

FINANCIAL INDUSTRY REGULATORY AUTHORITY

OFFICE OF HEARING OFFICERS

Department of Enforcement,

Complainant,

v.

Michael Lavalpe
(CRD No. 5054798),

Respondent.

DISCIPLINARY PROCEEDING
No. 2015047559201

COMPLAINT

The Department of Enforcement alleges:

SUMMARY

1. From December 2015 through March 2016, Michael Lavalpe (“Lavalpe” or “Respondent”), failed to respond to requests for documents and information sent pursuant to FINRA Rule 8210. As a result, Lavalpe violated FINRA Rules 8210 and 2010.

RESPONDENT AND JURISDICTION

2. Lavalpe first became registered with FINRA through an association with Meyers Associates L.P. (“Meyers”) (BD No. 34171) as a General Securities Representative (“GSR”) in 2006, where he remained until 2014.

3. On July 29, 2014, Meyers filed a Uniform Termination Notice for Securities Industry Registration (“Form US”) with FINRA, stating that Lavalpe’s registration was terminated and that Lavalpe “left the firm owing in excess of \$37,000.”

4. Although Respondent is no longer registered with FINRA or associated with a FINRA member, he remains subject to FINRA's jurisdiction for purposes of this proceeding, pursuant to Article V, Section 4 of FINRA's By-Laws, because (1) the Complaint was filed within two years after the effective date of termination of Respondent's registration with Meyers, and (2) the Complaint charges him with failing to respond to requests for information and documents during the two-year period after the filing of his Form U5.

CAUSE OF ACTION

Failure to Cooperate with a FINRA Investigation Violation of FINRA Rules 8210 and 2010

5. The Department realleges and incorporates by reference paragraphs 1 through 4 above.

6. In October 2015, Meyers amended Lavolpe's Form U5 to include new information that customer SS had filed an arbitration claiming that Lavolpe had engaged in unsuitable activity in SS's account. Thereafter, FINRA Staff (the "Staff") began an examination of Lavolpe in connection with, *inter alia*, Lavolpe's allegedly unsuitable activity in SS's account.

FINRA's First Request for Information and Documents

7. On December 9, 2015, the Staff sent a letter to Lavolpe requesting that he provide documents and information to the Staff ("First Request Letter"). The First Request Letter sought documents and information from Lavolpe regarding, *inter alia*, Lavolpe's activity in SS's account.

8. The First Request Letter was sent pursuant to Rule 8210 via Certified Mail, Return-Receipt Requested, and First-Class Mail to Lavolpe's current address of record as reflected in the Central Registration Depository ("CRD Address").

9. The First Request Letter sent via First-Class Mail to Lavalpe's CRD Address was not returned by the U.S. Postal Service (the "USPS").

10. The First Request Letter sent via Certified Mail, Return-Receipt Requested, to Lavalpe's CRD Address was returned by the USPS and the envelope was marked as "Return to Sender – Unclaimed – Unable to Forward – Return to Sender."

11. The First Request Letter requested that the documents and information be provided to FINRA no later than December 23, 2015.

12. Lavalpe did not respond to the Staff's First Request Letter.

FINRA's Second Request for Information and Documents

13. On March 10, 2016, the Staff sent a second letter to Lavalpe, pursuant to FINRA Rule 8210, requesting that he provide the same documents and information sought in the First Request Letter ("Second Request Letter"). The Second Request Letter also sought documents and information regarding, *inter alia*, Lavalpe's allegedly unsuitable activity SS's account, in addition to a request for any documents or information helpful to FINRA's review of the matter.

14. The Second Request Letter was sent via Certified Mail, Return-Receipt Requested, and First-Class Mail to Lavalpe's CRD Address.

15. The Second Request Letter was sent via First-Class mail to Lavalpe's CRD address was not returned by the USPS.

16. The Second Request Letter sent via Certified Mail, Return-Receipt Requested, to Lavalpe's CRD Address was returned by the USPS and the envelope was marked as "Return to Sender – Unable to Forward – Unable to Forward – Return to Sender."

17. The Second Request Letter requested that the documents and information be provided to FINRA no later than March 24, 2016.

18. Lavalpe did not respond to the Staff's Second Request Letter.

19. By failing to provide documents and information to the Staff, Lavalpe violated FINRA Rules 8210 and 2010.

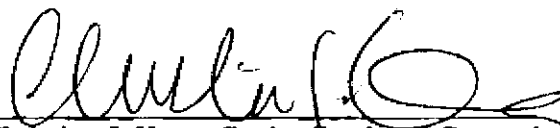
RELIEF REQUESTED

WHEREFORE, the Department respectfully requests that the Panel:

- A. make findings of fact and conclusions of law that Lavalpe committed the violations charged and alleged herein;
- B. order that one or more of the sanctions provided under FINRA Rule 8310(a), including monetary sanctions, be imposed; and
- C. order that Lavalpe bear such costs of proceeding as are deemed fair and appropriate under the circumstances in accordance with FINRA Rule 8330.

FINRA DEPARTMENT OF ENFORCEMENT

Date: July 13, 2016


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