

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
LETTER OF ACCEPTANCE, WAIVER, AND CONSENT
NO. 2024081647101**

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

RE: Brandon Daniel Neil (Respondent)
Investment Company Products/Variable Contracts Principal and Investment Company
and Variable Contracts Products Representative
CRD No. 4382535

Pursuant to FINRA Rule 9216, Respondent Brandon Neil 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

Neil first registered with FINRA as an Investment Company and Variable Contracts Products Representative in June 2001 through an association with PFS Investments Inc. (PFSI) (CRD No. 10111). In January 2002, Neil registered as an Investment Company Products/Variable Contracts Principal through an association with the same firm. On December 31, 2022, PFSI filed a Uniform Termination Notice for Securities Industry Registration (Form U5) disclosing that Neil had voluntarily resigned from the firm. In May 2023, Neil re-associated with PFSI as both an Investment Company and Variable Contracts Products Representative and an Investment Company Products/Variable Contracts Principal.¹

OVERVIEW

Between October 2021 and July 2022, Neil engaged in an outside business activity without providing prior written notice to PFSI. As a result, Neil violated FINRA Rules 3270 and 2010.

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

FACTS AND VIOLATIVE CONDUCT

FINRA Rule 3270 provides, in relevant part:

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 also constitutes 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.

Throughout the relevant period, PFSI's written supervisory procedures required registered representatives to provide written notice to the firm prior to engaging in any OBA.

Between October 2021 and July 2022, without providing any notice to his firm, Neil worked as a marketing affiliate for a company that was owned and operated by three other PFSI registered representatives. The company had two lines of business. First, the company assisted customers with setting up and operating e-commerce storefronts, which offered products for sale on established e-commerce platforms. Second, the company offered to customers lead-generation websites (digital real estate), which advertised a particular service in a particular location and prompted consumers to provide their information if they were interested in that service. In his capacity as a marketing affiliate, Neil referred potential customers to the company and received a commission if the customers purchased e-commerce storefront services or digital real estate. In total, Neil received \$40,300 in commissions for referring approximately seven customers to the company.

Moreover, again without providing any notice to his firm, Neil established an LLC through which he personally operated an e-commerce storefront business using services he purchased from the company.

Therefore, Neil violated FINRA Rules 3270 and 2010.

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

- a three-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 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.

May 8, 2024

Date



Brandon Daniel Neil
Respondent

Reviewed by:



Stephen Council
Counsel for Respondent
Council, Gunnemann & Chally, LLC
1201 W. Peachtree St. NW, Ste 2613
Atlanta, GA 30361

Accepted by FINRA:

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

May 20, 2024

Date



Lisa Lightbody
Counsel
FINRA
Department of Enforcement
Brookfield Place, 200 Liberty Street
New York, NY 10281