securities Representative
CRD No. 6148906

Pursuant to FINRA Rule 9216, Respondent Ellen Gayle Reynard 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

Reynard entered the securities industry in 2012 when she became associated with a FINRA member firm. Through her association with Raymond James Financial Services, Inc. (CRD No. 6694), she was registered as a General Securities Representative from April 2013 to October 2021, and as a General Securities Principal from August 2017 to October 2021. On October 13, 2021, Raymond James filed a Uniform Termination Notice for Securities Industry Registration (Form U5) disclosing that it had terminated Reynard for “violation of document integrity policies.”

Reynard is no longer registered or associated with any FINRA member. However, she remains subject to FINRA’s jurisdiction pursuant to Article V, Section 4 of FINRA’s By-Laws.¹

OVERVIEW

From December 2018 to May 2021, Reynard falsified 171 forms that she submitted to Raymond James to effectuate money movements requested by her customers. Reynard did so by directing the customers to sign blank or incomplete request forms, which Reynard thereafter completed and submitted for processing. As a result, Reynard violated

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

FINRA Rule 2010, and she separately violated FINRA Rules 4511 and 2010 by causing Raymond James to maintain inaccurate books and records.

FACTS AND VIOLATIVE CONDUCT

This matter originated from FINRA's review of the Form U5 filed by Raymond James.

FINRA Rule 2010 requires members and associated persons to "observe high standards of commercial honor and just and equitable principles of trade" in the conduct of their business. Falsifying documents is inconsistent with high standards of commercial honor and just and equitable principles of trade and violates FINRA Rule 2010.

FINRA Rule 4511 requires member firms and associated persons to make and preserve books and records as required by applicable laws, rules, and regulations. Implicit in the obligation to make and preserve books and records is the requirement that the information in those books and records be true and accurate. An associated person who enters inaccurate information in a firm's books and records violates FINRA Rules 4511 and 2010.

From December 2018 to May 2021, Reynard falsified 171 forms associated with money movements from seven customer accounts. Reynard directed the customers to sign blank or incomplete forms, but neither Reynard nor the customers completed or submitted the forms at the time Reynard obtained their signatures. Instead, Reynard maintained the blank, signed forms, which she later photocopied, completed and submitted to Raymond James at the customers' requests. 168 of the falsified forms authorized approximately \$23,000 in money movements from five customer accounts. The remaining three falsified forms authorized the establishment of customer profiles facilitating money movements from two customer accounts: two forms established Automated Clearing House (ACH) profiles for a customer, and one form was a standing letter of authorization for another customer.

By falsifying forms associated with money movements from customer accounts, Reynard violated FINRA Rule 2010. In addition, Reynard violated FINRA Rules 4511 and 2010 by causing Raymond James to maintain inaccurate books and records.

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

- a five-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 she 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 she is barred or suspended from associating with any FINRA member, she 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, she 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 her;
- 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 she 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 she 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 her to submit this AWC.

10/24/2022
Date

Ellen Gayle Reynard
Ellen Gayle Reynard
Respondent

Reviewed by:

John S. Monical
John S. Monical
Counsel for Respondent
Lawrence Kamin Law
300 S. Wacker Dr., Suite 500
Chicago, IL 60606

Accepted by FINRA:

November 10, 2022
Date

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

Rebecca Segrest
Rebecca Segrest
Senior Counsel
FINRA
Department of Enforcement
303 Perimeter Center North, Suite 550
Atlanta, GA 30346